

Quality health plans & benefits
Healthier living
Financial well-being
Intelligent solutions

aetnaSM

Final Expense (whole life) Insurance

American Continental Insurance Company (ACI)
Continental Life Insurance Company of Brentwood,
Tennessee (CLI)



Why Aetna Senior Supplemental Insurance* Products?

American Continental Insurance Company (ACI) and Continental Life Insurance Company of Brentwood, Tennessee (CLI), Aetna companies

- A (Excellent) rating with A. M. Best**
- Over 27 years specializing in the senior market
- A distributor preferred company that supports the long term success for our valued producers
- A small company personality with big company capability
- Proven “personalized” customer service
- Competitive commissions
- Attractive sales incentive programs (state compensation rules vary)
- Diverse product portfolio that meet the unique needs of your clients
- Affordable products to cross sell that will help grow your business
- Consumer Lead Referral Program

* Includes all products underwritten by American Continental Insurance Company (ACI) and Continental Life Insurance Company of Brentwood, Tennessee (CLI), Aetna companies.

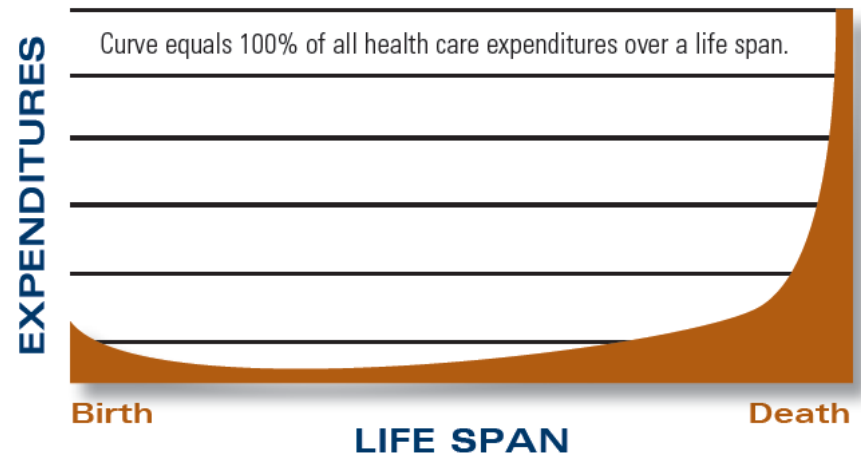
** Financial strength as of November 18, 2011

The Opportunity

ACI/CLI Final Expense (whole life) insurance can help minimize the emotional and financial burden a loss could have on a family.

- A funeral is the third largest family expense.¹
- On average, a funeral can cost \$10,000 or more.²
- Social Security benefits pay only \$255 to qualified dependents.³
- The majority of U. S. health care costs rise in the final phase of life, when living with eventually fatal chronic illnesses which have the most intense costs associated with the treatments

American's Current Health Care Expenditures Are Concentrated in the Final Part of the Life Span⁴



Sources:

