

National Benefit Partners- Allied Distributors



Open Re-enroll Offer

COVERAGES OFFERED

LIFETIME BENEFIT TERM

PRESENTED BY

National Benefit Partners

DATE: October 16, 2014

CONTACT: Dan Jund

This offer is valid for ninety (90) days from the proposal date
Product benefits and availability are subject to state insurance law and may vary by state

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About

Combined Insurance

Founded in 1922*, Combined Insurance Company of America (Combined Insurance) has been providing quality supplemental insurance products for over 90 years. Millions of people have taken advantage of Combined Insurance's products to help them achieve greater financial protection and peace of mind in their time of need. Combined Insurance operates in 49 states, the District of Columbia and Puerto Rico and has operations around the globe.

Combined Insurance is rated A+ (Superior) by A.M. Best Company, the most recognized rating agency in the industry, and is an ACE Group Company. ACE is one of the world's largest multiline property and casualty insurers. ACE, rated A+ by (Superior) by A.M. Best and AA- by Standard and Poor's. ACE Group has operations in 53 countries, with more than 16,000 employees serving a diverse group of customers worldwide.

Combined Worksite Solutions, a unit of Combined Insurance, was established to bring unique product and enrollment solutions to companies seeking creative answers to today's benefit challenges. We have underwritten and implemented voluntary benefit programs for over thousands of companies, large and small.

We take pride in offering customers sound value and dedication to the belief that good relationships should last a lifetime.

Let's make this easy!

*Combined Life Insurance Company of New York was established in 1971.

FACTS

A leader in the volume of supplemental insurance products in force

- 3.5 million policies in force
- Approximately 5,200 businesses in the U.S. using payroll deduction methods
- \$6.4 billion of life insurance in force

Prompt satisfactory claims service

- *More than \$2 million in benefits are paid every business day*
- *Claims are typically paid within five business days after due proof of loss is received*

Quality insurance products provided through designated sales channels

- Universal, Whole and Term Life
- Disability Income
- Cancer
- Critical Condition
- Accidental Death & Dismemberment
- Supplemental Accident
- Supplemental Sickness

RECOGNITION

In 2013, Combined Insurance was named to the prestigious Ward's 50 list. Every year, Ward Group, the insurance industry's leader in identifying best practices, analyzes approximately 800 life-health insurance companies in the U.S., then names its top 50. This is the 14th time Combined Insurance has been named to this esteemed list.

Our Advantage

Working with Combined Insurance Worksite Solutions assures you the highest level of service from a company with a proud history of financial strength and stability. We have the solutions to today's workplace challenges and all the components to provide seamless service to our clients. The Worksite Solutions program features:

- A broad portfolio of competitively priced voluntary products designed to enhance a company's core benefit offering and provide appropriate, affordable solutions to your employees' coverage needs
- Expertise in benefit communication and turn-key enrollment services
- "Hands-Free" administration designed to take the pain out of payroll deduction

Product Solutions

All products are underwritten by Combined Insurance Company of America.

For Individual Products and Group Accident, Critical Illness and Lifetime Benefit Term:

- All coverage is portable; employees can keep their coverage at the same rate if they change jobs or retire
- No participation minimums for Protector Series, for Champion Series Group Accident and Champion Series Critical Illness 5 employee minimum, for Champion Lifetime Benefit Term 10 employee minimum
- No physical exams are required to apply for coverage
- Premiums are issue-age based and do not increase for the term of the policy
- Coverage cannot be cancelled as long as premiums are paid as due
- Consolidated billing: one bill for all products
- Benefits for health products are paid directly to policyholders, not providers, and are paid in addition to any other insurance the individual may have
- Policyholders can choose any hospital, physician or medical facility

ACE Hospital Indemnity Buffer is underwritten by ACE American Insurance Company.

- There are **No Health Questions** asked and no health underwriting involved. If an employee elects to enroll, they will be accepted automatically;
- There is **No Pre-Existing Condition Exclusion** (excluding Maternity) so that if an employee has expenses related to any other ongoing medical condition, they will be covered from Day 1 of the plan; and
- There is **No Coordination of Benefits** provision so even if an employee has other coverage; benefits will be paid under the Worksite Solutions Plan for covered expenses.

