



# **PRIME TERM TO 100 APPLICATION KIT**

MISSOURI





# S.USA LIFE INSURANCE COMPANY, INC.

## APPLICATION FOR INDIVIDUAL TERM LIFE INSURANCE

P.O. Box 1050, Newark, NJ 07101-1050

Toll Free: 1-866-SUSA-123 / 1-866-787-2123

website: www.susa.com

### 1. PROPOSED INSURED INFORMATION

Last Name		First Name		MI	Phone Number for Contact Day:	
Social Security Number	Sex	Date of Birth	State of Birth	Country of Birth	Evening:	
Mailing Address (Number, Street, Apt. #)			City	State	Zip Code	
Driver's License State and Number		E-Mail Address		Are you a United States citizen or legal permanent resident? <input type="checkbox"/> Yes <input type="checkbox"/> No		

### 2. BENEFICIARY INFORMATION

Beneficiary <input type="checkbox"/> Primary <input type="checkbox"/> Contingent				Social Security # or Tax ID #		
Address (Number, Street, Apt. #)			City	State	Zip Code	
Date of Birth	Relationship	Percent of Proceeds	Telephone Number			
Beneficiary <input type="checkbox"/> Primary <input type="checkbox"/> Contingent				Social Security # or Tax ID #		
Address (Number, Street, Apt. #)			City	State	Zip Code	
Date of Birth	Relationship	Percent of Proceeds	Telephone Number			

Please attach another page for additional beneficiary information. The Percent of Proceeds for each type of beneficiary must equal 100%.

### 3. OWNER INFORMATION (if other than Proposed Insured)

Last Name		First Name		MI	Social Security # or Tax ID #	
Address (Number, Street, Apt. #)			City	State	Zip Code	
Date of Birth	Relationship	Telephone Number				

### 4. REPLACEMENT INFORMATION

1. Is there any life insurance or annuity contract in force on the Proposed Insured with this or any other company? .....  Yes  No
2. Is the insurance applied for intended to replace or change any life insurance or annuity contract in force with this or any other company? .....  Yes  No
3. Are any other life insurance or annuity applications pending with this or any other company? .....  Yes  No

List all current or pending life insurance or annuity coverage below.

Insured's Name	Company	Owner	Replacement	Face Amount	Accidental Death Benefit	Year Issued
			<input type="checkbox"/> Yes <input type="checkbox"/> No			
			<input type="checkbox"/> Yes <input type="checkbox"/> No			
			<input type="checkbox"/> Yes <input type="checkbox"/> No			
			<input type="checkbox"/> Yes <input type="checkbox"/> No			
			<input type="checkbox"/> Yes <input type="checkbox"/> No			

**5. HEALTH INFORMATION**

**SINCE THIS POLICY IS ISSUED WITH MINIMAL OR NO MEDICAL UNDERWRITING, THE PREMIUM RATE CHARGED INCLUDES AN EXTRA MORTALITY RISK CHARGE. IF YOU ARE HEALTHY ENOUGH TO QUALIFY AS A "STANDARD" RISK, PREMIUMS WOULD LIKELY HAVE BEEN LOWER IF YOU HAD APPLIED FOR A FULLY UNDERWRITTEN POLICY.**

- 1. Within the past two (2) years have you been confined to or been advised by a licensed medical professional to be admitted to a nursing home, hospice, extended care, special treatment facility, required the use of oxygen equipment to assist in breathing, or do you need ongoing personal assistance performing your Activities of Daily living (ADL's) eating, bathing, dressing, toileting, transferring (walking) and continence? .....  Yes  No
- 2. Within the past two (2) years have you been diagnosed by a member of the medical profession with any cancer (excluding Basal or Squamous cell skin cancer), heart attack (myocardial infarction), heart surgery, cardiomyopathy, congestive heart failure, stroke, Alzheimer's disease or dementia, or have undergone major organ transplant surgery?  Yes  No
- 3. Have you been advised by a licensed medical professional that your life expectancy is less than 24 months? .....  Yes  No

**6. INSURANCE APPLIED FOR**

Face Amount ..... \$ \_\_\_\_\_

**7. RIDERS APPLIED FOR**

- Accidental Death Benefit Rider ..... 1X Amount of Insurance

**8. PREMIUM AND BILLING INFORMATION**

- 1. Premium Information:
  - a. Premium ..... \$ \_\_\_\_\_
  - b. Billing Type  EFT (complete Payment Form)  Direct Bill  Other (complete Payment Form)
  - c. Premium Mode

**NOTE: If you choose to pay your policy premium in semi-annual, quarterly or monthly payments, you will pay more over the year than if you choose to pay your premium in one annual premium payment.**

- Monthly (Not available for direct bill)  Quarterly  Semi-Annual  Annual

2. Payment with Application ..... \$ \_\_\_\_\_

3. Premium notices sent to: .....  Proposed Insured  Owner  Other (indicate below)

Name	Relationship to Insured	Social Security # or Tax ID #	
Address	City	State	Zip Code

4. Automatic Premium Loan .....  Yes  No  
*I understand that by selecting this option a loan may be made against the cash value of my policy to pay premiums due.*

**9. SPECIAL REQUESTS**

## 10. DECLARATIONS AND AUTHORIZATIONS

I understand and agree that the statements and answers in this application are complete and true to the best of my knowledge and belief and shall be attached to and form a part of the contract of insurance. I also understand and agree that the insurance applied for, if issued, shall be subject to such statements and answers and take effect on the effective date stated in the Policy Data page provided the applicable first premium has been paid.

