

# CLEARING THE AIR

## UNDERWRITING GUIDELINES FOR NICOTINE AND MARIJUANA

**As you know, risk class plays an important role in the premiums your clients will pay, which is why we'd like to provide our underwriting guidelines for nicotine\* and marijuana.**

We want to help you protect as many families as possible. Here are a few reasons our underwriting process is geared for a wide variety of clients.

### BEST RISK CLASSES AVAILABLE

#### Marijuana:

- Greater than 12 times per year is Standard Nonsmoker/Nontobacco to Standard Smoker/Tobacco, possible rated to decline, depending on type and frequency of use
- Preferred Plus/Preferred Elite: age 26+ and 12 or fewer times per year
- Rated: Medical Marijuana
- Living benefit and long term care riders available if:
  - age 26+
  - 12 or fewer times per year
  - Marijuana usage cannot exceed Table B
  - Life risk cannot be greater than Table D or Flat Extra greater than \$2.50

#### Nicotine (includes all forms of tobacco and nicotine — see specific rules for cigars):

- Best rate class for product available after no use in past five years
- Current tobacco usage: Preferred Smoker/Preferred Tobacco depending on product
- Incidental cigar usage: Preferred Plus/Preferred Elite (12 or fewer times per year) *Trendsetter® Super*, *Trendsetter® LB*, *Transamerica Financial Foundation IUL®*, *Transamerica Financial Foundation IUL® II*, *Transamerica Financial Choice IUL<sup>SM</sup>*, and *Transamerica Financial Choice IUL<sup>SM</sup> II*
  - *Transamerica Lifetime<sup>SM</sup>* product — all tobacco use in past 24 months is smoker

\* All forms of nicotine are considered tobacco — cigarettes, cigar, pipe, chew, snuff, nicotine gum/patch, e-cigarettes, vaping, etc. (Exception on limited cigar use listed above.)



## GUIDELINES

### Trendsetter® Series and Transamerica Universal Life products

Trendsetter Super Trendsetter LB	Preferred Plus	Preferred Nonsmoker	Standard Plus	Nonmed Standard Nonsmoker (Trendsetter LB Bands 1 & 2 Only)	Standard Nonsmoker	Preferred Smoker	Nonmed Standard Smoker (Trendsetter LB Bands 1 & 2)	Standard Smoker
FFIUL, FFIUL II, TFLIC FFIUL, FCIUL, FCIUL II	Preferred Elite	Preferred Plus	Preferred	N/A	Nontobacco	Preferred Tobacco	N/A	Tobacco
<b>Tobacco Usage</b>	None in the past 5 years	None in the past 2 years	None in the past 2 years	None in the past year	None in the past 2 years	Tobacco permitted	Tobacco permitted	Tobacco permitted
<b>Incidental Cigar Usage</b>	Available subject to: -Admitted on app and exam -HOS neg for cotinine -No more than 1 per month	Available subject to: -Admitted on app and exam -HOS neg for cotinine -No more than 1 per month	Available subject to: -Admitted on app and exam -HOS neg for cotinine -No more than 1 per month	Available subject to: -Admitted on app and exam -HOS neg for cotinine -No more than 1 per month	Available subject to: -Admitted on app and exam -HOS neg for cotinine -No more than 1 per month	Available subject to: -Admitted on app and exam -HOS neg for cotinine -No more than 1 per month	Permitted	Permitted

### Transamerica Lifetime

Transamerica Lifetime	Preferred Elite	Preferred Plus	Preferred	Nontobacco	Preferred Tobacco	Tobacco
<b>Tobacco Usage</b>	None in 5 years	None in 2 years	None in 2 years	None in 2 years	Tobacco permitted	Tobacco permitted

## AGE MATTERS

There are many benefits to getting older, but life insurance premiums aren't one of them. Most insurance companies write life policies using the "Age Nearest Birthday Method," meaning, the age your client will be closest to when the policy is written. That could put them at a year older than they are and increase their premium cost.

Transamerica writes all life insurance policies using the "Age Last Birthday Method," which bases the policy on the client's actual current age, no rounding up or down.

## The future starts today.

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