

## Program Checklist

Before you surrender your existing life insurance policy, indicate with a checkmark that you've read and understand each statement.

- A new life insurance policy has a two-year "incontestable" clause that may or may not already have been satisfied with my existing policy.
- If my present policy has existing loans, the transfer of the policy values may have potential tax consequences.
- If I terminate my existing life insurance policy, I will be taxed on the "gain" in the policy, which can be mitigated by the use of a 1035 Exchange.
- Policies issued before June 21, 1988 may have tax benefits that are not available with the new policy being purchased since they are not subject to the rules governing Modified Endowment Contracts.
- My old policy may have benefits not included in my new policy. The new life insurance policies contain new sales and acquisition costs and a new surrender charge period.

If you are making the decision to replace your existing policy with a new policy based on a sales illustration, indicate with a checkmark that you've read and understand this statement.

- Life insurance sales illustrations contain guaranteed and non-guaranteed elements and policy performance will most likely differ from the illustrated values. The investment returns in the policy are based on Insurance Company directed accounts, which I cannot control.

If you are making the decision to replace your existing policy with a new policy based on a sales illustration that relies on "guaranteed assumptions," indicate with a checkmark that you've read and understand each statement.

- Policy guarantees will only be as strong as the carrier backing them. I have reviewed the financial ratings of the selected carrier.
- Financial ratings of the carrier chosen should be monitored, as they may change.

If you are considering a Section 1035 Exchange, indicate with a checkmark that you've read and understand each statement.

- The owner and insured on the "new" contract must be the same as under the "old" contract.
- The adjusted basis of the "new" contract is the total adjusted basis of all contracts exchanged.
- I cannot exchange a second-to-die policy for a single-life or vice versa.

Page 1 of 2

The Policy Evaluation Program is a complimentary service offered by Tellus Brokerage Connections through some of the top financial service professionals in the country to assist agents/brokers in analyzing their consumers' existing insurance policies. It is not a program designed to encourage agents/brokers to replace existing insurance policies. For use with non-registered products only. The annuity and insurance products described may be issued by various companies and may not be available in all states. All comments about such products are subject to the terms and conditions of the annuity and/or insurance contract issued by the carrier. These materials are provided for educational purposes only. Tellus makes no representation regarding the suitability of this concept or the product(s) for an individual nor is Tellus providing tax or legal advice. You should consult your own tax, legal or other professional advisor before purchasing these products.

Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

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I have read and understand the information provided and have reviewed the advantages and disadvantages of replacing my permanent life insurance contract and believe that it is to my benefit to make this transaction.

\_\_\_\_\_  
Policyowner Signature

\_\_\_\_\_  
Date

*(If policy is owned by a Trust, please have Trustee sign.)*

### New York Disclosures and Acknowledgement

In accordance with the New York Insurance Law and New York State Insurance Department Regulation 60, I have been provided with the following forms: 1) "Definition of Replacement" 2) "IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts" and 3) "Disclosure Statement." I have read and understand the information contained in each of these forms. I have also discussed these forms and the proposed replacement of my life insurance policy and/or annuity contract with my agent and/or broker. As reflected by my execution of these forms, I believe that it is to my benefit to make this transaction.

\_\_\_\_\_  
Policy Holder/Contract Holder Signature

\_\_\_\_\_  
Date

### New York Agent/Broker Certification

In accordance with the New York Insurance Law and New York State Insurance Department Regulation 60, I have provided the life insurance policy holder/annuity contract holder with the following forms: 1) "Definition of Replacement" 2) "IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts" and 3) "Disclosure Statement." I have discussed each of these forms with the policy holder/contract holder and have reviewed the existing policy/contract. Based upon my evaluation and understanding of the existing policy/contract and the policy holder's/contract holder's goals and objectives, and as evidenced by my completion and execution of the Definition of Replacement and Disclosure Statement forms, I believe that replacement is in the best interest of the policy holder/contract holder.

\_\_\_\_\_  
Agent/Broker Signature

\_\_\_\_\_  
Date

The policyowner is considering replacing an existing policy on contract because: \_\_\_\_\_  
By signing below, the Agent/Broker certifies that he or she: has reviewed the policyowner's existing policy and understands the policyowner's goals and objectives; believes that, considering all factors, replacement is in the best interest of the policyowner; and will review and complete with the policyowner all required insurance company approved forms and illustrations.

Received by: \_\_\_\_\_

\_\_\_\_\_  
Agent/Broker Signature

\_\_\_\_\_  
Date