1 Federal Trade Commission, www.ftc.gov

2 National Caregivers Library, www.caregiverslibrary.org

3 Social Security Rules and Regs, www.ssa.gov/pubs/10008.html

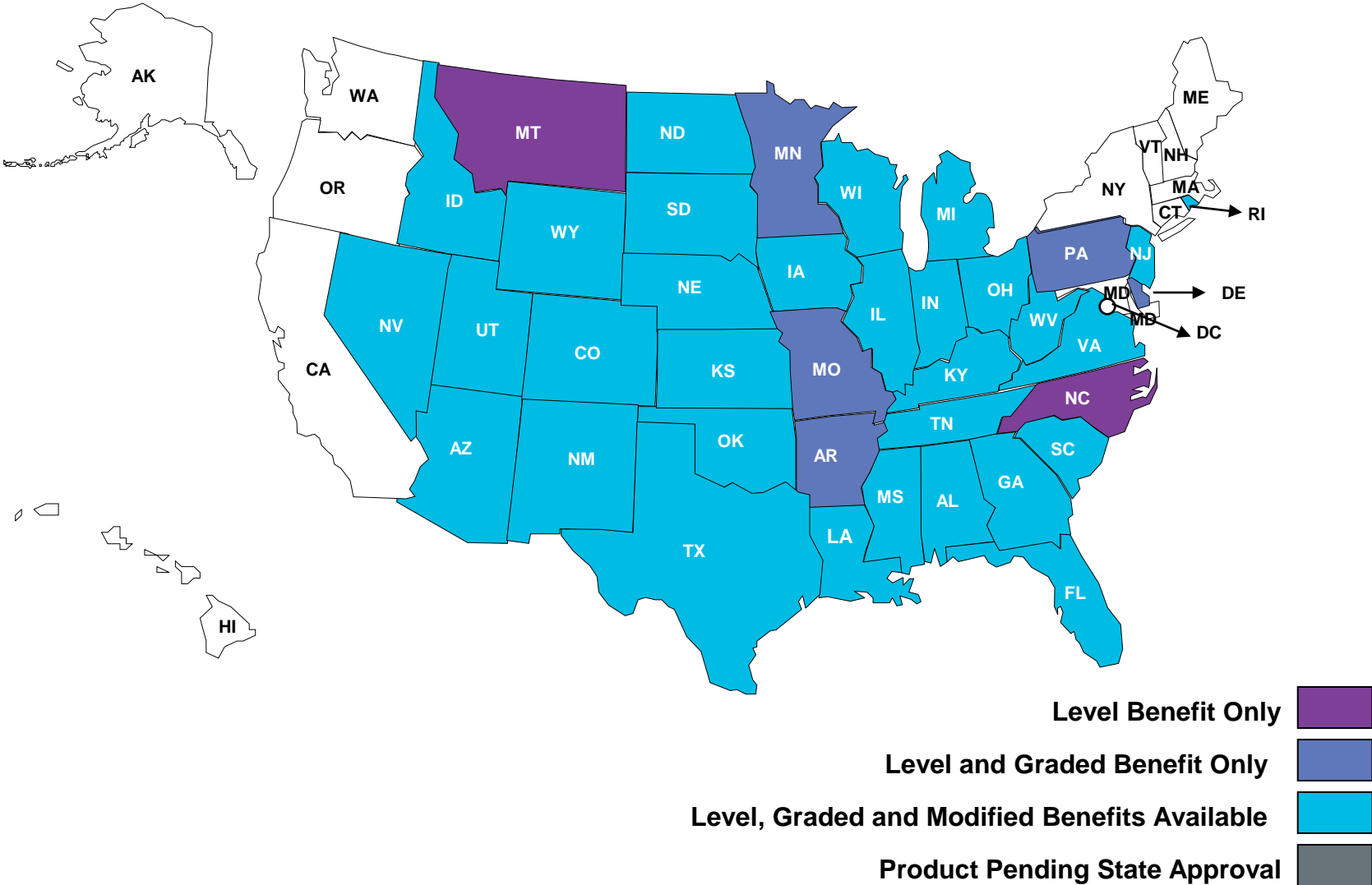
4 Rand: Living Well at the End of Live, www.medicaring.org

Final Expense Offers Clients

- **Peace of mind**
- **Provides funds when needed most**
- **Affordable coverage**
- **Rates do not increase**
- **Level, graded or modified death benefit plans**
 - Plan options vary by state
- **Point of sale pre-approval**
 - Telephone based Jet Pre-Approval process
 - Client applies knowing what coverage level he/she can qualify for
 - Reduces declined applications
 - Can expedite issuance of the policy
 - Pre-Approval does not guarantee an application will be approved
- **Coverage through a company with proven financial strength and commitment to the senior market**

Final Expense Availability

Applicant must reside in policy issue state



Final Expense Offers Agents



- **New product to cross sell to existing clients**
- **Expand your client base**
- **Multiple products increase business persistency**
- **Competitive commissions**
- **Credit toward qualification for sales contests**
- **Commission advancing when approved by the home office**