Lifetime Benefit Term

Product Features

Valuable life insurance protection through age 120!

- LifeTime Benefit Term life insurance up to \$150,000 for eligible actively at work employees.
- Life base insurance premiums are guaranteed never to increase through age 100.
- No medical exams required. Issuance of coverage depends upon answers to a few health questions.
- Provides paid-up death benefit values after only ten years, so if you decide to stop paying premiums at some time in the future, you are guaranteed paid-up coverage of a reduced amount.
- Flexible! You have the option to: Continue your coverage at the same premium; or Elect paid-up insurance coverage of a reduced amount after 10 years with no further premium payments—Guaranteed!
- Fully portable – you own it and take it with you when you leave your employment.
- Spouse and child coverage is available.
- Based on current interest rate assumptions the death benefit is designed to remain level through average life expectancy. In the event of a long term decline in interest rates, your coverage does contain a guarantee ensuring that the initial death benefit will last for the longer of 25 years or to age 70 and thereafter can never be less than 50% of your initial death benefit.

Group Name: National Benefit Partners – Allied Distributors & 1099 Employees

Domicile State: DE

Enrollment State(s): Multiple - **Not all benefits are available in all states. See next page.**

Eligible Participants: TBD

Expected Participation: 25%

Expected Enrollment Date: TBD – will vary by NBP Allied Distributor group

Product: LifeTime Benefit Term LBT30 Including LTC-EOB2 ■ With ADB and WP/PWP as Optional Benefits. **Not all benefits are available in all states. See next page.**

Wait period for Benefits: Eligible on the first of the month following date of hire.

Window of Eligibility for GI/CGI: **All are eligible regardless of Date of Hire**

Underwriting Approval Date: October 16, 2014

Offer Expiration Date: This offer is valid for ninety (90) days from Underwriting Approval Date

If **National Benefit Partners – Allied Distributors & 1099 Employees** scheduled enrollments will exceed (ninety) 90 days between the enrollment date and the date of the first deduction, interim coverage will not be available for this group. Start and stop dates must be provided for each NBP-Allied Distributor group enrollment.

ISSUE LIMITS

Guaranteed Issue Eligibility- Defined Benefit

| Employee Coverage Issue Ages: 19 - 70 | Spouse Coverage | Child Coverage Issue ages: 15 days to 25 yrs | Child Rider Issue ages: 15 days to 25 yrs |
|--|--------------------|---|--|
| Max amount allowed is \$75,000 | N/A | Max amount allowed is \$25,000 | 25 units |

Conditional Guaranteed Issue Eligibility- Defined Benefit

| Employee Coverage Issue Ages: 19 - 70 | Spouse Coverage Issue Ages: 19 – 70 |
|--|--|
| Maximum amount allowed is \$150,000 | Maximum amount allowed is \$75,000 |

Simplified Eligibility - Defined Benefit

| Employee Coverage Issue Ages: 19 - 70 | Spouse Coverage Issue Ages: 19 - 70 | ⊖ Employee Coverage Issue Ages: 71 – 80 |
|--|--|--|
| Maximum amount allowed is \$150,000 | Maximum amount allowed is \$75,000 | Maximum amount allowed is \$50,000 |

The maximum amount of coverage for any one life is limited to the SI maximum limits above even when multiple products are made available.

■ This offer includes the Accelerated Death Benefit for Long Term Care with Extension of Benefits. The maximum amount payable for LBT with Long Term Care and Extension of Benefits is \$450,000.

Ⓜ Employees with Issue Ages 71 – 80 are eligible for Accelerated Death Benefit for Long Term Care only and are NOT eligible for Extension of Benefits.

