

**Client Employer:** (CLIENT)

**Insurer:** Legal & General America (LGA)  
Banner Life/William Penn Life

**Administrator:** Dye & Eskin, Inc. (D&E)  
1324 Vincent Place  
McLean, VA 22101  
703-556-0744 (p)

**Agent/Consultant:** [AGENT]

## A-List Term™ Underwriting Offer & Acknowledgement Form

→ Signature required by Client Employer

This Underwriting Offer and Acknowledgement Form is intended to provide **CLIENT** with details about the A-List Term program features, the program underwriting format, and the administrative procedures and requirements. **This form is to be signed by the CLIENT before coverage can be finalized.**

### A-List Term Overview (A-List):

A specifically designed carve-out product for the institutional purchase of individual life insurance for highly compensated executives and other professionals – delivered on a specially tailored underwriting basis and pricing schematic. There is no voluntary aspect to A-List.

#### The Client Employer

Makes a decision to proceed with the A-List plan based on program provisions, pricing, and the underwriting format/requirements. The Client Employer is agreeing to an Underwriting Offer, and will pay for coverage on the lives of the employee participants.

#### The Employee Participants

The Client Employer selects the employees that will participate, based upon a distinct class of employees without exception. The Employee Participant or Owner (if other than Employee) will apply to the Insurer to obtain individual life insurance coverage based on the plan design, via an individual application process requiring that the employee provide information to the Insurer and execute the application for life insurance. The Insurer will decide to approve the application or not. Once the application is approved, all delivery requirements are satisfied, and premium has been paid, by the Client Employer, a policy will be issued.

#### Administration:

D&E is the exclusive A-List Administrator. D&E is responsible for all aspects of the A-List program in terms of administration.

#### General A-List Features (not peculiar to Client Employer noted above)

- Institutional Purchase of Life Insurance. Corporate Paid; not a “voluntary” platform. Participants cannot pick and choose whether or not to be included.
- Individual Term Life Insurance to 95. Annually increasing premiums -- schedule guaranteed for 3 years.
- Maximum Policy Death Benefit (at issue): \$3,000,000. Case size restrictions apply. Minimum \$50,000.
- Covered lives: 25+; one medically related question: ages 20-70.
- Premium rates are gender distinct and unismoke. Payment Modes: Annual, Semi-Annual, Quarterly

- Issuance of Coverage is contingent upon being actively at work on a full-time basis, completion of application with medically related question(s), and acceptance of the risk by the insurer.
- Continuance as Term Insurance at termination of employment.
- Conversion Option to Permanent Insurance: Available for 10 years from date of issuance, or to the insured's attained age 70, whichever comes first. For issue age 66-75, conversion is available up to five years. The conversion is to a specific higher premium policy of permanent insurance.

## **Underwriting Offer – to CLIENT EMPLOYER.**

LGA is willing to provide life insurance coverage to **CLIENT** eligible employees on the basis noted within this section of this document.

**→ If there is a change in the demographics of those to be insured at implementation that effects the risk to LGA, or a demographic change of those insured in the future, or if the communication of the A-List program does not adhere to what is stated in item #1 below – the Underwriting Offer can be modified or completely rescinded. LGA has the right to change certain program features for future entrants, or discontinue allowing future entrants into the program.**

The Underwriting Offer is based upon the following criteria:

### **1. Communication**

**→ All correspondence/communication** directed to people to be insured, explaining the A-List program at implementation or for new entrants in the future, must first be approved by D&E before distribution. This includes, but is not limited to, communications related to the application process and communication in connection to terminating employees.

