

# Underwriting. It's Easier Than Ever.

A Guide for Your Executive Benefits Business

Guaranteed Issue or Simplified Issue Underwriting

LIFE INSURANCE



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Your future. Made easier.®

## Executive Benefits

Most of Security Life of Denver Insurance Company's employer-sponsored policies are sold on a Guaranteed Issue (GI) or Simplified Issue (SI) basis. Our success in this market is due to the flexibility and convenience of our Guaranteed Issue and Simplified Issue programs. These programs allow you to sell our products with a variety of different pricing and design scenarios. With over 30 years in the business, we have the expertise to address the unique needs of your employer-sponsored business.

## Guaranteed/Simplified Issue Requirements

- Minimum ten lives
- Employer/employee relationship
- Actively at work
- Weighted average age (by death benefit) 55 or under
- Coverage amounts driven by benefit formula

## Guaranteed Issue Underwriting

When we underwrite on a GI basis, we evaluate the risk of selling insurance without the advantage of medical evidence. Our Guaranteed Issue program allows you to enjoy the benefits of selling multiple policies without spending valuable time and effort on medical underwriting.

GI limits are based primarily on the type of sale, funding level and the number of lives. These formulas serve as a guideline for most Guaranteed Issue offers:

	Employee-Owned	Employer-Owned Funded at 7-Pay Premium
10-14 lives	\$15,000 per life	\$30,000 per life
15-19 lives	\$20,000 per life	\$40,000 per life
20+ lives	\$30,000 per life	\$60,000 per life

## Examples:

1. An employee-owned case with 30 lives would have a GI limit of \$900,000 per life (30 lives multiplied by \$30,000)
2. An employer-owned case funded at 7-pay with 50 lives would have a GI limit of \$3,000,000 per life (50 lives multiplied by \$60,000)

Other factors considered are:

- Spread of risk
- The highest death benefit in the first 15 years
- Coverage limits (we can offer \$10M per life and can bind coverage up to \$1M)

Keep in mind that these are only guidelines. Each case is evaluated on its own merits. A written offer letter is required from your Executive Benefits Underwriter.

## Two Levels of Guaranteed Issue

We offer two levels of Guaranteed Issue rates, Select and Regular. Policy charges may vary by the level of Guaranteed Issue.

- **Select GI – Available to executive groups**
- **Regular GI – Available to groups of executives and professionals when there is a mix of less than 50% executives**

The following questions must be answered by the employee:

1. Are you actively performing normal duties at your customary place of employment for at least 30 hours per week?
2. Have you been employed by the Plan Sponsor/Employer during the past 90 days?
3. During the 90 days prior to the date this consent application is signed, have you:
  - a) been absent from work due to illness, accident or medical treatment for either more than three consecutive days or a total of five days or more (not including vacations or holidays)?
  - b) sought or received care or treatment (outpatient or inpatient) at any type of hospital, emergency room or urgent care facility? If yes, give medical details.

4. Have you used any tobacco or nicotine products within the last 12 months? If "Yes," give type(s), frequency and date last used. (Tobacco use includes any substance containing nicotine within the last 12 months. We allow up to six cigars per year to be considered non-smoker.)
- Proposed insured can be rated or excluded based on serious illness or hospitalization.
  - The proposed insured must consent to be insured.

## Simplified Issue (SI) Underwriting

- Accommodates higher death benefits than GI using the same number of lives
- \$50,000 - \$100,000 factor per life depending on the number of lives in the group and the case design  
Example: 15 lives x \$50,000 = \$750,000 per life
- Select Guaranteed Issue policy charges
- SI application with Part II questions
- MIB is required and APS is required for cause
- No exam, specimen or blood
- Through Table 4 accepted as standard
- Accept/Reject decision
- Requires a written offer letter from your Executive Benefits Underwriter.