State Restrictions

- **Hawaii:** The Extension of Benefits for Long Term Care (EOB) is not available in the state of Hawaii.
- **Minnesota:** The Long Term Care (LTC) and Extension of Benefits (EOB) are not available in the state of Minnesota.
- **New York:** Availability in NY is based on the percentage of employees of the total group residing in NY. If the percentage of employees is acceptable, solicitation is allowed via mail solicitation only. Enrollment mail package must be approved by Combined Insurance of America Compliance. A complete employee census must be provided for any case with NY locations.
- **New York:** The Long Term Care (LTC) and Extension of Benefits (EOB) are not available in the state of New York.
- **North Carolina:** The Extension of Benefits for Long Term Care (EOB) is not available in the state of North Carolina.
- **Ohio:** The Extension of Benefits for Long Term Care (EOB) is not available in the state of Ohio.
- The **Accidental Death Benefit Rider** is not available in the state of MN.
- **Long Term Care & Extension of Benefits enrollment forms are subject to change and may require additional forms not listed here. Please contact Market Support: 855-241-9891 prior to enrollment to obtain the correct required forms.**

Re-enrollment – INCREASES / Additional Coverage

Minimum / Maximum increase amounts allowed:

- Employees may increase coverage on a Guaranteed Issue basis up to the maximum amount of GI coverage allowed for the group.
- Employees and spouses may increase coverage on a Conditional Guaranteed Issue basis up to the maximum amount of CGI coverage allowed for the group.
- The minimum amount of each increase must be at least \$5,000 or whatever \$3/wk will purchase.

Simplified Issue underwriting:

- Any increase amount over the maximum amount of GI/CGI coverage allowed will be underwritten on a Simplified Issue basis.

Restrictions:

- Employees and spouses may increase their coverage at scheduled re-enrollments only.
- Spouse increases are subject to Combined Insurance / state law restrictions on maximum coverage amounts.

Previously denied coverages:

- Combined Insurance reserves the right to use and consider previously submitted application information and health history from Proposed Insureds that have previously been denied coverage.

Overview of Included Benefit Riders

Accelerated Death Benefit Rider for Terminal Illness: Automatically included at no cost. Allows an accelerated payment of 50% of the death benefit not to exceed \$100,000 if the insured's death is diagnosed to occur within a 12 month period.

Accelerated Death Benefit for Long Term Care (LTC) Rider: This is a plan sponsor determined benefit rider and, if selected, will be added to all certificates. This rider may be added only to employee or spouse contracts. Issue ages are 19–70. The insured must be certified as being chronically ill (unable to perform 2 out of 6 activities of daily living or be cognitively impaired) and be confined to a nursing home or assisted living facility, or be receiving home health care or adult day care. The accelerated LTC benefit is 4% of the current death benefit amount payable each month for up to 25 months. If death occurs prior to the end of the 25 month period, the remaining amount is paid as a death benefit.

Optional Extension of Benefits for Long Term Care (EOB): This Optional Benefit, when added to the Accelerated Death Benefit for Long Term Care, may extend the same monthly long term care benefit for up to an additional 50 (EOB2) months.

Maximum amount payable for LBT with Long Term Care and Extension of Benefits is \$450,000.

Long Term Care and Extension of Benefits are not available in all states. See previous page.

Overview of Optional Benefit Riders

(Not all riders are available in all states. See certificate for full explanation and description of terms and benefits.)

Accidental Death Benefit Rider: Pays up to double the death benefit to your beneficiary if death results from accident.

Dependent Children Term Rider: Issue ages from 15 days to age 25. One premium covers all eligible children – natural, step, adopted or any under legal guardianship. Coverage lasts to age 26 and may be converted up to 5 times the term amount. Maximum initial term amount is \$25,000.

Employees may apply for coverage on a Dependent Child in one of the following two ways, but not both: Dependent Child Optional Benefit Rider OR Dependent Child Individual LBT Certificate

Waiver of Premium Rider: Available only to employees. Issue ages from 20–55. Waives the base premium and all rider premiums after the 6th month of disability if the insured becomes totally disabled prior to age 60.

Payor Waiver of Premium Rider: Operates on the same basis as the Waiver of Premium, but waives premiums for any individual certificate of coverage on a spouse or child contract if the payor becomes totally disabled.

Eligibility Requirements

Lives Eligible for Guaranteed Issue Eligibility

For all applicants, Guaranteed Issue Eligibility questions must be completed. A Spouse or Fiancé is not eligible for Guaranteed Issue. Refer to Common-Law Spouse and Fiancé guidelines.

Employees may apply for insurance on a Guaranteed Issue Eligibility basis if they meet the following conditions:

Employee:

- Employee must be a U.S. citizen or a Permanent Resident.
- The employee must be actively at work performing the regular duties of his/her job in the usual manner and the usual place of employment on the enrollment form date.
- The employee is actively at work for 30 hours or more per week and is eligible on the first of the month following date of hire.
- Employee issue ages are 19 through 70 (age last birthday as of the Coverage Date).