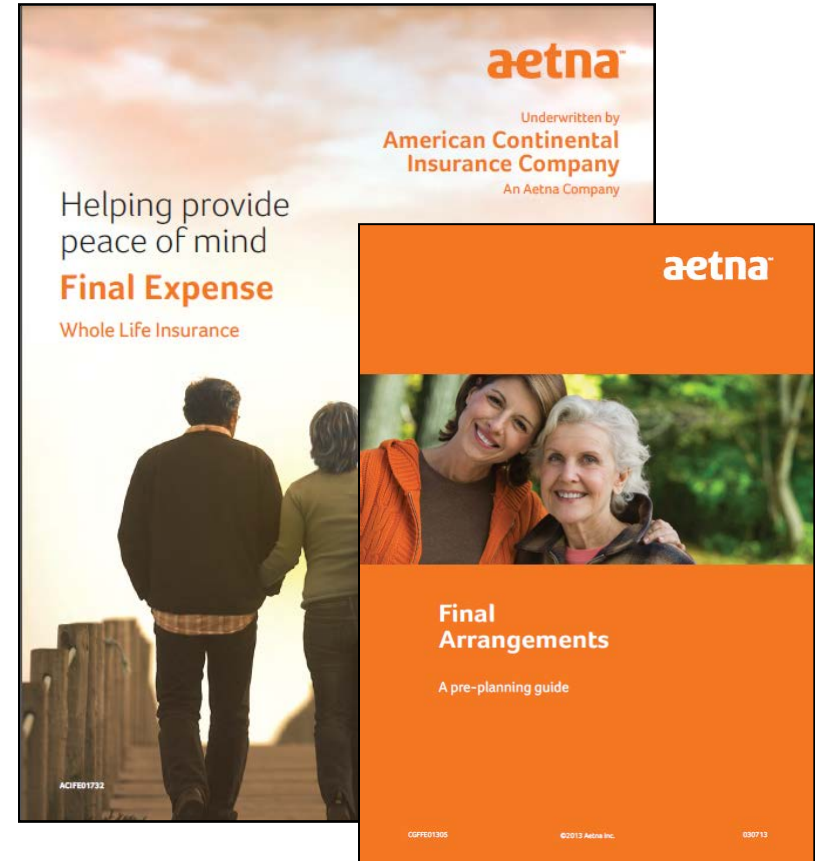
Marketing Materials

- Sales kit contains everything you need
- Agent rate guide available – not part of sales kit
 - Rates by face amount
 - Money Purchase rates



Final Arrangements Planning Guide

- Included in all sales kits
- Available as stand-alone
- Allows consumers to document their final wishes for their loved ones and record important information



Establish Client's Needs – Questions to Ask

- The average funeral costs \$10,000+. Have you considered the health costs associated with end of life health care?
- Are you aware that Social Security currently pays only \$255 as a death benefit?
- Have you taken care of your final expenses?
- Can your family afford to bear the costs of your funeral?
- Have you considered other costs that may occur?
 - Out-of-pocket medical expenses including hospice or skilled care
 - Estate Probate
 - Funeral costs including grave marker, etc.
 - Other debts

The Cost Of A Funeral**

Funeral costs will vary depending on the type of service, funeral provider, and other specific desired arrangements. The guide below includes examples of different types of funeral services with a range of general costs.

Containers

| | |
|----------------|-----------------|
| Caskets | \$90 - \$65,000 |
| Cremation urns | \$25 - \$3,650 |
| Vaults | \$450 - \$9,890 |

Basic Services

| | |
|--------------------|-----------------|
| Funeral services | \$700 - \$1,775 |
| Burial | \$725 - \$2,635 |
| Cremation | \$725 - \$2,255 |
| Receiving remains | \$440 - \$2,040 |
| Forwarding remains | \$780 - \$2,520 |
| Embalming | \$100 - \$ 525 |

Ceremonies

| | |
|-------------------------|---------------|
| Onsite visitation | \$100 - \$520 |
| Onsite memorial service | \$100 - \$670 |
| Graveside service | \$50 - \$415 |

Transportation

| | |
|------------------|---------------|
| Funeral coaches | \$135 - \$250 |
| Limousines | \$125 - \$250 |
| Utility vehicles | \$30 - \$125 |

For specific information about the costs of funeral services in an area, contact a local funeral service provider.