I understand that the statements and answers in the application are the basis for any policy issued by the Company and that no information about the Proposed Insured will be considered to have been given to the Company unless it is stated in the application, and the Proposed Insured will notify the Company of any changes in the statements or answers given in the application between the time of application and delivery of the policy.

I understand that a sales representative does not have the Company's authorization to accept risk, pass on insurability, or make, void, waive or change any conditions or provisions of the application, policy or receipt, as applicable.

I understand that the amount applied for may be reduced or denied if other simplified issue policies from the company or its affiliates are in-force or pending on the life of the Proposed Insured.

### **I have received the Notice of Disclosure of Information.**

**AUTHORIZATION:** I, the Proposed Insured, authorize any physician, medical professional, hospital, clinic, pharmacy, pharmacy benefit manager, laboratory, medical care facility, insurer, reinsurer, MIB, Inc., or any other similar organization or person having knowledge of me or my health to release information about me to S.USA Life Insurance Company, Inc. (the "Company"), its Medical Director, or its reinsurers for underwriting or claims purposes. The information collected may relate to the symptoms, examination, diagnosis, treatment or prognosis of any physical or mental condition, including drug and alcohol abuse, but excludes psychotherapy notes. If we need those records, we will ask for them on a separate authorization form. This authorization also includes information about prescription drug records. To facilitate rapid submission of such information, I authorize all said sources, except MIB, Inc., to give such records or knowledge to any agency employed by the Company to collect and transmit such information. I understand a telephone interview may be necessary to verify information given to the Company on this application. This interview may be from the Company or from a consumer-reporting agency by a trained interviewer acting on the Company's behalf. I, the Proposed Insured, also authorize the Company to obtain an investigative consumer report as described in the Company's NOTIFICATION IN ACCORDANCE WITH FEDERAL AND STATE LAW.

I, the Proposed Insured, authorize the Company or its reinsurers to make a brief report of my personal health information to MIB, Inc.

This Authorization is for the purpose of underwriting the life insurance. It is in effect for 24 months from the latest date shown below or for the maximum time allowed by the law of the state where the policy is delivered or issued for delivery if shorter than 24 months. A photocopy may be accepted as valid. The authorization will survive the Insured's death if it occurs while the Authorization is in effect.

I understand that this Authorization may be revoked by contacting us at the address listed at the top of this application; however, the Company retains the right to use any information obtained under my authorization prior to my revocation.

**Caution: If your answers on this application are misstated or untrue, the insurer may have the right to deny benefits subject to the conditions and provisions of the Policy.**

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

By my signature below, I certify under penalties of perjury that my Social Security Number (Taxpayer Identification Number) above is correct and I am not subject to back-up withholding.

Signed by the Proposed Insured at \_\_\_\_\_ on \_\_\_\_\_ .  
City, State Date

**X** \_\_\_\_\_  
Signature of **Proposed Insured**

Signed by the Owner at \_\_\_\_\_ on \_\_\_\_\_ .  
City, State Date

**X** \_\_\_\_\_  
Signature of **Owner**, if other than Proposed Insured

**11. AGENT CERTIFICATION**

- 1. To the best of your knowledge and belief, is there an existing life insurance policy or annuity contract insuring the proposed insured's life? .....  Yes  No
- 2. To the best of your knowledge and belief, replacement is or may be involved in this transaction. ....  Yes  No

If "Yes" to either of these questions, complete any required replacement forms.

I certify that the above statements and responses are true and accurate.

\_\_\_\_\_ Agent Number

\_\_\_\_\_ Email Address of Agent

\_\_\_\_\_ Print Agent's Name

**X** \_\_\_\_\_ Agent's Signature

\_\_\_\_\_ Agency Name

\_\_\_\_\_ Agency Number

\_\_\_\_\_ Telephone Number of Agent

\_\_\_\_\_ Date

Conditional Receipt provided? .....  Yes  No

**FOR S.USA USE ONLY**

MK Code \_\_\_\_\_

Sales Number \_\_\_\_\_

GA Agency Name \_\_\_\_\_

GA Agency Number \_\_\_\_\_



**S.USA LIFE INSURANCE COMPANY, INC.  
CONDITIONAL RECEIPT AGREEMENT**

P.O. Box 1050, Newark, NJ 07101-1050

Toll Free: 1-866-SUSA-123 / 1-866-787-2123

website: www.susa.com

**(Detach and leave with applicant only if payment is accepted with application. Retain a copy.)**

*If any question in Section 5 of the application is answered YES, no payment may be accepted.*

**This agreement provides a limited amount of insurance coverage for a limited period of time, subject to the terms and conditions stated below. NO INSURANCE COVERAGE WILL BECOME EFFECTIVE BEFORE DELIVERY OF THE POLICY APPLIED FOR UNLESS ALL OF THE CONDITIONS SPECIFIED BELOW ARE MET. COVERAGE IS SUBJECT TO THE MAXIMUM AMOUNT STATED BELOW AND MAY BE LESS THAN THE AMOUNT OF INSURANCE APPLIED FOR. No Agent can determine insurability or alter or waive any of the terms or conditions of this agreement.**

**CONDITIONS UNDER WHICH INSURANCE MAY BECOME EFFECTIVE PRIOR TO POLICY DELIVERY.**

No coverage will become effective prior to policy delivery unless ALL of the following conditions are met:

- a) The amount paid with the application and shown below is equal to the first full modal premium for the coverage applied for and is honored for payment when first presented.
- b) All required medical or paramedical tests and examinations are completed.
- c) As of the Effective Date, all statements and answers given in the application as to health and insurability of the Proposed Insured (Parts I and II, if applicable) are true and complete.

