

COMPLIANCE NOTICE

LEGAL SERVICES

Date: October 2, 2017 10-17

To: Forethought Funeral Firms, General Agencies, and Agents

From: Legal/Compliance

Re: Important Reminder – Life Insurance Replacements Requirements

Earlier this year, Missouri joined the list of states that have adopted a replacement regulation based on the NAIC’s Life Insurance and Annuities Replacement Model Regulation. We want to remind you of the general requirements related to replacements and provide you with guidance on when those requirements may apply to a case you are writing.

The general requirement in NAIC model states is that the Replacement Form (Important Notice) must be completed in each case where the applicant indicates on the application that they have life insurance policies or annuities in force. The Important Notice has two questions. If either question is answered “Yes”, a copy of the completed and signed form must be left with the applicant at the time of application (on or before the application signed date). Those questions are:

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? Yes No
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? Yes No

There are exemptions, and the requirement described above does not apply to transactions involving group life insurance and annuities used to fund prearranged funeral contracts. Since our products are **not** sold on a group basis in all states, we’ve provided the following lists of states where the requirement will apply. In these states, the Replacement Form **must** be left with the applicant.

<u>Product</u>	<u>States</u>
Encore Series	Maryland, Oregon, South Dakota, Vermont, Wisconsin
Ascent EIG	Alaska, Louisiana, Maryland, Missouri, Ohio, Oregon, South Carolina, South Dakota, Texas, Utah, Vermont, Wisconsin
Imminent Annuity	Alaska, Alabama, Arkansas, Arizona, Colorado, Connecticut, Hawaii, Iowa, Kentucky, Louisiana, Maryland, Maine, Missouri, Mississippi, Montana, North Carolina, Nebraska, New Hampshire, New Jersey, New Mexico, Ohio, Oregon, Rhode Island, South Carolina, South Dakota, Texas, Utah, Virginia, Vermont, Wisconsin, West Virginia

New Business policy issue **will be delayed** for applications in these states if the Replacement Form is not included with the paperwork you submit.

If you have any questions, please contact sales support at (866) 449-3722.