

A BANNER AND WILLIAM PENN GENERAL AGENCY COMMUNICATION

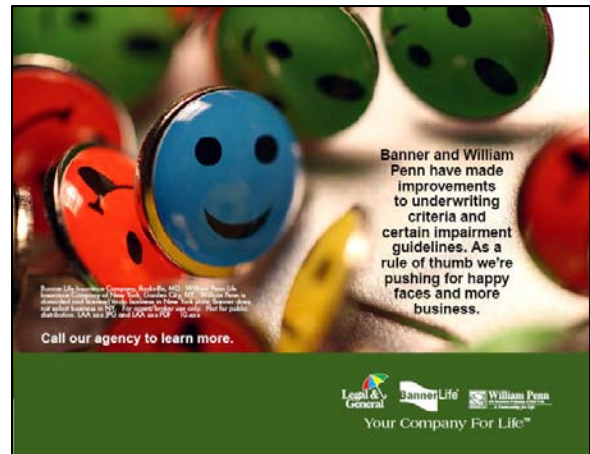
NEWS YOU'VE WANTED TO HEAR: UNDERWRITING CRITERIA IMPROVEMENTS

TO: ALL BANNER AND WILLIAM PENN GENERAL AGENCIES
FROM: SHARON JENKINS, SVP AND CHIEF UNDERWRITER
DATE: JULY 7, 2010

We are committed to delivering thoughtful, skilled and responsible underwriting, striving to make it easier for you to do business with us. Effective immediately, improvements have been made to enhance the underwriting process and offers. They include:

MORE LIBERAL CRITERIA OR FEWER REQUIREMENTS IN THESE AREAS:

- **Increased inspection limits:** Routine inspection reports no longer required for amounts through \$2 million through age 60.
- **Third party inspection reports:** No longer required for amounts over \$2 million through \$3 million. They will be handled by our in-house AppAssist Call Center.
- **Abbreviated Paramedical limits:** Extended for amounts over \$1 million through \$3 million through age 50. (Examiner does not ask history questions - non-med part 2 required).
- **Family history:** For clients over age 70 who do not use tobacco, a family history of cardiovascular disease will no longer be a consideration in determining underwriting class.
- **GERD and Asthma:** The mandatory APS requirement is eliminated for histories of GERD and Asthma. The underwriter may ask that a questionnaire be completed by some clients and will require an APS for those that appear to be severe cases, but a significant number of APSs will be eliminated. (The more complete the application, the greater the likelihood that an APS won't be needed.)



Use this JPEG or PDF to pass on the good news to your brokers.

GUIDELINE CHANGES TO THE MANUALS USED BY OUR UNDERWRITERS.

- The **obstructive sleep apnea (OSA)** guideline has been re-written: Expect significantly more competitive offers.
- **Diabetes** guidelines have been revised to allow for improved offers on overweight diabetics and on some clients with a history of gestational diabetes.
- Clients with well controlled **anxiety/depression** and no adverse features and who are being treated currently with one drug only can now qualify for Preferred.

For examples on how the guideline changes could improve your next offer, please scroll to page 2 for case studies. The updated Underwriting Criteria and Requirements guide has been posted to the forms page of BannerLife.com and WPenn.com.

GUIDELINE CHANGE CASE STUDIES

Family History

Joseph is 72 years old. His father died from a heart attack at age 45. Under the prior underwriting guidelines he would have started out at Standard Plus, but he now can qualify for Preferred Plus.

Obstructive Sleep Apnea

Alex, who is 60 years old, was diagnosed with sleep apnea three years ago, for which he successfully uses CPAP nightly. Under the prior underwriting guidelines he would have been underwritten at table 2, but he can now qualify for Standard Plus.

Diabetes

Ellen, who is 35 years old, has a history of gestational diabetes, the last episode being six years ago. Ellen has a normal fasting glucose and hemoglobin A1C, and meets all other Preferred Plus criteria. Under the prior underwriting guidelines she would have been Standard Plus, but she can now qualify for Preferred.

Bill, who is 55 years old, has a history of diabetes with fair control, but excellent control of lipids and a recent negative treadmill. With a body mass index of 31, under the prior underwriting guidelines he would have been table 2, but now he can qualify for Standard.

Anxiety/Depression

Florence, who is 50 years old, has had a history of anxiety/depression for four years, which has been well controlled on one medication. Under the prior underwriting guidelines she would have been Standard Plus, but now she can qualify for Preferred.