Lives Eligible for Conditional Guaranteed Issue Eligibility

For all applicants, Conditional Guaranteed Issue Eligibility questions must be completed. A Fiancé is not eligible for Conditional Guaranteed Issue Eligibility. Refer to Common-Law Spouse and Fiancé guidelines.

Employees and their spouses may apply for insurance on a Conditional Guaranteed Issue Eligibility basis if they meet the following conditions:

Employee:

- Employee must be a U.S. citizen or a Permanent Resident.
 - The employee must be actively at work performing the regular duties of his/her job in the usual manner and the usual place of employment on the enrollment form date.
 - The employee is actively at work for 30 hours or more per week and is eligible on the first of the month following date of hire.
 - Employee issue ages are 19 through 70 (age last birthday as of the Coverage Date).
 - As of the enrollment form date, the employee has not missed more than 5 consecutive days of active work due to an illness or injury in the past 3 months.
 - As of the enrollment form date, the employee has not been treated in a medical facility, hospitalized or disabled in the past 6 months, excluding flu or cold. Hospitalized means in-patient or outpatient, whether or not confined. Treated in a medical facility does NOT include a regular physician's office visit.
 - ** The Employee, within the last 10 years, has not been diagnosed as having or been treated by a physician for Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) or tested positive for the Human Immunodeficiency Virus (HIV).
- ** Question may vary by state.

Lives Eligible for Conditional Guaranteed Issue Eligibility, continued:

Spouse:

- Employee and Spouse must be U.S. citizens or Permanent Residents.
- The employee must be actively at work performing the regular duties of his/her job in the usual manner and the usual place of employment on the enrollment form date.
- The employee is actively at work for 30 hours or more per week and is eligible on the first of the month following date of hire.
- Spouse is defined as the person to whom an employee is legally married. A Domestic Partner, Civil Union Partner or a Common Law Spouse is eligible to apply for coverage if the Employer's situs State recognizes these relationships, or for all other states, if considered eligible by the Employer for core/benefit medical benefits. The Employer must provide documentation that Domestic Partner or Civil Union Partner is eligible for core/medical benefits.
- Spouse issue ages are 19 through 70 (age last birthday as of the Coverage Date).
- As of the enrollment form date, the spouse has not been treated in a medical facility, hospitalized or disabled in the past 6 months, excluding flu or cold, Hospitalized means in-patient or outpatient, whether or not confined. Treated in a medical facility does NOT include a regular physician's office visit.
- **The spouse, within the last 10 years, has not been diagnosed as having or been treated by a physician for Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) or tested positive for the Human Immunodeficiency Virus (HIV).
** Question may vary by state.
- As of the enrollment form date, the spouse has not been seen or treated by a licensed physician or other medical practitioner within the past 6 months, excluding flu, cold or routine physical.

Lives Eligible for Simplified Eligibility

For Employees and Spouses, all sections of the enrollment form must be completed for Simplified Eligibility.

Additional information may be requested, depending upon the applicant's medical history. Applicants that are ratable, no greater than Table 4, will be accepted on a standard basis. All others will be declined. Simplified Eligibility underwriting is available as long as the following eligibility conditions are met.

Employee:

- Employee must be a U.S. citizen or a Permanent Resident.
- The employee must be actively at work performing the regular duties of his/her job in the usual manner and the usual place of employment on the enrollment form date.
- The employee is actively at work for 30 hours or more per week and is eligible on the first of the month following date of hire.
- Employee is age 19 through 80 (age last birthday as of the Coverage Date).
- The employee proposed for coverage must answer the required health questions on the enrollment form which Combined Administrative Office will review to determine if the coverage applied for can be issued.

Lives Eligible for Simplified Eligibility, Employee, continued:

- In addition to the required health questions, the Employee must also answer the following questions on the back of the enrollment form. Has the employee, in the past 5 years:
 - Been confined in a long term care facility, currently receive home health or adult day care, or has the proposed insured been advised by a physician to receive such confinement or care?
 - Required assistance for a period longer than 4 weeks to perform any of the following daily activities: bathing, continence, dressing, eating, toileting, getting up and down from bed or chair?