**Source: National Caregivers Library,
February 6, 2009, www.caregiverslibrary.org

Note: This is not a pre-paid funeral plan

Determine Face Amount

Pre-calculated rate sheets simplify decision

Face amounts vary by age – based on age at application

- Determine face amounts available
- Sold in increments of \$1,000
- Minimum \$3,000, Maximum \$35,000

Level Benefit Plan EFT Rates for Face Amounts
(Male Non Smoker)

| Issue Age | \$5,000 | \$7,500 | \$10,000 | \$15,000 | \$20,000 | \$25,000 | \$30,000 |
|-----------|---------|---------|----------|----------|----------|----------|----------|
| 45 | 17.92 | 25.21 | 32.50 | 47.08 | 61.67 | 76.25 | 90.83 |
| 46 | 17.92 | 25.21 | 32.50 | 47.08 | 61.67 | 76.25 | 90.83 |
| 47 | 18.33 | 25.83 | 33.33 | 48.33 | 63.33 | 78.33 | 93.33 |
| 48 | 18.33 | 25.83 | 33.33 | 48.33 | 63.33 | 78.33 | 93.33 |
| 49 | 18.75 | 26.46 | 34.17 | 49.58 | 65.00 | 80.42 | 95.83 |
| 50 | 18.75 | 26.46 | 34.17 | 49.58 | 65.00 | 80.42 | 95.83 |
| 51 | 19.17 | 27.08 | 35.00 | 50.83 | 66.67 | 82.50 | 98.33 |
| 52 | 19.58 | 27.71 | 35.83 | 52.08 | 68.33 | 84.58 | 100.83 |
| 53 | 20.42 | 28.96 | 37.50 | 54.58 | 71.67 | 88.75 | 105.83 |

Note: This is not a pre-paid funeral plan

Sample Premiums - \$10,000 Death Benefit

| | Issue Ages | Monthly Premiums* | |
|----------|------------|-------------------|-----------------|
| | | Female Non-Smoker | Male Non-Smoker |
| Level | 65 | \$ 45.83 | \$ 55.83 |
| | 70 | \$ 55.33 | \$ 70.83 |
| | 80 | \$105.83 | \$131.67 |
| | 89 | \$207.50 | \$286.67 |
| Graded | 65 | \$ 55.83 | \$ 69.17 |
| | 70 | \$ 68.83 | \$ 89.17 |
| | 80 | \$135.83 | \$175.00 |
| Modified | 65 | \$ 58.33 | \$ 75.83 |
| | 70 | \$ 75.83 | \$109.17 |
| | 80 | Not Available | Not Available |

.Note: Monthly premium includes the \$40 annual policy fee

Determine Level Of Coverage

Sample health questions

- Section 3 (A, B, and C) of the application
- If applicant can answer “no” to all questions in a section and the previous section(s), the client qualifies for that level of coverage

| Coverage level | Requires a “No” answer for all questions in |
|--------------------------------------|---|
| Modified (where available) | Section 3A |
| Graded (where available) | Sections 3A and 3B |
| Level | Sections 3A, 3B and 3C |

Coverage levels vary by state. Sample shown is an application when all coverage levels are available

Application for Whole Life Insurance

Page 2 of 5 Applicant Initials _____

3. Health questions

A. Modified benefit plan
If you answered “yes” to any questions in Section A, you are not eligible for insurance coverage.

B. Graded benefit plan
If you answered “yes” to any questions in Section B, you qualify for the Modified benefit plan.

C. Level benefit plan
If you answered “yes” to any questions in Section C, you qualify for the Graded benefit plan.

If you answered “no” to ALL questions in Section C, you qualify for the Level benefit plan.

1. Do any of the following apply to you?

A. currently hospitalized, in a nursing facility, confined to a bed, receiving hospice care Y N

B. require use of oxygen for any lung or respiratory disorder Y N

C. have been diagnosed by a medical professional to have an aneurysm that has not been surgically repaired Y N

2. At any time have you been diagnosed or treated by a medical professional or had surgery for any of the following?

A. any condition requiring bone marrow, stem cell, or organ transplant Y N

B. kidney disease requiring dialysis Y N

C. Alzheimer’s Disease, dementia, mental incapacity Y N

D. Lou Gehrig’s Disease (ALS) Y N

E. a life expectancy of 12 months or less Y N

F. Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC), tested positive for the Human Immunodeficiency Virus (HIV) Y N

3. Do you have diabetes?

A. diagnosed by a medical professional before age 40 Y N

B. in combination with any heart or circulatory disorder diagnosed by a medical professional (excluding high blood pressure) Y N

C. requiring 40 or more units of insulin daily Y N

4. Within the past 12 months, have you been diagnosed or treated by a medical professional or had surgery for any of the following?

