Prosperity LadderLife™ Individual Term Life Insurance Underwriting Guide

250224-4266605

For questions, please reach out to IMOAgentHelp@ladderlife.com

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The product

This section contains

- Description
- Details

LadderLife Term Life Insurance is a renewable but non-convertible fully underwritten term life insurance policy that provides a level death benefit (the cover amount) and guaranteed level payments (premiums) for a defined term. This is a fully underwritten (not simplified issue) product with the potential for an accelerated decision.

Ladder does not offer replacement policies.

Product not available in CT or NY.

Issue ages

- 20 to 60 years
- Age nearest birthday
- No combination of issue age and guaranteed level premium term length is greater than 70

Face amounts

$100,000 to $8,000,000 per life insured (maximum acceleration/instant issue is $3 million)

Guaranteed level premium term

10, 15, 20, 25, 30 years

Renewal period

- 5 years after the end of the level term
- Policy is renewable for up to 5 years after the guaranteed level premium term
- The maximum renewal age is 74 nearest birthday

Citizenship

- Must be a U.S. citizen or permanent resident for at least 2+ years to be eligible.
- Temporary visa holders may be considered on a limited basis.

Risk classes

- **Non-tobacco:** Preferred Plus, Preferred, Standard Plus, Standard
- **Tobacco:** Preferred tobacco, Standard tobacco
- Substandard Tables 2-8 (non-tobacco and tobacco)

Free look period

30 calendar days from the date the policy is received

Grace period

- 60 calendar days from premium due date
- If an insured person dies while in the Grace Period, any premiums due will be deducted from the death benefit paid

Reinstatement

Available after the Grace Period, subject to any applicable underwriting review, and a Reinstatement Application, Statement of Good Health, Evidence of Insurability, and receipt of all premiums due

Riders

Terminal Illness. Allows for the acceleration of 95% of term life policy's death benefit. Not available in CA, CT, FL, or NY.

The underwriting process

This section contains

- Overview + outcomes
- Requirements
- Financial underwriting

On completion of the application questions, including reflexives, and after collection of third party data, we check the information against the underwriting criteria.

Three possible outcomes:

1. Client is instantly offered a term policy
   (if all instant underwriting criteria are met)
2. Client is instantly declined
3. Client is sent to manual underwriting

Underwriting requirements

- Electronic application
- Primary requirements
- Third-party data ordered on all applicants, regardless of face amount or client's age:
  - MIB/Insurance activity
  - Credit/consumer report data
  - MVR
  - Criminal background data
  - Identity check
  - Prescription history data
  - Medical billing records
  - Historical physician or other insurance carrier ordered lab data
- Manually underwritten cases may require the following (including, but not limited to):
  - Fluids/blood draw
  - Medical Records (APS or EHR)
  - Electronic Inspection Report

Instant offers

- An application may be eligible for an instant offer when:
  - Face amount is $3M or less
  - Underwriting class is Table 4 or better
  - There is a footprint in the third party data requested

Manual underwriting

The underwriting team uses data from: electronic health records, doctors reports, and other sources, including fluids (only for applications over $3M).

Once an underwriting decision has been made, the customer will either be declined for coverage, or be offered a term policy.

Reuse of underwriting requirements time periods

If an applicant is re-applying for coverage they are always required to complete a new application, but some requirements may be reused if normally within 6 months of original date of completion.

Financial underwriting

- Unemployed, or unable to find employment: individual consideration
- Student Limit: $500,000
- Stay-at-home partner limit: $1,000,000 as long as household income allows and the earning partner is covered for a greater-than or equal-to amount

- Coverage will not be offered for to any applicant whose source of income is:
  - Disability benefits
  - Government assistance

Income Replacement

To determine a face amount that is appropriate for the applicant on an income replacement basis, Ladder uses income multipliers. The calculation considers the applicant's age, their earned income, and the amount of coverage in force with any other carriers, along with the income multipliers noted in the chart. Group coverage is not considered within the calculation.