Spouse:

- Employee and Spouse must be U.S. citizens or Permanent Residents.
- The employee must be actively at work performing the regular duties of his/her job in the usual manner and the usual place of employment on the enrollment form date.
- The employee is actively at work for 30 hours or more per week and is eligible on the first of the month following date of hire.
- Spouse is age 19 through 70 (age last birthday as of the Coverage Date).
- Spouse is defined as the person to whom an employee is legally married. A Domestic Partner, Civil Union Partner or a Common Law Spouse is eligible to apply for coverage if the Employer's situs State recognizes these relationships, or for all other states, if considered eligible by the Employer for core/benefit medical benefits. The Employer must provide documentation that Domestic Partner or Civil Union Partner is eligible for core/medical benefits.
- The spouse proposed for coverage must answer the required health questions on the enrollment form which Combined Administrative Office will review to determine if the coverage applied for can be issued.
- In addition to the required health questions, the Spouse must also answer the following questions on the back of the enrollment form. Has the spouse, in the past 5 years:
 - Been confined in a long term care facility, currently receive home health or adult day care, or has the proposed insured been advised by a physician to receive such confinement or care?
 - Required assistance for a period longer than 4 weeks to perform any of the following daily activities: bathing, continence, dressing, eating, toileting, getting up and down from bed or chair?

Enrollment Form to be used

| | |
|--|--------------------|
| DOMICILE / SITUS STATE: | DELAWARE |
| EMPLOYER GROUP POLICYHOLDER APPLICATION: | MA34544 R. (07/13) |
| EMPLOYEE ENROLLMENT FORM: | 344300 R. (07/13) |

- In a replacement situation, a Specific State Combined Insurance Company of America form must also be completed. Please contact Market Support: 855-241-9891.
- The Disclosure for Accelerated Death Benefit for Terminal Illness, form # 344304, must be signed by all applicants at point of sale and returned with the enrollment form.

Spouse / Parent Signature Requirements – Additional Forms Required

SPOUSE:

- **PA and SC:** Spouse signature in PA and SC: The States of PA and SC are ‘Consent to Insurance States’ - all Spouses applying for coverage (on a Conditional Guaranteed Issue or a Simplified Issue basis) must complete and sign the Consent to Insurance and Authorization to Release Information, form # 345013; or, they may sign the enrollment form.
- **CA:** Spouse signature in CA: The State of CA requires a spousal ‘Consent to Insurance’ when the amount applied for exceeds \$50,000 - all Spouses applying for \$50,000 of coverage or more (on a Conditional Guaranteed Issue or a Simplified Issue basis) must complete and sign the Consent to Insurance and Authorization to Release Information, form # 345013; or, they may sign the enrollment form.
- **MI:** Spouse signature in MI: The State of MI requires a spousal ‘Consent to Insurance’ when the amount applied for exceeds \$10,000 - all Spouses applying for \$10,000 of coverage or more (on a Conditional Guaranteed Issue or a Simplified Issue basis) must complete and sign the Consent to Insurance and Authorization to Release Information, form # 345013; or, they may sign the enrollment form.

GRANDCHILD:

- **GRANDCHILD COVERAGE:** Employees applying for individual Grandchild coverage must have the Parental Consent Form, # 345019, completed by the Parent.

Additional Forms Required when Long Term Care Benefit is included

- ALL STATES: require that the Supplement to Group Enrollment Form be completed for anyone applying for the Long Term Care Optional Benefit, and returned with the Group Enrollment Form:

| | |
|-----------------------------------|--------|
| Form # for all applicable states: | 345005 |
|-----------------------------------|--------|

- In addition, regarding the question # 4 on Supplement: **“Do you intend to replace any of your medical or health insurance coverage with this Certificate?”**: If this question is answered YES, applicant must also complete a Combined LTC Replacement Form, # 345008.
 - Servicing Agent / Producer must also sign this LTC Replacement form.
- The Disclosure for Accelerated Death Benefit for Long Term Care and Extension of Benefits, form # 345004, must be signed by all applicants at point of sale and returned with the enrollment form.