A. heart attack, heart valve disorder, heart blockage, stroke or transient ischemic attack (TIA) Y N

B. any lung or respiratory disorder requiring the use of a nebulizer Y N

C. any lung or respiratory disorder and currently use tobacco Y N

D. internal cancer, melanoma, lymphoma, multiple myeloma, leukemia, systemic lupus (SLE) Y N

E. chronic pancreatitis, chronic hepatitis, cirrhosis Y N

5. Within the past 12 months, have you been recommended by a medical professional to have any of the following?

A. treatment or counseling for alcohol or drug abuse Y N

B. test, surgery, treatment or further evaluation that has not been performed or are there any test results pending Y N

6. Within the past 24 months, have you been diagnosed or treated by a medical professional or had surgery for any of the following?

A. aneurysm, heart attack, any circulatory disorder, stroke or transient ischemic attack (TIA) Y N

B. emphysema, chronic obstructive pulmonary disease (COPD) Y N

C. internal cancer, melanoma, leukemia Y N

D. neuromuscular disorder including, but not limited to, cerebral palsy, multiple sclerosis, muscular dystrophy Y N

E. any connective tissue disorder, ulcerative colitis, Crohn’s disease Y N

7. At any time, have you been diagnosed or treated by a medical professional or had surgery for any of the following?

A. congestive heart failure, cardiomyopathy, Parkinson’s disease Y N

B. any permanent paralysis, amputation caused by disease Y N

8. Are you dependent on a wheelchair or motorized mobility device? Y N

ADIFE0430SD 020210

Modified →

Graded →

Level →

Benefit Plans

| | Death Benefits | Issue Ages | Maximum Benefit* |
|----------|---|------------|------------------|
| Level | Full benefit immediately | 45 – 65 | \$35,000 |
| | | 66 – 80 | \$25,000 |
| | | 81 – 85 | \$15,000 |
| | | 86 – 89 | \$10,000 |
| Graded | Accidental Death Full benefit immediately | | |
| | Non-accidental Death Policy year 1: 40% of benefit amount | 45 – 65 | \$35,000 |
| | Policy year 2: 75% of benefit amount | 66 – 80 | \$25,000 |
| | Policy year 3: Full death benefit | | |
| Modified | Accidental Death Full benefit immediately | | |
| | Non-accidental Death Policy years 1 and 2: ROP plus 10% | 45 – 65 | \$35,000 |
| | Policy year 3: full death benefit | 66 – 75 | \$25,000 |

All levels not available in all states.

Note: \$3,000 minimum benefit amount for all ages

Jet Pre-Approval

Conducted at point of sale

- Fast and convenient
- Pre-qualifies applicant for level of coverage (based on age and health history)
- Expedites policy issue upon **final approval** by Home Office

Sales occurring outside hours of operation

- Agent and applicant determine a convenient date/time for the telephone interview to be conducted (within Jet Pre-Approval hours of operation)
- Agent initiates call to the Jet Pre-Approval Team and they will establish a 3-way call with you and your client

Dedicated Final Expense Toll Free Number

CALL 877 JET.2759 (877 538-2759)

Select menu option based on the type of Final Expense inquiry

Option 1: Jet Pre-Approval Team

| Time Zone | Monday – Friday Hours | Saturday Hours |
|-----------|------------------------|------------------------|
| Eastern | 8:00 a.m. – 10:00 p.m. | 10:00 a.m. – 4:00 p.m. |
| Central | 7:00 a.m. – 9:00 p.m. | 9:00 a.m. – 3:00 p.m. |
| Mountain | 6:00 a.m. – 8:00 p.m. | 8:00 a.m. – 2:00 p.m. |

Pre-Approval is conducted by telephone at the point-of-sale with the client (or by 3-way conference if agent is not face-to-face with the applicant during normal hours of operation).

Option 2: FE Specialist Team

| Time Zone | Monday – Friday Hours |
|-----------|-----------------------|
| Eastern | 8:30 a.m. – 5:30 p.m. |
| Central | 7:30 a.m. – 4:30 p.m. |
| Mountain | 6:30 a.m. – 3:30 p.m. |

- New business
- Underwriting
- Policy status

Final Expense product currently not available in any state located in the Pacific Time Zone.

