

## A BANNER AND WILLIAM PENN GENERAL AGENCY COMMUNICATION

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### ADMINISTRATIVE GUIDELINES AND MARKETING MATERIALS FOR BANNER AND WILLIAM PENN TERM RATE REDUCTIONS

TO: ALL BANNER AND WILLIAM PENN GENERAL AGENTS  
FROM: FRANK GENCARELLI, SVP DISTRIBUTION AND MARKETING  
DATE: JUNE 15, 2010

#### **We are pleased to announce a rate reduction for OPterm and Penn Term.**

- Across all term periods – 10, 15, 20 and 30 year plans
- Male and female rates
- Focused on Preferred Plus NT, Preferred NT, Standard Plus NT (and therefore most impaired risk cases)

#### **And the list of “NOs” will make you say “YES!”**

- **NO** change in compensation
- **NO** change in convertibility
- **NO** increases
- **NO** longer a band of higher rates at \$2,000,001+. Our super-competitive \$1million rates apply to all higher face amounts.

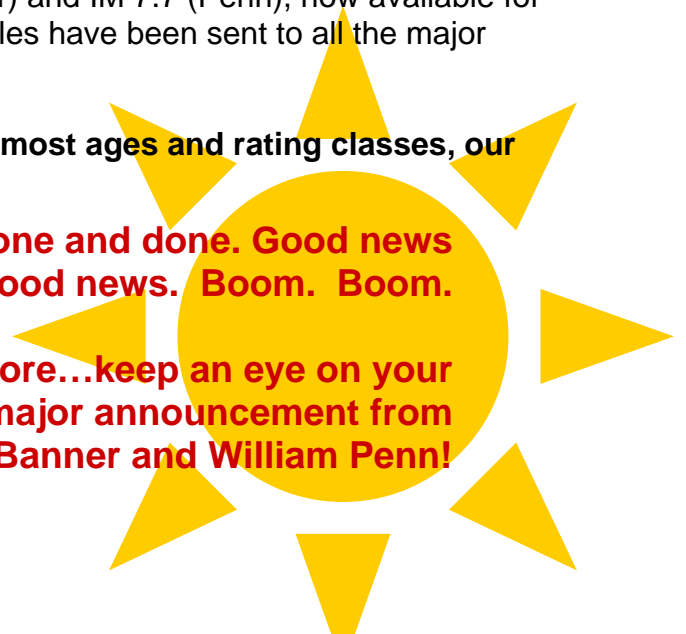
#### **The price to pay? Small. Our minimum face amount is now \$100,000.**

New rates apply to all policies issued June 15 and later, with the exception of those with a face amount \$2,000,001 and higher, to which new rates will apply to policies issued July 1 and later. Applications for less than \$100,000 will be accepted, and issued at the old rate band, through July 15. IM 16.2 (Banner) and IM 7.7 (Penn), now available for download, include the new rates. New rate scales have been sent to all the major quoting services.

**Our underwriters' pens just got bigger! For most ages and rating classes, our retention is now \$2 million.**

**Down and Up. Done and done. Good news and good news. Boom. Boom.**

**And there's more...keep an eye on your inbox for the third major announcement from Banner and William Penn!**



## **Product Availability by State**

Banner: OPTerm plans and the new rates are available in all states except Montana and New York. The current product availability by state list is posted on the News page of our website ([www.LGAmerica.com](http://www.LGAmerica.com)).

William Penn: Penn Term plans and the new rates are available in New York only.

## **Software**

The Illustration Manager software will be updated and available for download from our website ([www.LGAmerica.com](http://www.LGAmerica.com)) reflecting our new portfolio revisions on Monday, June 14, 2010.

Banner: Version 16.2

William Penn: Version 7.7

## **Compensation**

Commission rates will remain unchanged

## **Premium Bands**

- \$100,000-\$249,999
- \$250,000-\$999,999
- \$1,000,000 & over

## **Policy Illustrations**

Term products are fully guaranteed and therefore do not require a signed illustration.