**EFFECTIVE DATE**

Subject to satisfactory completion of all of the above conditions, coverage under this agreement will take effect on the latest of: (a) the date the application is signed, (b) the date requested in the application; or (c) the date all medical or paramedical tests and examinations are completed, if any are required under our underwriting rules.

**MAXIMUM DEATH BENEFIT AMOUNT UNDER THIS AGREEMENT**

If the Proposed Insured dies prior to delivery of the policy, the maximum death benefit under this agreement will be the lesser of: a) the total death benefit payable under the policy applied for in the application, or b) \$150,000 in total with respect to all conditional receipts issued by us on all applications pending at the time of death. No amount shall be paid under any Accidental Death Benefit rider or other rider. **If any of the conditions of this agreement has not been met exactly or if a Proposed Insured dies by suicide, while sane or insane, the Company's only liability will be to refund the premium payment.**

**END DATE**

This agreement and any coverage provided by it will end on the earliest of the following dates: a) the date the policy is delivered to the Owner or Agent and delivery requirements have been completed, b) the date we mail or otherwise provide notice to the Proposed Owner or Agent that a policy cannot be issued as applied for, c) the date we mail or otherwise provide a refund of the premium to the Proposed Owner or Agent, or d) 60 days from the date the application is signed. In no event will coverage under this agreement be in force after 60 days from the date of the application.

Received \$ \_\_\_\_\_ from \_\_\_\_\_  
for an application on the life of \_\_\_\_\_ dated this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**ALL PREMIUM CHECKS MUST BE MADE PAYABLE TO S.USA LIFE INSURANCE COMPANY, INC. NO PREMIUM CHECKS SHOULD BE PAYABLE TO ANY AGENT OR A BLANK PAYEE.**

**X** \_\_\_\_\_  
Signature of **Agent**

I acknowledge that I have read the terms and conditions of this agreement, have had them explained to me by the Agent, and I understand them. I also understand that except as provided in this agreement, no coverage under the policy applied for will become effective unless and until a policy is delivered to me and all other conditions for coverage have been met.

**X** \_\_\_\_\_  
Signature of **Proposed Insured**



LIFE INSURANCE SINCE 1939





# S.USA LIFE INSURANCE COMPANY, INC.

## NOTICE OF DISCLOSURE OF INFORMATION

P.O. Box 1050, Newark, NJ 07101-1050

Toll Free: 1-866-SUSA-123 / 1-866-787-2123

website: [www.susa.com](http://www.susa.com)

**(Please detach and provide to applicant.)**

**IMPORTANT: Read The Information Below Before Completing Application.**

### **NOTIFICATION IN ACCORDANCE WITH FEDERAL AND STATE LAW**

This is to inform you that as part of our procedure for processing your insurance application, an investigative consumer report may be prepared whereby information is obtained through personal interviews with your neighbors, friends or others with whom you are acquainted. The inquiry includes information as to your character, general reputation, personal characteristics and mode of living. You have the right upon written request to be informed whether an investigative consumer report was requested, and if so, the name and address of the consumer reporting agency to whom the request was made. You may inspect and receive a copy of your investigative consumer report from the reporting agency.

### **NOTIFICATION IN ACCORDANCE WITH MIB, INC.**

Information regarding your insurability will be treated as confidential. The Company or its reinsurers may, however, make a brief report thereon to MIB, Inc., a not for profit membership organization of insurance companies, which operates an information exchange on behalf of its Members. If you apply to another MIB Member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information in its file.

Upon receipt of a request from you, MIB will arrange disclosure of any information it may have in your file. Please contact MIB at 866-692-6901. If you question the accuracy of information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the Federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill, Suite 400, Braintree, MA 02184-8734.

The Company or its reinsurers may also release information in its file to other insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted. Information for consumers about MIB may be obtained on its website at [www.mib.com](http://www.mib.com).

### **NOTICE OF INSURANCE INFORMATION PRACTICES**

To issue an insurance policy, we need to obtain information about the proposed insured. Some of that information will come from the proposed insured, and some may be collected from other sources. Such information may in certain circumstances be disclosed to third parties without your specific authorization as permitted or required by law. You have the right to access and correct this information, except information that relates to a claim or civil or criminal proceeding. A more detailed written notice describing our information practices will be furnished to you upon request.



