

Transition rules for new plans



Member of the AEGON Group

The effective date of all changes is May 1, 2004. The transition rules cover several aspects of the changes.

- Change in Preferred Underwriting band from \$250,001 to \$250,000 (all products)
- New Low-Fee, Deferred Bonus Option on *EstateADVANTAGE* (The choice of bonus option is not available for existing policies at this time.)

| NEW BUSINESS | PENDING UNDERWRITING | PENDING DELIVERY REISSUES |
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| All applications submitted for <i>WealthADVANTAGE</i> AND <i>EstateADVANTAGE</i> (available for sale October 2002) <i>PROTECTORPlus</i> , <i>TERMSelect</i> | | |
| Applications not received at TLC by May 1, 2004 | Pending Underwriting Approval on May 1, 2004 | Pending Delivery or Inforce on May 1, 2004 |
| <p>All applications signed prior to May 1, 2004 will be accepted until May 15 and will automatically be issued as applied for (the old product) unless otherwise requested (in writing from the Distributor) or by using Transamerica's transition form. If requested, the following will be required:</p> <p>Preferred Underwriting change:</p> <ul style="list-style-type: none"> • If a new product is requested and the face amount is \$250,000 you may choose to either: <ol style="list-style-type: none"> a. Drop the face amount to \$249,999; or b. Keep the face amount at \$250,000 <p>If a is chosen: a new illustration and a signed amendment are required.</p> <p>If b is chosen: This places the applicant in our Preferred Underwriting categories and new requirements will be needed (Please note, no requirements will be waived, even if the proposed insured only qualifies for the standard smoker or non-smoker category).</p> <p>Requests for new products:</p> <ul style="list-style-type: none"> • Requests for the new product requires: <ul style="list-style-type: none"> • Signed illustration • Signed amendment | <p>All applications dated prior to May 1 pending Underwriter's approval on May 1, 2004 will automatically be issued as applied for (the old product) unless otherwise requested (in writing from the Distributor) or by using Transamerica's transition form. If requested, the following will be required:</p> <p>Preferred Underwriting change:</p> <ul style="list-style-type: none"> • If a new product is requested and the face amount is \$250,000 you may choose to either: <ol style="list-style-type: none"> a. Drop the face amount to \$249,999; or b. Keep the face amount at \$250,000 <p>If a is chosen: a new illustration and a signed amendment are required.</p> <p>If b is chosen: This places the applicant in our Preferred Underwriting categories and new requirements will be needed (Please note, no requirements will be waived, even if the proposed insured only qualifies for the standard smoker or non-smoker category).</p> <p>Requests for new products:</p> <ul style="list-style-type: none"> • Requests for the new product requires: <ul style="list-style-type: none"> • Signed illustration • Signed amendment | <p>All policies issued prior to May 1, 2004 and pending delivery on May 1, 2004 can only be reissued if:</p> <ol style="list-style-type: none"> a) the distributor notifies Transamerica of the change; b) a new illustration is submitted; c) a new application supplement; d) a signed amendment; and e) \$50 reissue fee (deducted from commission statement). <p>For policies issued with a \$250,000 face amount, these policies will automatically be reissued as \$249,999 due to the underwriting change from \$250,001 to \$250,000. This simply keeps the policy at the standard underwriting classification and will avoid submitting additional requirements for preferred underwriting.</p> <p>In the event that an advisor wishes the client be assessed for preferred underwriting (and the applicable requirements are submitted for preferred underwriting), an additional administration charge of \$100.00 must be paid.</p> |
| INFORCE POLICIES | | |
| <p>Normal policy replacement rules apply. If a client wishes to replace the old product with the new product proper disclosure statements will be required. For universal life plans, full surrender charges will apply.</p> <p>Due to rate changes, we will not offer an exchange of the <i>WealthADVANTAGE</i> and <i>EstateADVANTAGE</i> policies (available for sale November 2001 – October 2002) to the new products.</p> | | |
| Applications signed on or after May 1, 2004 for the old products | | |
| <p>We will continue to accept applications for the old products that are dated prior to May 1, 2004 until May 15, 2004, after that date, we will automatically process as the new product and the following will be a delivery requirement:</p> <ul style="list-style-type: none"> • a new illustration, • a new application supplement (if UL) • plus any additional underwriting requirements | | |