Age	Income Multiplier
Under 30	40x
30 – 39	35x
40 – 49	30x
50 – 59	20x
60+	10x

Underwriting details

This section contains

	Preferred Plus	Preferred (Non-Tobacco and Tobacco)	Standard Plus	Standard (Non-Tobacco and Tobacco)
Avocation	No aviation other than commercial pilots or ratable hazardous avocation	No aviation other than commercial pilots or ratable hazardous avocation	No ratable hazardous avocation, aviation allowed within specific parameters	No ratable hazardous avocation, aviation allowed within specific parameters
Alcohol / Drug History	No alcohol or drug abuse/treatment in the last 5 years	No alcohol or drug abuse/treatment in the last 5 years	No alcohol or drug abuse/treatment in the last 5 years	No alcohol or drug abuse/treatment in the last 5 years
Body Mass Index - BMI	18 - 28	Preferred Non-Tobacco: 29 - 30 Preferred Tobacco: 18 - 30	31 - 32	Standard Non-Tobacco: 33 - 37 Standard Tobacco: 31 - 37
Blood Pressure	Current reading or 12 month average of 135/80 or less	Current reading or 12 month average of 140/90 or less	Current reading or 12 month average of 150/90	Current reading or 12 month average of 150/90
Cholesterol Ratio	4.5 or less	5.0 or less	6.0 or less	7.0 or less
Cholesterol	260 or below unless debits are applicable	280 or below unless debits are applicable	300 or below unless debits are applicable	300 or below unless debits are applicable
Driving History	No DUI, reckless driving or revocation in the last 5 years and no more than 3 moving violations in the last 5 years	No DUI, reckless driving or revocation in the last 5 years and no more than 3 violations in the last 5 years	No DUI, reckless driving or revocation in the last 5 years and no more than 4 violations in the last 5 years	No DUI, reckless driving or revocation in the last 5 years and no more than 4 violations in the last 5 years
Family History	No death from cancer or coronary artery disease in either parent or sibling before age 60 (Does not include gender specific cancers where the insured is the opposite gender)	No death from cancer or coronary artery disease in either parent or sibling before age 60. (Does not include gender specific cancers where the insured is the opposite gender)	No more than 1 death from cancer or coronary artery disease in either parent before age 60 (Does not include gender specific cancers where the insured is the opposite gender)	No family history specific rules
Tobacco Use	No tobacco products in the last 3 years	**Preferred Non-Tobacco:** No tobacco products in the last 24 months, other than occasional cigar* use **Preferred tobacco:** Not applicable	No tobacco products in the last 12 months, other than occasional cigar* use	**Standard Non-Tobacco:** No tobacco products in the last 12 months, other than occasional cigar* use **Standard tobacco:** Not applicable

* Including but not limited to

BMI	Age 18 – 44	Age 45 – 60
< = 16	Decline	Decline
17	+0NP	+0NP
18 - 28	**Non-tobacco Users:** Preferred Plus **Tobacco Users:** Preferred	**Non-tobacco Users:** Preferred Plus **Tobacco Users:** Preferred
29 - 30	Preferred	Preferred
31 - 32	**Non-tobacco Users:** Standard Plus **Tobacco Users:** Standard	**Non-tobacco Users:** Standard Plus **Tobacco Users:** Standard
33 - 36	Standard no preferred	Standard
37	Standard no preferred	Standard
38	Table 2	Standard
39	Table 3	Table 2
40	Table 3	Table 3
41	Table 4	Table 3
42	Table 4	Table 4
43	Table 5	Table 5
44	Table 6	Table 6
45	Table 7	Table 7
46	Table 8	Table 8
> = 47	Decline	Decline

Weight loss in the past year

Recent weight loss of 20 pounds or more within the last 12 months due to diet, exercise, or lifestyle changes will lead to a recalculation of BMI.

Foreign travel, foreign national, temporary visa, foreign residence

Foreign travel will be considered and is generally acceptable for non-travel warning (U.S. government) countries. Foreign residency is considered on an individual (case by case) basis.

Temporary visa holders

We accept temporary visas on a limited basis, providing the individual has been living in the U.S. for at least 2 years with a current* visa and no extensive travel (<90 days per year).to the country of origin other than to visit family and/or to attend to personal matters.

* Visa must be current. If the visa is due to expire within 30 days or has expired, we will need documentation that the renewal has been requested.

Tobacco rating

Ladder considers tobacco use within our underwriting decision. Tobacco/nicotine use within 1 year will be offered a tobacco rate.

Military

- We accept military personnel
- Maximum Face Amount limits (across all carriers) apply based on the applicant's Rank and Grade

- Enlisted (E)
  - All $200,000 (noting $50,000 service organization group coverage)

- Officer
  - O-1 to O-3 $500,000
  - O-4 to O-6 $750,000
  - O-7 to O-10 $1,000,000

Marijuana

Ladder accepts marijuana use depending on use history and other risk factors. If any of the following* are present the application would be declined:

- Suspicion or history of alcohol or substance use disorder
- Suspicion or history of chronic opioid use for pain
- Suspicion or history of marijuana use disorder or dependence
- Serious adverse side effects from marijuana
- Serious adverse motor vehicle history

* Including but not limited to

Health histories that may be eligible for instant issue

- Controlled high blood pressure/hypertension
- Mild mental issues such as anxiety and mild depression
- Coronary artery disease that is stable for over a year (will not be standard or preferred)
- Marijuana use
- Asthma, mild to moderate, no hospitalization
- High cholesterol
- Cigarette smokers
- Basal cell skin cancer
- Benign tumors
- BMI up to 40
- Diabetes type 2, well-controlled
- Mild liver function abnormality

Health conditions that may require a doctor's report

- Moderate depression
- High blood pressure/hypertension with multiple medications, or indication of not well-controlled
- Abnormal lab results
- Recent diagnosis of coronary artery disease Major depression
- Recent hospitalization
- Tests or treatment that was
- recommended/ordered but not completed Pancreatitis
- Kidney disease
- Liver disease
- Major cancers
- COPD
- Poorly-controlled diabetes
- History of substance abuse

These lists provide common health conditions; however, they are not all-inclusive or exhaustive.