## Products available for Guaranteed Issue or Simplified Issue Underwriting

Variable	
<input type="checkbox"/> ING Corporate VUL	Policy #2516 (VUL) - 09/07
<input type="checkbox"/> ING VUL-CV	Policy #2517 (VUL) - 03/08
<input type="checkbox"/> ING VUL-ECV	Policy #2518 (VUL) - 06/08
General Account	
<input type="checkbox"/> ING GDBUL	Policy #1172
<input type="checkbox"/> ING IUL-CV	Policy #1178
<input type="checkbox"/> ING IUL-Global	Policy #1180 - 12/09
<input type="checkbox"/> ING IUL-Global Plus	Policy #1182 - 12/10
<input type="checkbox"/> ING UL-CV	Policy #1177
<input type="checkbox"/> ING UL-ECV	Policy #1176 - 08/08

### Pricing:

- Rates and underwriting available for Select, Regular, and Fully Underwritten.
- There are higher costs associated with Guaranteed/Simplified Issue business that may affect performance.

## Unisex or Sex Distinct

Please check with your Executive Benefits Underwriter before illustrating your case. They can determine if your case should be unisex, and which unisex version to illustrate.

Under Title VII of the Civil Rights Act of 1964, as well as under the employment laws of various states, where an employee's interest in benefits from a life insurance policy is considered a part of the terms, conditions, or privileges of employment, the life insurance must be priced using unisex rates.

ING will provide unisex rates used for life insurance policies sold to:

- Tax Qualified Plans
- Section 79 Plans
- Split dollar arrangements with 15 or more participants (not counting insureds who are owners or partners of the business)
- Executive bonus or restricted executive bonus arrangements with 15 or more participants (not counting insureds who are owners or partners of the business).

## The Executive Benefits Process

1. Submit an Executive Benefits Guaranteed Issue/Simplified Issue Request form (#127602) available on the ING for Professionals website [www.inglifeinsurance.com](http://www.inglifeinsurance.com).
2. One of the underwriters listed below reviews your case, sets the GI/SI limits, and prepares the Guaranteed Issue or Simplified Issue offer letter.
3. Your Executive Benefits Underwriter has the customized enrollment package prepared for you.

**Our goal is to work with you to develop an offer that best meets the needs of your Executive Benefits client.**

### Executive Benefits Underwriter Contact List

<b>Underwriters</b>	<b>1-800-448-9839</b>
<b>Meg Naylor</b>	<b>ext. 4602159</b>
<b>Keith Rodefeld</b>	<b>ext. 4602612</b>
<b>Shelley West</b>	<b>ext. 4602020</b>

### Security Life of Denver Insurance Company

1290 Broadway  
Denver, CO 80203

Life insurance products are issued by Security Life of Denver Insurance Company (Denver, CO). Variable universal life insurance products are distributed by ING America Equities, Inc. Both are members of the ING family of companies.

Variable insurance products are offered by prospectus only. To solicit variable insurance products you must maintain a variable insurance license, be appointed with the issuing company and be a registered representative of a broker-dealer that has a current selling agreement with the issuing company.

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# EXECUTIVE BENEFITS GUARANTEED ISSUE/SIMPLIFIED ISSUE REQUEST

Security Life of Denver Insurance Company, Denver, CO  
A member of the ING family of companies  
1290 Broadway, Denver, CO 80203  
Phone: 800-448-9839  
Meg Naylor: x460-2159, Keith Rodefeld: x460-2612, Shelley West: x460-2020



## INSTRUCTIONS

Submit to Guaranteed/Simplified Issue Underwriter by:  
1) Fax (303-813-2159 or 860-580-0028 or 303-813-2020) 2) Complete and email (meg.naylor@us.ing.com, keith.rodefeld@us.ing.com, shelley.west@us.ing.com)

## A. EMPLOYER DATA

Employer Name \_\_\_\_\_ Years in Business \_\_\_\_\_

Headquarters Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

If multiple locations, list locations and number of employees at each. \_\_\_\_\_