Simplified Issue - Additional Forms Required

- Spouses and Dependent Children Over 18 applying on a Simplified Issue basis must complete and sign the Consent to Insurance and Authorization to Release Information form # 345013; or, they may sign the enrollment form.
- The company's Privacy Notice, form # 801026-WS-14, regarding investigative consumer reports and the Medical Information Bureau must be provided to each applicant who completes an application on a Simplified Eligibility basis.
- Employees and Spouses applying on a Simplified Issue basis may want to complete the HIPAA Authorization, form # 801181 (R.8-10), at time of enrollment and return it with the enrollment form. Depending on the health condition, our Certificate Underwriters may need an Attending Physician's Statement (APS) to determine if coverage can be issued and the HIPAA Authorization will be required for the Physician's office to release information. Completing the HIPAA Authorization at time of enrollment may save delays if an APS is required.
- For Fiancé and Common-Law Spouse coverage, see next page.

Domestic Partner / Civil Union:

Employees may apply for coverage on a domestic partner or civil union utilizing spouse underwriting guidelines in one of two situations listed below. In both situations, the Proposed Insured must meet all our underwriting and eligibility requirements established for a spouse.

1. The situs state of the group (state where Group Policy is delivered) has formalized guidelines with regards to domestic partner or civil union relationships. The following states have enacted statutes or regulations dealing with same-sex marriages, civil unions, and domestic partners:
 - California
 - Colorado
 - Connecticut
 - Delaware
 - District of Columbia
 - Hawaii
 - Illinois
 - Iowa
 - Maine
 - Maryland
 - Massachusetts
 - Minnesota
 - Nevada
 - New Hampshire
 - New Jersey
 - New Mexico
 - New York
 - Oregon
 - Rhode Island
 - Vermont
 - Washington
 - Wisconsin

2. For all other states: Employer Group must offer the same core benefits / medical benefits to domestic partners or civil unions as they do to spouses. Documentation must be provided by the group outlining their guidelines for Domestic Partners or Civil Unions as an eligible class of dependent.

Common Law-Spouse:

Employees may apply for coverage on a common-law spouse, age 23 or older, only in those states that recognize common-law marriages (see chart below). The Proposed Insured must meet all our underwriting and eligibility requirements established for a spouse.

States That Recognize Common-Law Spouse:

- Alabama
- Colorado
- Georgia (if entered before 1/1/97)
- Idaho (if entered before (1/1/96)
- Iowa
- Kansas
- Montana
- Ohio (if entered before 10/10/91)
- Oklahoma (only if created before 11/1/98)
- Pennsylvania (if entered before 1/1/05)
- Rhode Island
- South Carolina
- Texas
- Utah
- Washington D.C.

Enrollment forms received on common-law spouse in those states that do not recognize common-law will be treated as a fiancé (see below).

Fiancé coverage:

Employees may apply for coverage on a Fiancé on a Simplified Issue basis only.

SIGNATURE REQUIREMENTS

Signature requirements for Conditional Guaranteed Issue Eligibility:

Employee Coverage: Employee signature required.

Spouse Coverage: Employee signature required.

Spouse signature is not required unless mandated by State regulations:

- Pennsylvania and South Carolina require spouse signature for any amount of coverage.
- California requires spouse signature if coverage amount purchased exceeds \$50,000.
- Michigan requires spouse signature if coverage amount purchased exceeds \$10,000.

In those states that require spouse signature, the enrollment form or the Consent to Insurance and Authorization to Release Information, form # 345013, must be signed by the Spouse.

Signature requirements for Simplified Eligibility:

Employee Coverage: Employee signature required.

Spouse Coverage: Employee signature required.

The spouse must complete and sign the Consent to Insurance and Authorization to Release Information, form # 345013.

Dependent Coverage: For *individual* coverage for Dependent Child over age 18 (*not* under the Dependent Child Optional Benefit Rider), Dependent Child signature is required. The Dependent Child must complete and sign the Consent to Insurance and Authorization to Release Information, form # 345013.

Fiancé Coverage: Employee signature required.

The Fiancé must complete Page 1 and 2 of the Enrollment form and sign on Page 2.

MIB

MIB's will be run on all employee, spouse, common law or fiancé Simplified Eligibility enrollment forms.

