

# CARRIER GUIDELINES: 1035 EXCHANGES WITH EXISTING LOANS

CARRIER	WILL ACCEPT 1035 EXCHANGES WITH A LOAN BALANCE?	MAXIMUM LOAN TO ACCOUNT VALUE RATIO	COMMENTS
AIG	Yes	50%	None
AXA	Yes	75%	AXA will accept the transfer of an existing loan as part of a Section 1035 transfer to a new BrightLife Grow policy, subject to certain limitations. Under our current administrative rules, the carryover loan amount cannot exceed 75% of the initial premium on the new policy and must be supportable by the policy. We do not permit loans to be carried over to an inforce policy.
Brighthouse Financial	N/A		
Foresters Financial	No	NA	
Global Atlantic	Yes	50%	None
John Hancock	Yes	None Published	No published maximum loan ratio limits. Each case reviewed on an individual basis to determine best solution.
Lincoln Financial	Yes	None Published	The loan must be able to fit on the new Lincoln policy. You will need to illustrate the loan coming over. If it can't be illustrated, then the loan does not fit and the client will need to pay down the loan prior to the 1035 exchange.
Mutual Of Omaha	No	NA	
Nationwide	Yes	50% - 60%	Nationwide would need to review policy design
New York Life	No	NA	
OneAmerica	N/A		
Principal	Yes	50%	None
Protective	Yes	80%	The loan cannot be more than 80% of the total 1035 amount. We allow 1035 loans on ICSVUL, SOVUL and ProClassic UL only.
Prudential	Yes	80 - 85%	Minimum Net Cash Value requirement is \$25,000. If Loan value is higher than 80 - 85%, would require pre-approval.
Securian Financial	No	NA	
Symetra	Yes	95%	The loan balance cannot exceed 95% of the rollover cash value.
Transamerica	No	NA	
Zurich	Yes	90%	Only Available on the Zurich Value Index UL, Zurich Survivor Index UL, Wealth Builder IUL and Zurich Guaranteed Death Benefit UL

Updated 10/23/2019

For informational purposes only. Not Binding. Please consult carrier documentation for additional details.