Type of Business:  C Corporation  S Corporation  Partnership  Other \_\_\_\_\_

Are you aware of any merger, acquisition or bankruptcy?  Yes  No Industry Type \_\_\_\_\_

Total # of Employees \_\_\_\_\_ Total # of Employees to be covered with permanent plan? \_\_\_\_\_

Are similar plans in force or being applied for?  Yes  No Will all plans be placed?  Yes  No

Will this plan supplement any existing life plan?  Yes  No

If "Yes," to any of the above, please provide details. \_\_\_\_\_

Attach a census that provides name, date of birth or age, gender, tobacco/smoker status, death benefit, salary (if salary-driven plan), and premium; and if applicable, date of hire, job classification and premium for aggregate funded plans. **(Excel spreadsheets sent through email with this request form are preferred. SSN's should not be sent via email or fax in order to reduce security concerns.)**

1. Are any of the employees foreign nationals or U.S. citizens residing outside the United States? . . . . .  Yes  No

If "Yes," please list countries, number of employees in each and citizenship status. \_\_\_\_\_

2. Are any of the employees not U.S. citizens? . . . . .  Yes  No

If "Yes," please give details including visa type, country of citizenship, country of residence and any plans to become a U.S. citizen. \_\_\_\_\_

## B. UNDERWRITING

1. Underwriting Requested:  Guaranteed Issue  Simplified Issue  
 Executive/Select  
 Regular

2. Indicate the annual activity that will occur within this plan:  Salary Changes  New Entrants

3. Purpose of Insurance \_\_\_\_\_

**Employer/Trust Owned**

- Deferred Compensation
  - Serp
  - Deferral
  - 401(k) Look Alike
- Endorsement Split Dollar
- Key Person
- Death Benefit ONLY
- Stock Redemption
- Bank Owned
- Pension Plan

**Employee Owned**

- 162 Bonus
- Group Term Carve Out/Replacement  
(Unisex Rates Required)

**C. MARKETING DATA**

Who will own the policies?  Corporation  Trust  Employee  Bank  Other \_\_\_\_\_

What is the specific formula for determining the death benefit? \_\_\_\_\_

Is this a 1035 exchange?  Yes  No If "Yes," which is it?  Internal or  External

If "External," from which carrier? \_\_\_\_\_

Reason for Exchange \_\_\_\_\_

Who will be eligible for the permanent plan? \_\_\_\_\_

Minimum Age \_\_\_\_\_ Minimum Years of Service \_\_\_\_\_ Salary Level \_\_\_\_\_

Job Classification \_\_\_\_\_ Other \_\_\_\_\_

Product (General Account) \_\_\_\_\_ Product (Variable) \_\_\_\_\_

**D. ILLUSTRATIONS**

Who will provide the illustrations?  Minneapolis Office  Regional Office  Agent Anticipated Plan Date \_\_\_\_\_

Payment Frequency:  Annual  Semi-Annual  Quarterly  Monthly  Single Pay \_\_\_\_\_

Please explain any other illustration case design features not covered. \_\_\_\_\_

**E. LICENSING** *(Please contact our licensing and contracting department or your regional office before submitting this case to ensure that all licensing and appointment requirements have been satisfied in all states where solicitation is to occur.)*

Are you appointed with Security Life of Denver Insurance Company in the state(s) listed above? . . . . .  Yes  No

Indicated appointment status:  General Account  Variable  Pending

**F. PRODUCER DATA**

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

 Agent Signature<sup>1</sup> \_\_\_\_\_ Date \_\_\_\_\_

Phone (\_\_\_\_\_) \_\_\_\_\_ Fax (\_\_\_\_\_) \_\_\_\_\_ E-mail \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Additional Agents on Case \_\_\_\_\_

Broker-Dealer \_\_\_\_\_

Distribution Channel:

- IGA  Strategic Distribution  NFP
- LifeDesign  M-Financial  Other \_\_\_\_\_

<sup>1</sup> Agent Signature only required when form is faxed.