LIFE INSURANCE SINCE 1939



# S.USA LIFE INSURANCE COMPANY, INC.

## AMENDMENT TO APPLICATION

(Please Execute in Duplicate)

P.O. Box 1050, Newark NJ 07101

Toll Free: 1-866-SUSA-123 / 1-866-787-2123

Website: www.susa.com

Having made application on \_\_\_\_\_ for S.USA Life Insurance on the life of \_\_\_\_\_  
(Date) (Name of Proposed Insured)

\_\_\_\_\_  
(Policy Number)

I make the following new answers to be substituted for my previous answers to corresponding questions in application form # \_\_\_\_\_.

Question(s) #:

I agree that all representations made in the form are true and complete to the best of my knowledge and belief.

I (We) agree that this amendment shall form a part of the aforesaid application.

X \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_ X \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_  
Signature of Proposed Insured Signature of Owner (if other than Proposed Insured)

\_\_\_\_\_  
Printed Name of Proposed Insured

\_\_\_\_\_  
Printed Name of Owner

**This Area for Company and Agency Use Only**

\_\_\_\_\_  
Sales Number



**AUTHORIZATION FOR RELEASE OF HEALTH-RELATED INFORMATION**

**THIS AUTHORIZATION COMPLIES WITH THE HIPAA PRIVACY RULE**

Print Name of Proposed Insured/Patient \_\_\_\_\_

Date of Birth \_\_\_\_\_

I **authorize** any health plan, physician, health care professional, hospital, clinic, laboratory, pharmacy or pharmacy benefit manager, medical facility, or other health care provider that has provided payment, treatment or services to me or on my behalf within the past 10 years ("my providers") to disclose my entire medical record, prescription history, medications prescribed and any other health information concerning me ("protected health information") to **SUSA Life Insurance Company, Inc.** ("the Company"). I also authorize any insurance company or agent from which I have applied for or obtained insurance, any consumer reporting agency such as MIB, Inc., and any other entity or person having protected health information about me, to disclose it to the Company. Protected health information includes information on the diagnosis or treatment of Human Immunodeficiency Virus (HIV) infection and sexually transmitted diseases. Protected health information also includes information on the diagnosis and treatment of mental illness and the use of alcohol, drugs, and tobacco, but excludes psychotherapy notes.

Further, protected health information includes genetic information and genetic test results, and I specifically authorize my providers to disclose such information and results to the Company, subject to the terms and conditions of this Authorization.

By my signature below, I acknowledge that any agreements I have made to restrict my protected health information do not apply to this Authorization and I instruct my providers and other entities or persons referred to above to release and disclose my entire medical record without restriction.

I further authorize the disclosure of protected health information by the Company to its affiliates, service providers, reinsurers, agents and representatives, and to any consumer reporting agency such as MIB, Inc.

This protected health information is to be used or disclosed under this Authorization so that the Company may: 1) underwrite my application for insurance, make eligibility, risk rating, and policy issuance determinations; 2) obtain reinsurance; 3) administer claims and determine or fulfill responsibility for coverage and provision of benefits; 4) administer coverage; and 5) conduct other legally permissible activities that relate to any coverage I have or have applied for with the Company.

This Authorization shall remain in force for 24 months following the date of my signature below, and a copy of this Authorization is as valid as the original. I understand that I have the right to revoke this Authorization in writing, at any time, by sending a written request for revocation to the Company at the address below, Attention: Underwriting Department. I understand that a revocation is not effective to the extent that any person or entity has already relied on this Authorization to disclose or use information about me or to the extent that the Company has a legal right to contest a claim under an insurance policy or to contest the policy itself. I understand that if any of my protected health information is re-disclosed, it may no longer be protected by federal rules governing privacy and confidentiality of health information.

I understand that my providers may not refuse to provide treatment or payment for health care services if I refuse to sign this Authorization. I further understand that if I refuse to sign this Authorization to release my complete medical record, the Company may not be able to process my application, or if coverage has been issued, may not be able to make any benefit payments. I understand and acknowledge that I or any authorized representative will receive or have received a copy of this Authorization.

Printed Name of the Proposed Insured/Patient or Personal Representative \_\_\_\_\_

Description of Personal Representative's Authority or Relationship to Proposed Insured/Patient (if applicable) \_\_\_\_\_

Signature of Proposed Insured/Patient or Personal Representative \_\_\_\_\_

Date (required) \_\_\_\_\_



# **S.USA Life Insurance Co., Inc.**

## **Customer Identification Program Notice**

Important Information You Need to Know About Buying a Life Insurance Policy or Annuity

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify, and record information that identifies each person who buys a life insurance policy or annuity.

This notice answers some questions about our Customer Identification Program.

### **What products are covered by this notice?**

- A permanent life insurance policy, other than a group life insurance policy;
- An Annuity contract, other than a group annuity contract
- Any other insurance product with features of cash value or investment.

### **What types of information will I need to provide?**

When you buy a life insurance policy or annuity, we are required to collect information such as the following from you:

- Your name
- Date of birth
- Address
- Identification number:
  - U.S. Citizen: taxpayer identification number (social security number or employer identification number)
  - Non-U.S. Citizen: taxpayer identification number, passport number, and country of issuance, alien identification card number, or government-issued identification showing nationality, residence and a photograph of you.

You may also need to show your driver's license or other identifying documents.

A corporation, partnership, trust or other legal entity may need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, a partnership agreement, or trust agreement.

The U.S. Department of the Treasury already requires you to provide most of this information. We may also require you to provide additional information such as your net worth, annual income, occupation, and employment information.

