

External Term Conversion Program



MetLife®

ELIGIBLE CARRIERS

MetLife will continue to monitor the External Term Conversion Program on a regular basis to ensure that we only convert policies issued by strong companies with responsible underwriting. We will make revisions to the eligible carrier list as circumstances dictate and will review the list twice a year for carrier additions. Clients who own an in-force term policy issued standard or better in the last 60 months by one of the following companies are generally eligible for the program.

American General Life Insurance Company

- Old Line Life Insurance Company
- The US Life Insurance Company in the City of NY

AXA Equitable Life Insurance Company

- MONY Life Insurance Company of America

Banner Life Insurance Company¹

Genworth Life Insurance Company

- American Mayflower Life Insurance Company of New York
- GE Capital Life Insurance Company
- First Colony Life Insurance Company

The Guardian Life Insurance Company of America

- Berkshire Life Insurance Company of America

Lincoln Benefit Life Company²

Lincoln National Life Insurance Company

- First Penn Pacific Life Insurance Company
- Jefferson Pilot Life Insurance Company

Manulife Insurance Company

- John Hancock Life Insurance Company

Massachusetts Mutual Life Insurance Company³

Minnesota Life Insurance Company

New York Life Insurance Company³

North American Company For Life and Health Insurance

Northwestern Mutual Life Insurance Company

Ohio National Life Insurance Company

Pacific Life Insurance Company

Penn Mutual Life Insurance Company³

Phoenix Life Insurance Company

Principal Life Insurance Company

Protective Life Insurance Company

- Chase Insurance Life & Annuity Company
- Empire General Life Insurance Company
- Federal Kemper Life Assurance Company
- Zurich Kemper Life Insurance Company

Provident Mutual Life Insurance Company

Prudential Insurance Company of America

- PRUCO Life Insurance Company

Security-Connecticut Life Insurance Company

State Farm Life Insurance Company

Transamerica Occidental Life Insurance Company

Union Central Life Insurance Company

¹ Only term policies issued January 2006 and later are eligible

² Only term policies issued November 2004 and later are eligible

³ Only policies issued preferred rating classification or better are eligible

Group affiliates or subsidiaries of approved companies are not eligible unless they are already on the list of approved companies.

ELIGIBLE METLIFE PERMANENT PRODUCTS FOR EXTERNAL TERM CONVERSION

All single-life permanent products from MetLife are available (survivorship products are not eligible). All conversions must be suitable for the client and supported through documentation as to suitability.

PROGRAM HIGHLIGHTS

The following guidelines have been established and must be followed in order for a non-Enterprise term policy to be eligible for conversion:

