

September 2020 Double Credit Term Conversion Program

Agent Instructions

Nearly 100,000 clients will be eligible for the September 2020 double credit term conversion program. Of those eligible, the top 40,000 most likely to convert will be mailed a letter package during the week of September 1, 2020. Read on for program details.

Note: As of the September 2020 program, term policies will not receive double credit for conversions into ULSG. Normal conversion rules will apply to policies converting to ULSG.

PROGRAM DETAILS:

- Clients with Term policies or Adult Term riders with issue dates prior to 12/31/2014 are eligible to receive **double** the normal conversion credit. Policies must be within their conversion period, active and paid to current date.
- To simplify and expedite the conversion process, please utilize the **illustration system** in conjunction with eApp. When both of these systems are used, term conversions are very easy to complete. The illustration system will download the existing policy values and auto-populate eApp with the applicable product and client information. Additionally, eApp will present only the relevant sections and/or information needed to complete the application. When completed, simply e-submit to the Home Office. (For instructions on how to use eApp for Term Conversions, please see the eApp instructions.)
- Through this offer, the term conversion credit per \$1,000 of coverage converted to permanent insurance is the lesser of **\$10.00, or double the annual premium, per thousand**. This credit will be used toward the first-year premium of the new permanent life insurance policy.
- **For Kansas agents:** Select Kansas NTL and Choice Term (2000) policies are included in this conversion program. Kansas client/members with the Convertibility Rider receive double the regular term conversion credit. Policies without the Convertibility Rider receive the normal conversion credit per \$1,000 of coverage converted to permanent insurance, which is the lesser of \$5.00 or the annual premium, per thousand.
- **IMPORTANT NOTES:**
 - The amount shown on the client's letter reflects the **maximum** conversion credit available based on the total conversion of the policy.
 - If you have a client who you believe should be eligible for the program but isn't on your list, contact Sonya Ostling to request an exception. **Note: Granted exceptions are rare and will be limited to householding issues only.**

Timeline for the September 2020 Double Credit Term Conversion Program:

Week of 9/1/2020	Offer is sent to eligible clients.
9/7/2020	List of eligible clients will be made available on HomeField.
11/10/2020	Clients are asked to respond to the Home Office by this date.
11/30/2020	Fully completed eApps must be received in the Home Office by this date.
12/1/2020	Lists will be removed from HomeField.

Responses, Fulfillment and Commissions

Policyowners respond via reply card to the Home Office, online, or by contacting you directly. If a customer has responded to the direct mail piece, a follow-up task that includes the reply date, will be created within HomeField. You will also receive a notification through Outlook email. Unassigned and temporarily assigned policies will be asked to contact Life Customer Service. The new business/writing agent on the permanent life policy receives all applicable commissions, Production Credit and Contest Credit. Unassigned and temporarily assigned life policies will be provided to Agency Managers within HomeField. Managers are asked to distribute within their agencies.

Selection Criteria:

Included in this mailing are all Term policies and Adult Term riders that meet ALL of the following criteria:

- Policies must have issue dates prior to 12/31/2014
- Policy must be active and paid to current date
- Term policies and riders must be within their conversion period
- Note - the following policies are also included:
 - Rated and substandard policies
 - Policies owned by a business or trust

The following policies are excluded:

- First-year term policies and first-year riders
- Policies issued after 12/31/2014
- Policies on Waiver of Premium
- Term policies that have or will develop a cash value¹
- Term policies with non-level death benefits¹
- Paid-up term policies
- Policies outside the 14-state marketing area²
- Policies with less than \$100 in credit²
- Policies with Return of Premium benefits³
- Policies under \$5,000 face amount
- Policies on the do-not-solicit list²
- Colorado clients where the assigned agent isn't in Colorado⁴
- Policies not assigned to an agent²
- Policies with a non-deliverable mailing address²
- Policies with a low model score (only the top 40,000 client/members likely to convert received the mailing)²

¹Upon your request, term policies with a cash value or that have non-level death benefit may be reviewed for eligibility. These policies will not receive the mailing but are eligible for the program and included on your list.

²These policies will not receive the mailing but are eligible for the program and included on your list.

³Policies with Return of Premium benefits will not receive the mailing; however, they are eligible for the program and are included on your list. Conversions of Return of Premium policies will result in the termination of the Return of Premium benefit. Please reference the Product Guide to determine if the policy will be eligible for benefit payouts if converted.

⁴Colorado clients where the assigned agent isn't in Colorado will not receive the mailing; however, they are eligible for the program, and will be included on your list. You must market through Greenfields Life if the sale occurs in Colorado. (NOTE: eApp is not available for Greenfields Life Insurance Company in Colorado. A Greenfields paper application must be completed.)

Conversion Options:

- The conversion credit is based on the actual amount the client converts.
- **Partial Conversions to Traditional Plans:** Policyowners may convert to a permanent plan and maintain the balance of their term coverage on the original policy (subject to policy minimums).
- **Partial Conversions to Foundations Universal Life (UL), Foundations Indexed Universal Life (IUL 15):** Policyowners may convert to a **new** UL15 or IUL 15 - or increase the face amount of an existing UL or VUL - and maintain the balance of their term coverage on the original policy (subject to policy minimums).
- **As of the September 2020 program, term policies will not receive double credit for conversions into ULSG. Normal conversion rules will apply to policies converting to ULSG.**
- If a policyowner has more than one eligible policy for the same insured, they may combine the face values and credit for each policy and convert to a single permanent life insurance policy, as long as the mortality class is the same.

Tobacco/Non-tobacco-Use Change Requests: New permanent life policies converted under this program maintain the same tobacco-use class as the original term policies. Requests for additional underwriting to change the tobacco-use class or rating requires a minimum conversion of \$25,000 and is subject to evidence of insurability.

Waiver of Premium and Children's Term Rider: Existing Waiver of Premium or Children's Term Riders may be carried over to the new policy without evidence of insurability. You must request these benefits on the new policy in the appropriate section of eApp. To determine eligibility to carry over the Waiver of Premium benefit, the Waiver question in eApp must be answered. On partial term conversions, the Children's Term Rider may either be carried over to the new policy or remain on the original term policy but not both.

Illustrations & Applications

- You are responsible for providing illustrations for all new applications.
- Instructions to complete the application are under "eApp Instructions". **Please note there are specific notices required.**
- The illustration system has been programmed to download existing policy information, so it can be in the system when you are converting and illustrating a new product. You should not have to contact the Home Office for premium or to run an illustration. The added benefit is to continue with eApp. The completed eApp and illustration will be e-submitted when the request is received in "good order." This will speed up the conversion process.

Additional Resources

Please remember, the **"Just In Time"** Sales Support team is available to discuss more complex issues with your client/members or answer questions involving sales solutions, sales ideas, sales concepts, case management and product questions, contact this Farm Bureau team of experts at (877) 854-7959. You can also contact your LSA or RFC at (800) 422-6785.

If you have any questions or concerns, please contact the following:

- **Life Contact Center:**
 - Term Conversion Info; UL/VUL increases: (800) 247-4170, select 2, 1, 1
 - New policy issue requirements: (800) 247-4170, select 2, 1, 4
- **HomeField Questions:** Farm Bureau Help Desk: (515) 226-6911 or (888) 925-3300