### **What happens if I don't provide the information requested or my identity can't be verified?**

We may not be able to issue a policy or annuity or carry out transactions for you. If you already have a policy or annuity, we may have to suspend transactions.

*We thank you for your patience and hope that you will support the financial industry's efforts to deny terrorists and money launderers access to America's financial system.*







# S.USA LIFE INSURANCE COMPANY, INC.

## SUMMARY AND DISCLOSURE STATEMENT FOR ACCELERATED DEATH BENEFITS

P.O. Box 1050, Newark, NJ 07101-1050

Toll Free: 1-866-SUSA-123 / 1-866-787-2123

website: www.susa.com

**This is a brief description of the accelerated death benefit in the policy applied for. Please consult the policy for actual contract provisions.**

**What it is:** If the insured has a terminal illness, you may accelerate payment of a portion of the eligible proceeds, subject to stated maximum or minimum limits. The eligible proceeds are generally the death benefit at the time of acceleration. The accelerated death benefit does not and is not intended to qualify as long-term care insurance.

**Amount:** The amount payable as an accelerated death benefit will equal: (a) the amount of the eligible proceeds you request to accelerate adjusted by the discount factor stated in the policy, (b) minus an administrative fee, (c) minus the elected percentage applied to any outstanding policy loan and loan interest. Payment of the accelerated death benefit will be in one lump sum.

**Requirements:** In order to receive the benefit, you must provide us with:

- a) a written request for the benefits during the lifetime of the insured and while the policy is in force;
- b) written certification by a qualified physician that the insured suffers from a terminal illness; and
- c) written consent of any assignee or irrevocable beneficiary.

We may require a second or third medical opinion to confirm benefit eligibility at our expense. Your policy outlines any other applicable conditions or exclusions.

**Costs:** There is no additional premium charged for this benefit. However, we will discount the benefit by the discount factor because it is an early payment of the death benefits and charge an administrative fee not to exceed the amount stated in the policy.

**Effect of Acceleration:** Upon acceleration, any policy values and the death benefit on the remaining policy will be reduced proportionately.

What follows is a hypothetical example of how an accelerated benefit payment of 50% of the eligible proceeds would affect a level premium policy with cash values, a policy loan and \$100,000 face amount:

	Premium	Cash Value	Face Amount	Outstanding Loan
Before accelerated payment	\$1,200.00	\$16,000.00	\$100,000.00	\$4,000.00
After accelerated payment	\$600.00	\$8,000.00	\$50,000.00	\$2,000.00

**Important Disclosure:** Although accelerated death benefit payments are intended to qualify for favorable tax treatment, there are circumstances when receipt of the benefit payment MAY BE TAXABLE. Receipt of an accelerated death benefit payment may adversely affect the recipient's eligibility for Medicaid, Supplemental Security Income ("SSI") or other government benefits or entitlements. Consult your tax advisor and the appropriate social service agency before applying for this benefit.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Agent's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date





# S.USA LIFE INSURANCE COMPANY, INC.

## SUMMARY AND DISCLOSURE STATEMENT FOR ACCELERATED DEATH BENEFITS

P.O. Box 1050, Newark, NJ 07101-1050

Toll Free: 1-866-SUSA-123 / 1-866-787-2123

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**Requirements:** In order to receive the benefit, you must provide us with:

- a) a written request for the benefits during the lifetime of the insured and while the policy is in force;
- b) written certification by a qualified physician that the insured suffers from a terminal illness; and
- c) written consent of any assignee or irrevocable beneficiary.

We may require a second or third medical opinion to confirm benefit eligibility at our expense. Your policy outlines any other applicable conditions or exclusions.

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What follows is a hypothetical example of how an accelerated benefit payment of 50% of the eligible proceeds would affect a level premium policy with cash values, a policy loan and \$100,000 face amount:

	Premium	Cash Value	Face Amount	Outstanding Loan
Before accelerated payment	\$1,200.00	\$16,000.00	\$100,000.00	\$4,000.00
After accelerated payment	\$600.00	\$8,000.00	\$50,000.00	\$2,000.00

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\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Agent's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**PREMIUM PAYMENT AUTHORIZATION FORM**

Insured Name: \_\_\_\_\_ Policy Number: \_\_\_\_\_

- New Application  Existing Policy  
(This authorization shall replace any previous authorization)

**AUTHORIZATION AND SIGNATURE**

As a convenience to me, I hereby authorize the Company to make charges from my debit/credit card identified below or withdrawals from my bank account with the financial institution identified below ("withdrawals") for payment of insurance premiums becoming due. I understand that these charges will continue until my policy has been paid-up or until I revoke this Authorization. This Authorization is subject to the following conditions:

- Authorized withdrawals constitute due notice of premiums being due.
- I must give the Company at least 7 days' written notice of a change to an upcoming withdrawal or revocation of this Authorization.
- Amounts not honored by the bank or credit card company shall constitute non-payment of premium, and coverage may lapse.
- The Company may discontinue withdrawals at any time and bill me directly.