### **2. Plan Design**

**A. Eligible Class:**

**B. Number of Insured Lives:**

**C. Amount of Insurance:**

**D. Anniversary Date:**

### **3. Contract/Policy/Rider**

- **Base Contract (Base):** The Individual Term Life Insurance policy that all policyowners will receive. Base contracts will have the same “common anniversary date.” A base contract can be ported by the policyowner after termination of employment.
- **Preliminary Term Contract (PT):** A short duration Term Life Insurance contract for a period of 2 to 11 months, used for an off anniversary new entrant, or to start A-List Term before a common anniversary date in the future. The PT premium must be paid in full at the start of the policy.  
*Note: There is no grace period when moving from PT to Base policies. A PT contract can only be ported (after termination of employment) to the firm's A-List common anniversary date – after which coverage ceases, and does not automatically convert to a base contract.*
- **Increasing Benefit Rider (IBR):** A rider attached to the base contract which provides an increase in the death benefit based on future salary or formula-driven increases. The IBR is effective on the common anniversary date, only, and carries an independent 3 year rate schedule guarantee.

#### 4. Delivery Receipt

→ Client Employer representative is required to sign the LGA Delivery Receipt as a confirmation that the participant policies have been received and will be provided to the policyowners.

The Base Contract, Preliminary Term Contract, and/or Increasing Benefit Rider will be provided to your institution. It is a requirement that your institution disburse these items to the policy owners in a timely fashion.

#### 5. Anniversary Date

→ The Anniversary Date **cannot** change after the A-List Program is implemented. For plans that incorporate a multiple of salary or formula-driven design, it is critical to make certain that the Anniversary Date is, indeed, the date that benefit levels are to change.

#### 6. For Multiple of Salary or Formula-Driven Plans:

- Salary/Formula Increases (provided by the Increasing Benefit Rider) – A 25% increase or less, annually, calculated using the original death benefit (simple interest) will not require underwriting, up to the Implementation Maximum: \$\_\_\_\_\_
- Benefits may increase above Implementation Maximum (Increases above Implementation Maximum allowed if the cumulative increase is not more than 50% of original death benefit. Restrictions may apply.)
- “Hard” maximum. Benefits are not to increase above the Implementation Maximum.
- Updated Salary/Formula Information: required to D&E 30 days prior to anniversary date. An increase in coverage is not effective until all of the following conditions have been met:
  - (a) D&E/LGA has received documentation of updated salaries/formula
  - (b) LGA has approved the death benefit increases
  - (c) All corresponding premium has been paid.

#### 7. Underwriting Criteria

- Completion of Application and related forms.

Note: LGA has the right to ask for additional medical requirements when circumstances dictate. Applicants can be accepted, “rated” (additional premium), or declined.

#### 8. Billing

- Life insurance premium is to be received by the insurance company prior to the due date.
- Premium for existing amounts of coverage is billed approximately 30 days in advance of the due date.
- Following the due date, there is a 31 day “grace period” that allows for premium to be received and not cause a policy to lapse.
- After the 31-day grace period, if premium has not been received by the Insurer, coverage has lapsed and there is no coverage in force.

##### **Multiple of Salary and Formula-Driven Plans – Increases in Coverage**

- For existing amounts of coverage (death benefits that are in force prior to any Increases in Coverage), premium will be billed 30 days in advance of the due date.
- This 1<sup>st</sup> bill is to be paid prior to the due date. (In the event that information associated with Increases in coverage has already been provided to D&E, this bill will incorporate such costs).
- Should information provided to D&E connected to Increases in Coverage, arrive after the 1<sup>st</sup> bill, – D&E will produce a 2<sup>nd</sup> bill noting such Increases.

**New Hires/Newly Eligible:**

When the Banner Life/William Penn policy has been issued for a new employee or newly eligible participant, D&E will forward an invoice to CLIENT upon delivery of the policy. In the case of Off Anniversary new hires – monthly premiums are pro-rated to anniversary date of the program. CLIENT will process a check made payable to Banner Life/William Penn and remit the check to D&E. D&E will then forward the payment to Banner Life/William Penn along with policy allocation details (a wire transfer may be utilized if that is preferred).

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**Privacy Policy – Commitment (See attached)**

**I acknowledge and understand the provisional and administrative attributes of the A-List Term program, noted within this Client Underwriting Offer and Acknowledgement Form, as it relates specifically to our company.**

**CLIENT**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date