

CARRIER POSITION ON BANKRUPTCY

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American General	Credit report required for all cases. Term insurance coverage will not be considered until 2 years after bankruptcy has been discharged, unless there are multiple bankruptcies in which case it would be 5 years. For permanent insurance, coverage can be considered immediately after the discharge if its chapter 7 and the client can show a recent pay stub to prove full time employment. Clients currently in chapter 11, 12, or 13 bankruptcy permanent insurance will be considered if applicant is making regular debt payments. For all cases financial data must support the total line of coverage to be in force.
AXA	They treat personal bankruptcy the same as business bankruptcy. If chapter 7 or 11 bankruptcy has not been discharged then the application will be rejected. The only exception is Chapter 13 which will be looked at on a case by case basis and coverage can be offered even if it has not yet been discharged. They will look very closely into the applicant's finances and the motive for the bankruptcy but this will not affect the class rating that is given.
Global Atlantic (Aviva)	Chapter 7 bankruptcy must be discharged or the application will be rejected. A chapter 13 bankruptcy that has not been discharged will be considered but has a highest value cap of 300,000 across all policies. If it is settled then it will be looked into in depth but will be treated as a normal policy. Bankruptcy will not affect table values just face amount. A cover letter and documentation showing you are out of bankruptcy is beneficial especially for the higher premium rates.
John Hancock	Reviewed on a case by case basis, generally for chapter 7 the applicant will be rejected until the bankruptcy has been dismissed. Chapter 13 bankruptcy that has not been discharged can qualify to get any class of insurance but need to be able to prove that they can pay back the bankruptcy while simultaneously paying the insurance. Bankruptcy may have a big impact on the face value that the insured can obtain and a wide variety of financial records will be looked at to judge this.
Legal & General America (Banner)	Chapter 7 bankruptcy cases will be rejected until bankruptcy is discharged and income is re-established. Chapter 13 on the other hand is subject to individual consideration and coverage can be given before it's discharged. Applicants must submit the following financial information: Court-ordered repayment plan, Documentation that payments have been made for at least 2 years, and applicant must qualify financially for amount applied for in all other respects.
Lincoln Financial	Any coverage is judged on a case by case basis but in most cases, a chapter 7 bankruptcy will not be considered before its discharged. Chapter 13 bankruptcy may be considered even if the bankruptcy isn't discharged but this will depend on many other factors such as the face amount, individual's income, and the rate of payment of their debt etc. Bankruptcies will have no effect on the rating class, but may affect the face value of the policy
MetLife	No consideration until after the bankruptcy has been discharged for a full year, regardless of which chapter it is. If there is a history of multiple bankruptcies no consideration until 3 years after the most recent one has been discharged and may frequently be rejected regardless. Each application will be handled on a case by case basis and the above rules can be disregarded through individual considerations, they will look in depth into the factors that caused the bankruptcy and the finances of the individual. Bankruptcies will not affect the rating class but may have an effect on face value.
Minnesota Life	For Chapter 7 & Chapter 11 application will be rejected until one year after discharged, if there are multiple bankruptcies it would be postponed for at least two years. Chapter 13 offer may be accepted prior to discharge based on applicants income, employment history, repayment plan, total outstanding debt, and their credit report. Multiple bankruptcies usually will not be accepted.
Mutual of Omaha	Chapter 7 & Chapter 11 will be rejected until after the bankruptcy has been discharged. Chapter 13, coverage may be accepted if it is for a reasonable amount and if on a payment plan that is close to completion. Bankruptcies will not affect the rating class given, but will have an impact on the policy face amount. History of multiple bankruptcies will be dealt with on a case by case basis but rejection is likely. The applicant's finances will be looked at closely as will any documentation regarding the bankruptcy.
Nationwide	Chapter 7 bankruptcy will be rejected until after the bankruptcy has been discharged. Chapter 13 may be accepted prior to a discharge depending on a variety of factors such as the policy face value, the payment plan, the applicant's income, and causes of the bankruptcy. Bankruptcy will only have an effect on the policies face value but not on the rating class.

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North American	<p>Chapter 7 and 11 bankruptcies will not be considered until after the bankruptcy is discharged, and in cases where there are lingering financial concerns not until 6 months after it was discharged. Cases of chapter 13 personal bankruptcies may be considered prior to the discharge if the financial situation is positive and an effective payment plan is underway. Multiple bankruptcies will generally be rejected however these are general guidelines and each application is handled on a case by case basis. Bankruptcies will not affect the rating class but will have an effect on face value.</p>
Principal	<p>Generally, they will reject applications for insurance until 2 years after the bankruptcy has been discharged. However they will look at everything on a case by case basis and may break this rule. Chapter 7 is treated more severely than chapter 13 but both will require extensive research into the causes of the bankruptcy and the financial situation of the applicant. Multiple bankruptcies for personal reasons will most likely be rejected, however if there is a good reason for them then coverage may be granted after the 2 year period. Bankruptcies will mostly affect the face value since they want to make sure you can keep up with the payments.</p>
Protective Life	<p>Conditional Financial Statement (CFS) is required for all applicants with a history of bankruptcy. Chapter 7 applicants cannot be considered until one to two years from the date the bankruptcy is discharged. Chapter 13 coverage can be considered prior to discharge after the court approves the reorganization of debt and payment schedule.</p>
Prudential	<p>Chapter 7 will not be considered until after the bankruptcy is discharged. Chapter 11 and 13 may be considered if the bankruptcy is not discharged; this is on a case by case basis. They will only accept these application if they can see that the debt is being steadily repaid, the bankruptcy is going to get discharged soon, and the applicant has a good stable source of income and is generally financially stable. Multiple bankruptcies will not be considered until at least 2 years after the latest bankruptcy has been discharged and even then acceptance is on a case by case basis.</p>
SBLI	<p>Generally, cases involving bankruptcies will not be considered until the bankruptcy has been resolved/ discharged for at least 2 years. Underwriting may ask for copies of the bankruptcy petition and/or final discharge papers.</p>
Transamerica	<p>Chapter 7 and chapter 11 coverage will only be considered if the bankruptcy has been discharged. Chapter 13 may be considered if the bankruptcy has not been discharged if the applicant's financial situation is healthy and allows him to deal with the bankruptcy appropriately. Multiple bankruptcies will not be considered for 2-5 years after the latest Bankruptcy has been discharged and even then acceptance is on a case by case basis.</p>
Zurich	<p>Chapter 7 bankruptcy will not be considered until one year after the bankruptcy has been discharged. Chapter 11 and 13 coverage may be considered prior to the discharge if applicant is making good progress paying back their debt and if they are overall financially healthy and have regular employment. Multiple bankruptcies coverage will not be considered until two years after the most recent bankruptcy has been discharged. Bankruptcies will only affect the face value of the coverage but will have no effect on the rating class of the applicant</p>