Accountholder's Name: \_\_\_\_\_  
(Name printed exactly as it appears on account)

Accountholder's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Address on Account: \_\_\_\_\_

Relationship to Proposed Insured/Insured:

- Self  
 Other, describe: \_\_\_\_\_

**SECTION 1: PREMIUM PAYMENT DATE**

*The options below allow you to select the date that best fits your needs. If you are submitting this form with an application for a new policy, please note that coverage will not be effective until we receive your first premium payment.*

Mode (choose one):  Monthly  Quarterly  Semi-Annual  Annual

Payment Date (choose one):

- Draft/charge on policy effective date and on same modal date thereafter (default if no selection made)  
 Draft/charge on specific day of the month \_\_\_\_\_ (1 to 28) and on same modal date thereafter\*  
 Check this box if the 1<sup>st</sup> or 3<sup>rd</sup> was selected above and the draft/charge is linked to your monthly Social Security deposit\*\*  
 Draft/charge on the 2nd, 3rd, or 4th Wednesday of every month based on the payor's birthdate\*\*  
(DOB: \_\_\_\_\_)

Birthdates: 1st to 10th (second Wednesday), 11th to 20th (third Wednesday), 21st to 31st (fourth Wednesday)

\* For a new insurance application, the initial draft/charge date must occur within 35 days after the application is signed. For an existing policy, this form must be received at least 7 days prior to the requested draft/charge date, otherwise the draft/charge will begin the following month.

\*\* **Note: For these selections, if the date you selected falls on a weekend or holiday, deduction will be on prior business day. All other selections, if draft/change date falls on a weekend or holiday, deduction will be on next business day.**

## PREMIUM PAYMENT AUTHORIZATION FORM (Continued)

### SECTION 2: PAYMENT METHOD

Select one of the three payment options below:

**Electronic Fund Transfer (EFT)**

Bank Name: \_\_\_\_\_

Routing Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

Checking or Savings: \_\_\_\_\_ (not all banks allow EFT debit to a savings account)

**Direct Express Master Card**

Card Number: 5332 48 \_\_\_\_\_ OR

Card Number: 5115 63 \_\_\_\_\_

Expiration Date: \_\_\_\_\_ CCV: \_\_\_\_\_

Address at time of card issuance: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**Debit Visa or Debit Master Card Linked to a Bank Account**

Card Number: \_\_\_\_\_

Expiration Date: \_\_\_\_\_ CCV: \_\_\_\_\_

Address at time of card issuance: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Mail form to:

SBLI USA Life Insurance Company, Inc.  
100 West 33rd Street, Suite 1007  
New York, NY 10001-2914  
1-877-725-4872

S.USA Life Insurance Company, Inc.  
P.O. Box 1050  
Newark, NJ 07101-1050  
1-866-787-2123

Shenandoah Life Insurance Company  
P.O. Box 12847  
Roanoke, VA 24029  
1-800-848-5433, ext. 62059

<sup>†</sup> Only SBLI USA Life Insurance Company, Inc. is licensed in New York.



# S.USA LIFE INSURANCE COMPANY, INC.

P.O. Box 1050, Newark NJ 07101-1050

Toll Free: 1-866-SUSA-123 / 1-877-787-2123

website: [www.susa.com](http://www.susa.com)

## LIFE INSURANCE BUYER'S GUIDE

This guide can show you how to save money when you shop for life insurance. It helps you to:

- Decide how much life insurance you should buy,
- Decide what kind of life insurance policy you need, and
- Compare the cost of similar life insurance policies.

Prepared by the

### **NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS**

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various Insurance Departments to coordinate insurance laws for the benefit of all consumers. You are urged to use this Guide in making a life insurance purchase.

This Guide Does Not Endorse Any Company or Policy

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### **S.USA LIFE INSURANCE COMPANY**

## **BUYING LIFE INSURANCE**

When you buy life insurance, you want a policy which fits your needs without costing too much. Your first step is to decide how much you need, how much you can afford to pay and the kind of policy you want. Then, find out what various companies charge for that kind of policy. You can find important differences in the cost of life insurance by using the life insurance cost indexes which are described in this guide. A good life insurance agent or company will be able and willing to help with each of these shopping steps.

If you are going to make a good choice when you buy life insurance, you need to understand which kinds are available. If one kind does not seem to fit your needs, ask about the other kinds which are described in this guide. If you feel that you need more information than is given here, you may want to check with a life insurance agent or company or books on life insurance in your public library.

## **CHOOSING THE AMOUNT**

One way to decide how much life insurance you need is to figure how much cash and income your dependents would need if you were to die. You should think of life insurance as a source of cash needed for expenses of final illnesses, paying taxes, mortgages or other debts. It can also provide income for your family's living expenses, educational costs and other future expenses. Your new policy should come as close as you can afford to making up the difference between (1) what your dependents would have if you were to die now, and (2) what they would actually need.

## **CHOOSING THE RIGHT KIND**

All life insurance policies agree to pay an amount of money if you die. But all policies are not the same. There are three basic kinds of life insurance.

1. Term insurance
2. Whole life insurance
3. Endowment insurance

Remember, no matter how fancy the policy title or sales presentation might appear, all life insurance policies contain one or more of the three basic kinds. If you are confused about a policy that sounds complicated, ask the agent or company if it combines more than one kind of life insurance. The following is a brief description of the three basic kinds:

### **Term Insurance**

Term insurance is a death protection for a "term" of one or more years. Death benefits will be paid only if you die within that term of years. Term insurance generally provides the largest immediate death protection for your premium dollar.