Signature Requirements for corrections or changes to application forms:

All changes or corrections made to the enrollment form must be dated and initialed by the individual required to sign the enrollment form - **Agent's initials and date will not be acceptable.**

Re-enrollment

Re-enrollment will be based on the current size of the case, initial employee participation rate and lapse experience for the case.

- RE-ENROLLMENT WILL REQUIRE PRIOR HOME OFFICE APPROVAL.
- ELIGIBILITY FOR RE-ENROLLMENT WILL BE BASED ON EMPLOYEE'S HIRE DATE.

Additional Information

If husband and wife are both employed, then the following guidelines apply: For each proposed Insured, if the total amount applied for, on all enrollment forms, exceeds the applicable Conditional Guaranteed Issue Eligibility Limit, the excess will be subject to Simplified Eligibility underwriting. For each proposed Insured, the total amount applied for on all enrollment forms cannot exceed the Simplified Eligibility limit.

This Underwriting Offer is based on the employer providing the support and employee access agreed to in the Policy Holder Application form and the employer's acceptance of the terms in this Underwriting Offer.

Thank you,

Combined Insurance Company of America

NAIC LIFE INSURANCE ILLUSTRATION MODEL REGULATION

In December 1995 the NAIC adopted the Life insurance Illustration Model Regulation. The purpose of the regulation was to ensure that illustrations do not mislead the consumer and to make illustrations more understandable. Some states have adopted the NAIC Life Insurance Model regulation, while others have not adopted as of this time.

Illustration Model Regulation

In those states that have adopted the regulation an illustration will not be provided at the point of sale. Instead, as provided by the regulation, an approved Combined Life rate sheet or Quotation may be provided to each employee at the point of sale. Only approved Combined Life sales material may be used at the point of sale. All policies will be mailed directly to the employee's home address. An illustration will be included with each policy. Two copies of the illustration's numeric summary page will be sent with the policy. One copy should be signed by the employee and returned to Combined Life in the postage-paid self addressed envelope provided with the policy.

Combined Life's Illustration

Combined Life's illustration has been designed to meet the requirements of the NAIC Illustration Model Regulation. The illustration will show both guaranteed and non-guaranteed death benefits and net cash values. The essential elements of the illustration are:

- **Narrative Summary:** Explains that the policy being illustrated is a life insurance policy. Contains a brief description of the policy features, riders, column headings and key terms used in the illustrations. All terms used in the illustration must be consistent with the terms used in the policy.
- **Numeric Summary:** Summary of the death benefits and net cash values for policy years 5, 10, 20 and age 70 using guaranteed assumptions, midpoint assumptions (half way between guaranteed and non-guaranteed assumptions) and non-guaranteed assumptions. This summary includes a statement to be signed by the employee. By signing this statement the employee acknowledges that he or she has received the illustration and they understand that any non-guaranteed death benefits and net cash values may change and actual results may be more or less favorable.
- **Tabular Detail:** Detailed projections of the death benefits and net cash values using guaranteed and non-guaranteed assumptions. Policy years one through ten are illustrated and then every fifth policy year ending at the earlier of the policy termination or maturity.

The Sales Process

The following procedures should be followed at the point of sale:

- You must explain that the employee is receiving a rate sheet, not an illustration, at point of Sale. Explain that the illustration will be delivered along with the policy
- You must explain the guaranteed and non-guaranteed assumptions of the Policy. You must explain that the non-guaranteed assumptions may change and that actual values may be more or less favorable.
- You must review, with the employee, the weekly premium selected, and illustrated (non-guaranteed) values.
- Also, you must review the footnote at the bottom of the page to call attention to the non-guaranteed nature of the illustrated values.

NAIC LIFE INSURANCE ILLUSTRATION MODEL REGULATION, continued:

- You must explain how the timing of premium payments effect the illustrated values. The illustrative values assume that the payment is made at the beginning of each month.
- You must provide an overview of the information contained in the Coverage illustration. Explain that the numeric summary page should be signed and returned in the postage paid envelope that will be provided with the Certificate.
- Should the employee request an illustration at the point of sale, you should contact your Case Coordinator to discuss alternatives and special instructions or requirements.
- You must obtain the applicants and agent's signature on the Payroll Deduction Application, acknowledging that no illustration was provided at the point of sale.

Should you have any questions or need additional information, please contact Market Support at 1-855-241-9891.