Health conditions that are generally declinable (list is not all–inclusive):

- AIDS/HIV
- Alzheimer's disease/dementia
- Amyotrophic lateral sclerosis (ALS)
- Asthma that includes:
  - History of hospitalizations
  - Oral steroid use
  - Multiple medications required
- Atrial fibrillation
- Cancer in the last 1–5 years (excluding mild forms of skin cancer)
- Chronic hepatitis
- Chronic kidney disease
- Liver cirrhosis
- Cystic fibrosis
- Cystic lung disease
- Cerebrovascular disease, including:
  - CVA
  - Stroke
  - TIA within 2 years
- Congestive heart failure
- Down syndrome
- Type 2 Diabetes with complication
- Insulin dependent diabetes

(Con't)

- Drug/alcohol abuse/treatment in the last 5 years
- Heart disease, including history of:
  - Angioplasty
  - Bypass
  - Heart attack or myocardial infarction
  - Stent placement within 1 year
- Hepatitis C
- Huntington's disease
- Mental health histories, including:
  - Bipolar disorder
  - Schizophrenia
- Parkinson's disease
- Suicide attempts in last 5 years

Non-health factors

- Non-U.S. citizens/permanent residents
  - Note: People who have been U.S. citizens for 2+ years can apply
- Criminal felony convictions, or currently pending charges, or on parole
- Multiple DUIs

Appendix

This section contains

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Height (in)	Weight (lbs)																																			
58	91	96	100	105	110	115	119	124	129	134	138	143	148	153	158	162	167	172	177	181	186	191	196	201	205	210	215	220	224	229	234	239	244	248	253	258
59	94	99	104	109	114	119	124	128	133	138	143	148	153	158	163	168	173	178	183	188	193	198	203	208	212	217	222	227	232	237	242	247	252	257	262	267
60	97	102	107	112	118	123	128	133	138	143	148	153	158	163	168	174	179	184	189	194	199	204	209	215	220	225	230	235	240	245	250	255	261	266	271	276
61	100	106	111	116	122	127	132	137	143	148	153	158	164	169	174	180	185	190	195	201	206	211	217	222	227	232	238	243	248	254	259	264	269	275	280	285
62	104	109	115	120	126	131	136	142	147	153	158	164	169	175	180	186	191	196	202	207	213	218	224	229	235	240	246	251	256	262	267	273	278	284	289	295
63	107	113	118	124	130	135	141	146	152	158	163	169	175	180	186	191	197	203	208	214	220	225	231	237	242	248	254	259	265	270	278	282	287	293	299	304
64	110	116	122	128	134	140	145	151	157	163	169	174	180	186	192	197	204	209	215	221	227	232	238	244	250	256	262	267	273	279	285	291	296	302	308	314
65	114	120	126	132	138	144	150	156	162	168	174	180	186	192	198	204	210	216	222	228	234	240	246	252	258	264	270	276	282	288	294	300	306	312	318	324
66	118	124	130	136	142	148	155	161	167	173	179	186	192	198	204	210	216	223	229	235	241	247	253	260	266	272	278	284	291	297	303	309	315	322	328	334
67	121	127	134	140	146	153	159	166	172	178	185	191	198	204	211	217	223	230	236	242	249	255	261	268	274	280	287	293	299	306	312	319	325	331	338	344
68	125	131	138	144	151	158	164	171	177	184	190	197	203	210	216	223	230	236	243	249	256	262	269	276	282	289	295	302	308	315	322	328	335	341	348	354
69	128	135	142	149	155	162	169	176	182	189	196	203	209	216	223	230	236	243	250	257	263	270	277	284	291	297	304	311	318	324	331	338	345	351	358	365
70	132	139	146	153	160	167	174	181	188	195	202	209	216	222	229	236	243	250	257	264	271	278	285	292	299	306	313	320	327	334	341	348	355	362	369	376
71	136	143	150	157	165	172	179	186	193	200	208	215	222	229	236	243	250	257	265	272	279	286	293	301	308	315	322	329	338	343	351	358	365	372	379	386
72	140	147	154	162	169	177	184	191	199	206	213	221	228	235	242	250	258	265	272	279	287	294	302	309	316	324	331	338	346	353	361	368	375	383	390	397
73	144	151	159	166	174	182	189	197	204	212	219	227	235	242	250	257	265	272	280	288	295	302	310	318	325	333	340	348	355	363	371	378	386	393	401	408
74	148	155	163	171	179	186	194	202	210	218	225	233	241	249	256	264	272	280	287	295	303	311	319	326	334	342	350	358	365	373	381	389	396	404	412	420
75	152	160	168	176	184	192	200	208	216	224	232	240	248	256	264	272	279	287	295	303	311	319	327	335	343	351	359	367	375	383	391	399	407	415	423	431
76	156	164	172	180	189	197	205	213	221	230	238	246	254	263	271	279	287	295	304	312	320	328	336	344	353	361	369	377	385	394	402	410	418	426	435	443
BMI ▶	**19**	**20**	**21**	**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**	**30**	**31**	**32**	**33**	**34**	**35**	**36**	**37**	**38**	**39**	**40**	**41**	**42**	**43**	**44**	**45**	**46**	**47**	**48**	**49**	**50**	**51**	**52**	**53**	**54**