Some term insurance policies are "renewable" for one or more additional terms even if your health has changed. Each time you renew the policy for a new term, premiums will be higher. You should check the premiums at older ages and the length of time the policy can be continued.

Some term insurance policies are also "convertible". This means that before the end of the conversion period, you may trade the term policy for a whole life or endowment insurance policy even if you are not in good health. Premiums for the new policy will be higher than you have been paying for the term insurance.

### **Whole Life Insurance**

Whole life insurance gives death protection for as long as you live. The most common type is called "straight life" or "ordinary life" insurance, for which you pay the same premiums for as long as you live. These premiums can be several times higher than you would pay initially for the same amount of term insurance. But they are smaller than the premiums you would eventually pay if you were to keep renewing a term insurance policy until your later years.

Some whole life policies let you pay premiums for a shorter period such as 20 years, or until age 65. Premiums for these policies are higher than for ordinary life insurance since the premium payments are squeezed into a shorter period.



Although you pay higher premiums, to begin with, for whole life insurance than for term insurance, whole life insurance policies develop "cash values" which you may have if you stop paying premiums. You can generally either take the cash, or use it to buy some continuing insurance protection. Technically speaking, these values are called "nonforfeiture benefits". This refers to benefits you do not lose (or "forfeit") when you stop paying premiums. The amount of these benefits depends on the kind of policy you have, its size, and how long you have owned it.

A policy with cash values may also be used as collateral for a loan. If you borrow from the life insurance company, the rate of interest is shown in your policy. Any money which you owe on a policy loan would be deducted from the benefits if you were to die, or from the cash value if you were to stop paying premiums.

### **Endowment Insurance**

An endowment insurance policy pays a sum or income to you -- the policyholder -- if you live to a certain age. If you were to die before then, the death benefit would be paid to your beneficiary. Premiums and cash values for endowment insurance are higher than for the same amount of whole life insurance. Thus endowment insurance gives you the least amount of death protection for your premium dollar.

## **FINDING A LOW COST POLICY**

After you have decided which kind of life insurance fits your needs, look for a good buy. Your chances of finding a good buy are better if you use two types of index numbers that have been developed to aid in shopping for life insurance. One is called the "Surrender Cost Index" and the other is the "Net Payment Cost Index". It will be worth your time to try to understand how these indexes are used, but in any event, use them only for comparing the relative costs of similar policies. **LOOK FOR POLICIES WITH LOW COST INDEX NUMBERS.**

### **What is cost?**

"Cost" is the difference between what you pay and what you get back. If you pay a premium for life insurance and get nothing back, your cost for the death protection is the premium. If you pay a premium and get something back later on, such as a cash value, your cost is smaller than the premium.

The cost of some policies can also be reduced by dividends; these are called "participating" policies. Companies may tell you what their current dividends are, but the size of future dividends is unknown today and cannot be guaranteed. Dividends actually paid are set each year by the company.

Some policies do not pay dividends. These are called "guaranteed cost" or "nonparticipating" policies. Every feature of a guaranteed cost policy is fixed so that you know in advance what your future cost will be.

The premiums and cash values of a participating policy are guaranteed, but the dividends are not. Premiums for participating policies are typically higher than for guaranteed cost policies, but the cost to you may be higher or lower, depending on the dividends actually paid.

### **What Are Cost Indexes?**

In order to compare the cost of policies, you need to look at:

1. Premiums
2. Cash values
3. Dividends

Cost indexes use one or more of these factors to give you a convenient way to compare relative costs of similar policies. When you compare costs, an adjustment must be made to take into account that money is paid and received at different times. It is not enough to just add up the premiums you will pay and to subtract the cash values and dividends you expect to get back. These indexes take care of the arithmetic for you. Instead of having to add, subtract, multiply and divide many numbers yourself, you just compare the index numbers which you can get from life insurance agents and companies:

1. **LIFE INSURANCE SURRENDER COST INDEX** - This index is useful if you consider the level of the cash values to be of primary importance to you. It helps you compare costs if at some future point in time, such as 10 or 20 years, you were to surrender the policy and take its cash value.

2. LIFE INSURANCE NET PAYMENT COST INDEX - This index is useful if your main concern is the benefits that are to be paid at your death and if the level of cash values is of secondary importance to you. It helps you compare costs at some future point in time, such as 10 or 20 years, if you continue paying premiums on your policy and do not take its cash value.

There is another number called the Equivalent Level Annual Dividend. It shows the part dividends play in determining the cost index of a participating policy. Adding a policy's Equivalent Level Annual Dividend to its cost index allows you to compare total costs of similar policies before deducting dividends. However, if you make any cost comparisons of a participating policy with a nonparticipating policy, remember that the total cost of the participating policy will be reduced by dividends, but the cost of the nonparticipating policy will not change.