- **This program is not available for applicants residing in New York.**
- Minimum face amount for conversion is \$100,000.
- **Preferred Nonsmoker is the best classification available with conversion. Select Preferred and Elite are NOT available.**
- Lifetime maximum aggregate face amount from all approved External Term Conversion cases per insured cannot exceed \$1,000,000.
- Amounts over \$1 million must be underwritten.
- The insured's age must be between 18 to 65 inclusive.
- The term policy must have been issued and in-force: 6 months prior to and within 60 months (5 years) of the Part 1 date of the new permanent life insurance application.
- Subsidiaries and parent companies of approved companies ARE NOT eligible, unless they are already on the list of approved carriers.
- The term policy must be in-force and premium paying (no policies on disability waiver are allowed) and have been issued standard or better.
- Term conversion vouchers or credits are not available for this program.
- The term policy must be within its contractual convertible period.
- Only fully underwritten term policies issued under normal new business underwriting rules are eligible.
- Policies issued on a simplified basis, guaranteed issue, or as a result of any other special underwriting program are not eligible. Policies with flat extra premiums or exclusion riders are not eligible for the program.
- The entire face amount of the term policy must be converted; no partial conversions will be accepted.
- Initial class must be standard or better.
- Primary insured term riders and spouse term riders are eligible for conversion with the base term policy conversion, provided the classification of the term rider is standard or better. The entire base policy face amount and if attached to the term policy, the entire amount of any primary insured or spouse term rider must be converted. No partial conversions of primary insured or spouse term rider coverage will be allowed.
- Up to 50% blend of inside term is accepted when converting to a permanent policy that has this "flex term" type of term rider available.
- "Outside" (traditional) term riders on permanent plans issued by approved carriers ARE NOT eligible for this program.
- If waiver of premium or any other rider is requested on the new permanent plan, underwriting is required. Please note: the disability waiver rider must be on the original term policy in order to be available on the new permanent product.
- We will consider adding the LTC-GPO rider to select enterprise permanent products providing there is a request for a face increase of at least \$100,000. The full underwriting and the full application is required.
- The original term policy must be submitted; no lost policy declaration forms will be accepted. Full duplicate policies are acceptable.
- Some companies engage or have engaged in a practice called Table Shaving, where by several substandard table ratings are "shaved" to the Standard class. For these companies shown in the list of approved companies, only term policies issued in the Preferred class are eligible for the conversion program.
- As with all life insurance sales, the transaction must be suitable for the customer and be fully supported by a financial needs analysis.
- All applications submitted for this program are to be completed on a C.O.D basis to avoid double coverage under the existing term policy and the Temporary Insurance Agreement. When issued, these policies will follow our C.O.D. guidelines for non variable policies, that requires dating a policy 30 days into the future.
- No collaterally assigned policies are eligible for this program.

SUBMISSION REQUIREMENTS

You and your client need to complete the following forms in order to take advantage of this program:

1. New Business Life Forms (do not use term conversion forms)
 - If no underwriting is required:
 - Complete PART 1, Sections 1-7 of the Life Insurance Application ENB-7-05-XX
 - Indicate 'External Term Conversion Program' in Section 6, question 1, 'Special Requests' - Other (page 5)
 - Complete and obtain and witness signatures on Certification/Agreement/Disclosure (pages 14 & 15)
 - EAGT-05 (05/05) Agent/Producer Identification & Certification
 - **If underwriting is required** (face amount on new policy greater than term, better underwriting class is desired, or disability waiver or any other eligible rider, if applicable, is being applied for), complete all of in the "If no underwriting is required" section plus the following:
 - PART 1, Section 8
 - PART 2, of the Life Insurance Application ENB-7-05-XX
 - Obtain HIV testing Authorization on appropriate consent form
 - Certification/Agreement/Disclosure signatures (pages 14 & 15)
 - Obtain and witness Authorization signatures on EAUTH-05-XX
 - EAGT-05 (05/05) Agent/Producer Identification & Certification
2. Form EXTC 1 (12/03) Special SFL Assignment form that assigns ownership to MetLife or affiliate so the home office can cancel term coverage once the new policy is placed
3. Leave the Client Package booklet with the applicant - DO NOT Complete the Temporary Insurance Agreement & Receipt section -**tear it out**
4. Signed sales illustration
5. Complete all replacement forms required by the state of the applicant/policyowner
6. The original term policy (Lost policy declarations forms or policy summaries will not be accepted)
7. Other Requirements:
 - If premium mode is monthly draft: Complete the monthly draft authorization form DEBITAUTH-05 (05/05). Do NOT collect premium from the applicant.
 - If new policy is VUL - Complete brand specific variable supplement.
 - Variable product requires policy endorsement E-E7-01 acknowledging the receipt and acceptance of the policy and agreement to the changes made to the date of the policy.

Your Client's New Permanent Policy

The new permanent policy will be issued in the most comparable rating class and smoking designation as the original term policy. Elite classifications are not available for the new policy. If the external term policy was issued with the issuing carrier's version of Elite or Super-Preferred, the new permanent policy will be issued with a Preferred rating. Since no insurability questions are answered on the application, except if disability waiver is requested, there is no information in the policy on which to contest. No advance deposits will be accepted (no Temporary Insurance Agreement) to avoid the possibility of double coverage. All cases will be issued on a COD basis.

**For more information please contact
your internal wholesaler.**

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