## **Waiver of Premium**

Waiver of Premium coverage has been enhanced to now continue through age 64 for policies issued on and after June 15<sup>th</sup>. Please see a description below.

Benefit:

Subject to the terms and conditions of the policy we will waive the payment of all premiums falling due after the insured becomes totally disabled, while such total disability continues and after such total disability has been continuous without interruption for 6 consecutive months.

Premiums will be waived subject to the following terms and conditions:

- 1.) If total disability occurs before the benefit anniversary on which the insured attains age 60, we will waive all premiums due for the insured under the policy for the period that the insured continues to be totally disabled. If such period extends to the benefit anniversary on which the insured attains age 65, we shall waive all further premiums due for the insured under the policy.
- 2.) If the insured's total disability begins after the benefit anniversary on which the insured attains age 60 we will waive all premiums due for the insured under the policy for the period that the insured continues to be totally disabled, but only up to the benefit anniversary on which the insured attains age 65.

Total Disability means:

- 1.) During the first 24 months of total disability, the insured is unable to perform the substantial and material duties of his/her regular occupation due to sickness or accidental bodily injury; and
- 2.) After first 24 months of total disability, the insured, due to sickness or accidental bodily injury, the insured is unable to perform any the substantial and material duties of his/her job or any other job for which he/she becomes reasonably suited by education, training or experience.

Total disability of the insured requires:

- 1.) that the insured be under the regular care of a duly licensed physician other than the insured;
- 2.) that total disability be caused by accidental bodily injury occurring, or disease first manifesting itself, after the effective date of this rider; and
- 3.) that total disability shall begin while this rider and the policy are in effect. This rider is not in effect if any premium for the policy or this benefit is not paid before the end of the grace period.

Please see the waiver of premium rider for a complete description of benefits, requirements for coverage, exclusions and other important policy provisions.

### **New Business Submission**

The new rates will apply to all applications received at the respective home office on or after June 15<sup>th</sup>. Applications for less than \$100,000 will be accepted and issued at the \$50,000 to \$99,999 rate band through July 15<sup>th</sup>.

### **Pending New Business**

All policies issued on and after June 15<sup>th</sup> will receive the new rates, with the exception of policies with face amounts of \$2,000,001 and higher. The new rates will apply to policies with \$2,000,001 and above face amounts issued on July 1<sup>st</sup> and after.

### **Recently Issued Business**

Policies recently issued can be considered for reissue with the new rates, if they are more favorable, provided the free look period has not expired.

- The most expedient way to have a policy reissued is to request it online from our website.
- The second most effective way to request a reissue is to email explicit details to either [Banner\\_Reissue@LGAmerica.com](mailto:Banner_Reissue@LGAmerica.com) or [Penn\\_Reissue@LGAmerica.com](mailto:Penn_Reissue@LGAmerica.com).
- Reissue requests can also be made by returning the original policy to Administrative Services with a written document outlining the changes to be made.

(Please note: All reissue requests must be made in writing; therefore, telephone requests will not be accepted.)

## Marketing Materials

The following are select marketing materials which are now available to help spread the word about the new OPTerm and Penn Term rates to your brokers. Other materials will be made available in the coming weeks.

**Rates are down. Rankings are up. Boom! Boom!**

OPTerm<sup>®</sup> and Penn Term<sup>™</sup> rates are now significantly lower in non-tobacco 10, 15, 20 and 30 year plans. Way lower. Competitive rankings are higher. Way higher. Just what you've been asking for ... done and done. Boom! Boom!

Call our agency to learn more.

**Equal & General Banner Life William Penn**  
Your Company For Life<sup>™</sup>

**The overwhelming reaction to the big news from Banner and William Penn.**

OPTerm<sup>®</sup> and Penn Term<sup>™</sup> rates are now significantly lower in non-tobacco 10, 15, 20 and 30 year plans. Way lower. Competitive rankings are higher. Way higher. And retention is up to \$2 million! Download Illustration Manager today. Recommend Banner or William Penn to your next customer. And a lot for the thumbs up!

Call our agency to learn more.