### **How Do I Use Cost Indexes?**

The most important thing to remember when using cost indexes is that a policy with a small index number is generally a better buy than a comparable policy with a larger index number. The following rules are also important:

1. Cost comparisons should only be made between similar plans of life insurance. Similar plans are those which provide essentially the same basic benefits and require premium payments for approximately the same period of time. The closer policies are to being identical, the more reliable the cost comparison will be.
2. Compare index numbers only for the kind of policy, for your age and for the amount you intend to buy. Since no one company offers the lowest cost for all types of insurance at all ages and for all amounts of insurance, it is important that you get the indexes for the actual policy, age and amount which you intend to buy. Just because a "shopper's guide" tells you that one company's policy is a good buy for a particular age and amount, you should not assume that all of that company's policies are equally good buys.
3. Small differences in index numbers could be offset by other policy features, or differences in the quality of service you may expect from the company or its agent. Therefore, when you find small differences in cost indexes, your choice should be based on something other than cost.
4. In any event, you will need other information on which to base your purchase decision. Be sure you can afford the premiums, and that you understand its cash values, dividends and death benefits. You should also make a judgment on how well the life insurance company or agent will provide service in the future, to you as a policyholder.
5. These life insurance cost indexes apply to new policies and should not be used to determine whether you should drop a policy you have already owned for awhile, in favor of a new one. If such a replacement is suggested, you should ask for information from the company which issued the old policy before you take action.

### **IMPORTANT THINGS TO REMEMBER - A SUMMARY**

The first decision you must make when buying a life insurance policy is choosing a policy whose benefits and premiums most closely meet your needs and ability to pay. Next, find a policy which is also a relatively good buy. If you compare Surrender Cost Indexes and Net Payment Cost Indexes of similar competing policies, your chances of finding a relatively good buy will be better than if you do not shop. **REMEMBER, LOOK FOR POLICIES WITH LOWER COST INDEX NUMBERS.** A good life insurance agent can help you to choose the amount of life insurance and kind of policy you want and will give you cost indexes so that you can make cost comparisons of similar policies.

Don't buy life insurance unless you intend to stick with it. A policy which is a good buy when held for 20 years can be very costly if you quit during the early years of the policy. If you surrender such a policy during the first few years, you may get little or nothing back and much of your premium may have been used for company expenses.

Read your new policy carefully, and ask the agent or company for an explanation of anything you do not understand. Whatever you decide now, it is important to review your life insurance program every few years to keep up with changes in your income and responsibilities.



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## IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES

**(NOTE - This document must be signed by the applicant and the producer, if there is one, and a copy left with the applicant)**

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A *replacement* occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on an existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A *financed purchase* occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? .....  Yes  No
2. Are you considering using funds from your existing policies to pay premiums due on the new policy? .....  Yes  No

If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing:

NAME OF INSURER	NAME OF INSURED OR ANNUITANT	POLICY OR CONTRACT #	POLICY/CONTRACT TO BE REPLACED OR USED AS A SOURCE OF FINANCING	
_____	_____	_____	<input type="checkbox"/> Replaced	<input type="checkbox"/> Financing
_____	_____	_____	<input type="checkbox"/> Replaced	<input type="checkbox"/> Financing
_____	_____	_____	<input type="checkbox"/> Replaced	<input type="checkbox"/> Financing

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. If you request one, an in force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer. Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

The existing policy or contract is being replaced because \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I certify that the responses herein are, to the best of my knowledge, accurate:

**X** \_\_\_\_\_  
Signature of **Applicant**

**X** \_\_\_\_\_  
Signature of **Producer**

\_\_\_\_\_  
Printed Name of **Applicant**

\_\_\_\_\_  
Printed Name of **Producer**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



## **NOTICE OF 30-DAY RIGHT TO EXAMINE NEW POLICY**

If you decide to replace an existing policy or contract with a new S.USA Life policy or contract, you have a right to return the new policy or contract. Within 30 days after delivery, your new policy or contract may be returned to S.USA Life for cancellation. Cancellation will be effective as of the policy date and any premium payment will be refunded. The policy must be returned to S.USA Life's home office, agency, or agent.

### **ATTENTION: You should discuss the following important information and questions with your agent.**

**I do not want this notice read aloud to me.** \_\_\_\_\_ (Applicants must initial only if they do not want the notice read aloud.)

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

#### **PREMIUMS:**

- Are they affordable?
- Could they change?
- You're older - are premiums higher for the proposed new policy?
- How long will you have to pay premiums on the new policy? On the old policy?

#### **POLICY VALUES:**

- New policies usually take longer to build cash values and to pay dividends.
- Acquisition costs for the old policy may have been paid; you will incur costs for the new one.
- What surrender charges do the policies have?
- What expense and sales charges will you pay on the new policy?
- Does the new policy provide more insurance coverage?

#### **INSURABILITY:**

- If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.
- You may need a medical exam for a new policy.
- Claims on most new policies for up to the first two years can be denied based on inaccurate statements.
- Suicide limitations may begin anew on the new coverage.

#### **IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:**

- How are premiums for both policies being paid?
- How will the premiums on your existing policy be affected?
- Will a loan be deducted from death benefits?
- What values from the old policy are being used to pay premiums?

#### **IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:**

- Will you pay surrender charges on your old contract?
- What are the interest rate guarantees for the new contract?
- Have you compared the contract charges or other policy expenses?

#### **OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:**

- What are the tax consequences of buying the new policy?
- Is this a tax free exchange? (See your tax advisor.)
- Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?
- Will the existing insurer be willing to modify the old policy?
- How does the quality and financial stability of the new company compare with your existing company?



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\_\_\_\_\_  
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\_\_\_\_\_  
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