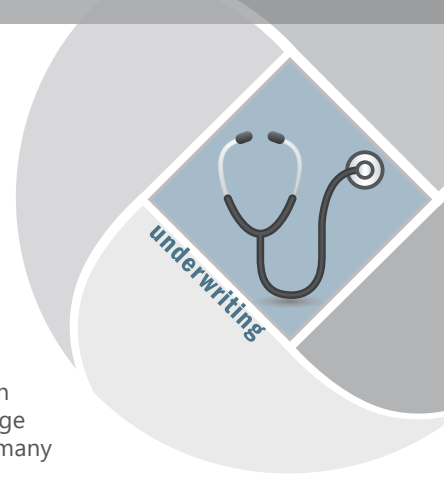


# What You Need to Know About... Underwriting Foreign Nationals



Foreign nationals are a growing demographic in the United States and life insurance can provide an excellent solution to the planning needs of this unique market. The following provides a brief overview of the special factors you may need to take into consideration when underwriting a foreign national.

## Country Code

A carrier's ability to offer coverage to a citizen of a particular country is based on their specific assigned "country code." The country code will determine the amount of capacity they can offer, the underwriting categories available, and if there are any restrictions. The country code lists and ratings are subject to change at any time based on world conditions. Consult the most recent carrier guidelines first to view their country codes.

## US Nexus

The client's need for U.S. based insurance coverage must be clear. While a U.S. based trust may satisfy the nexus requirement for some carriers, often a carrier will need a more substantial tie to include a U.S. bank account, property ownership, and/or business ties.

## Exam Requirements

With few exceptions, most carriers require that medical exam requirements are completed in the U.S.

## APS Records

With few exceptions, most carriers require translation of medical records to English at the producer's expense.

## Underwriting Limitations

Many carriers will limit the rate classes allowed for foreign nationals to a maximum of Table 4. The ability to obtain Preferred underwriting classifications may also be limited depending on the country code. Age and face amount minimums/maximums may also apply.

## Reduced Capacity

All carriers limit the amount of retention/jumbo offered for foreign nationals. It is important to note how much coverage your client currently has in force as well as the amount the client is seeking before attempting to determine how much capacity a carrier may have available.

## Financial Documentation

The financial underwriting of foreign nationals is much more stringent than for U.S. citizens. All carriers have specific financial information (often 3rd party) they require when underwriting foreign nationals. Some carriers also require adequate U.S. assets to justify the U.S. coverage.

## Special Forms

All carriers have specific form requirements for foreign nationals and in addition may also require a cover letter from you, as the writing agent, explaining the need for U.S. coverage.

## Product Restrictions

Several carriers do not offer term coverage for foreign nationals. Permanent coverage is often the only option and many carriers do not allow riders.

## Ownership

Many carriers do not allow foreign ownership or have specific ownership limitations.

## Occupational/Avocation Restrictions

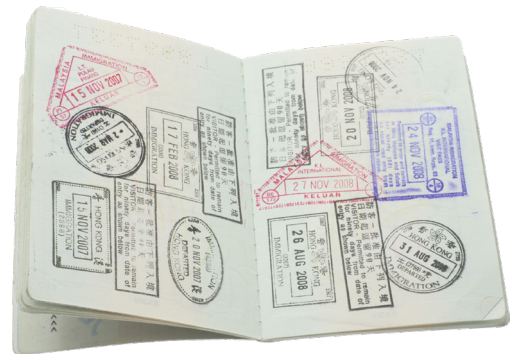
Most carriers will not offer coverage for clients involved in the following occupations:

- Government officials
- Journalists
- Military members
- Missionaries
- Police officers
- Political figures
- Professional athletes
- Public figures

The following are required on all foreign national applicants:

- Copy of W8-BEN
- Social Security number or Tax ID number
- All solicitation must take place in the U.S.
- Copy of passport/visa
- Foreign Travel/Residence Questionnaire (carrier specific)
- No cash with application or conditional receipt
- All funds must be drawn on a U.S. bank account
- Policy must be delivered in the U.S.
- Requirements must be completed in the U.S. In addition carriers may ask for proof of entry to the U.S. to coincide with the application being secured and delivered, such as a copy of the passport, as well as reason they came to the U.S. (usually vacation or personal/business reasons).

Contact your Underwriter today to learn more about underwriting Foreign Nationals.



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