**Equal & General Banner Life William Penn**  
Your Company For Life<sup>™</sup>

## Email Ad Options JPEG and fillable PDF (LAA1638JPG / PDF or LAA1638JPGWP / PDF) and (LAA1639JPG / PDF or LAA1639JPGWP / PDF):

These JPEG files can be inserted in the body of an email and sent to your brokers to announce the new OPTerm and Penn Term rates. The fillable PDFs can be printed or sent as an attachment to your email. Both formats can be personalized. Please see the Email Advertisement Instructions in this announcement and send them out today.

## Online Ratecard PDF (LAA1645 / LAA1645WP):

The ratecard includes specifications, rates and underwriting criteria, and can be downloaded immediately and printed from our website. Due to minimal usage, we are no longer printing ratecards, but we will print Product Specifications.

## Product Specifications PDF (LAA1649 / LAA1649WP):

This document contains the product specifications only and does not include rates. It is currently available online. A printed copy will become available in the coming weeks.

**Banner**  
Your Company For Life<sup>™</sup>

**OPTerm<sup>™</sup>**  
10, 15, 20 & 30

**Rates & Specifications**  
Your company for strong, sustainable financials. Fast, friendly service. Unmatched commissions. Brokerage only focus. Broad protection portfolio. OPTerm<sup>™</sup>, Life Value Term<sup>™</sup>, Life Choice UL<sup>™</sup>. Your Company For Life<sup>™</sup>.

No illustrations required.  
Fully guaranteed.

**William Penn**  
Your Company For Life<sup>™</sup>

**Penn Term<sup>™</sup>**  
10, 15, 20 & 30

**Product Specifications**  
Your company for strong, sustainable financials. Fast, friendly service. Unmatched commissions. Brokerage only focus. Broad protection portfolio. Penn Term<sup>™</sup>, Life Value Term<sup>™</sup>, Life Choice UL<sup>™</sup>. Your Company For Life<sup>™</sup>.

No illustrations required.  
Fully guaranteed.

### **Press Release PDF (LAA1646 / LAA1646WP)**

Use this press release in a company newsletter or on your website. The press release is available in the marketing section of our website and addresses changes in the OPTerm and Penn Term product specifications and rate reductions.

### **Advertising**

Look for our ad in the July issue of Brokerworld magazine, featuring the OPTerm and Penn Term rate reduction.

### **Obsolete Marketing Materials**

For Banner, the following marketing materials are now obsolete: LAA1587, LAA1588, LAA1589, LAA1591JPG and LAA1591PDF.

For William Penn, the following marketing materials are now obsolete: LAA1587WP, LAA1588WP, LAA1589WP, LAA1591JPGWP and LAA1591PDFWP.

### **OPTerm / Penn Term Marketing Materials Already Have Compliance Approval**

All JPEGs listed above can be used without further compliance approval. Information about your agency should be inserted using photo editing software or placed as text below the JPEG. Be sure to add your agency name, address, phone number and marketing group affiliation, if any.

### **Advertising Guidelines**

Agencies with Banner BGA or BMGA-1 contracts and agencies with William Penn GA contracts are allowed to advertise Banner/William Penn products to agents/brokers. Any affiliation you have with a marketing group must be disclosed. Sub-agencies are also allowed to advertise to agents/brokers; general agency and marketing group affiliation, if any, must be disclosed.

You are required to identify your agency's name as it appears on your contract. DBAs are allowed as long as the contract name is also included.

Marketing materials are intended for broker distribution only, not for consumers. Marketing materials (in any media form) independently developed by your agency must be approved by our legal department for regulatory compliance prior to their use. The approval request form and updated Advertising Guidelines can be found in the advertising compliance section of the forms tab posted to our website.

### **Email Advertisement Instructions**

The email advertisements posted on the marketing forms page of our website in JPEG or PDF format can be used without compliance approval. You will need to first save it to your PC by right clicking on the form number. You can then insert it as you would a photo into your email to brokers. Information about your agency should be added in the space provided using photo-editing software or placed as text below the jpeg in your email. Be sure to add your agency name, address, phone number, website and marketing group affiliation.