What To Review With Your Client

- **Verify the applicant agrees to the Pre-Approval process**
 - Recorded phone call
 - Application will still be required
- **Benefit amounts available for client's age bracket**
 - Jet Pre-Approval will ask for requested face amount
- **Premium**
 - Modal options and payment methods available
- **Ask applicant all health questions (Section 3) of the application prior to the call**
- **Make sure the applicant understands the importance of accurate answers to each health question**
- **Verify applicant is a U.S. resident and resides in policy issue state**
- **Determine if applicant intends to replace other insurance/annuity**

Call 877 JET.2759 (toll free) with your applicant present

Complete the Application

If client is pre-approved

- Complete application, including all health questions or until a “yes” answer is provided
- Obtain proper signatures, with all required forms completed, including replacement forms
- Write pre-approval number on application
- Incomplete or missing documents and discrepancies will delay processing

If client is pre-approved for a plan other than plan of choice

- After call is completed, determine if client wants to apply for coverage
- Complete application according to coverage level desired and for which they have been pre-approved
- Application can have no more than two (initialed) corrections

Pre-approval is valid for 30 days

- After 30 days a new application and telephone interview will be required

Pre-approval does not result in immediate coverage

- Policy effective when approved and all requirements received in Home Office

Refer to *Process Guidelines* for detailed instructions (*in Sales Kit*)

Submit New Final Expense Business

Fax completed application (and other required documents)

- Final Expense dedicated New Business fax number (877) 302-3304

Mail check, along with Final Expense (FE) payment form to lockbox

- DO NOT mail FE application to lockbox
- Reference assigned pre-approval number on FE payment form
- Lockbox address can be found on FE payment form and New Business envelope (both are included in sales kits)

Refer to *Process Guidelines* for detailed instructions (*in Sales Kit*)

Effective Dates

Requested effective dates within guidelines will be honored if application and first mode of premium are received at home office within 15 days of application date

- Requested effective date can be no earlier than application date
- Otherwise (or if an effective date is not requested), effective date will be application date

If application and first mode of premium are received at home office 16-30 days of application date

- Requested effective date can be no earlier than home office received date
- Otherwise (or if an effective date is not requested), effective date will be home office received date
- Applications received between 16-30 days from application date are subject to a premium difference if a birthday has occurred


Premium determined based on policyholder's age (last birthday) on the effective date of coverage

Applications received greater than 30 days after the application date will be returned and a new application required

Fax Check Program

Fax Initial Check = Faster Policy Issue

- Available for Final Expense applications only
- Fax applicant's initial premium
- Applicant must use electronic funds transfer (EFT) to pay recurring *monthly* premiums
- Complete an Authorization To Fax Check form (# ACIFE0795)
 - Complete EFT request section of application
 - Faxed check also used to set up EFT


American Continental Insurance Company
An Aetna Company
101 Continental Plaza
Brentwood, TN 37027

Authorization To Fax Check
from American Continental Insurance Company
Page 1 of 1

• Print clearly and use blue or black ink.

1. Usage Guidelines

Requirements:

- The faxed check method can only be used for **initial premium payments** when the recurring method of payment will be **electronic funds transfer**. This method cannot be used for a one-time direct bill quarterly, semi-annual or annual mode.
- The check must be entirely completed. We will not accept faxed checks with missing information such as: pay to, date, written amount, dollar amount, signature, etc.
- The agent will properly destroy the original check once faxed and received at the Home Office.
- Fax the signed authorization with the application for insurance and required forms to 877.302.3304.

Note: Your checking account may be debited the same day your agent faxes the check to us.

2. Authorization

Your agent will submit your application for insurance and your initial payment request to American Continental Insurance Company via facsimile (fax).

By signing this form, you authorize American Continental Insurance Company to initiate an electronic funds transfer from your bank account according to the terms of the check. This means your check will be converted to an electronic transaction. Your agent will destroy your original check after it is faxed and received at the Home Office.

I hereby authorize American Continental Insurance Company to draw an electronic funds transfer from my checking account to pay for this life insurance policy. Future premiums for this life insurance policy will be deducted from this checking account until you notify us to change your billing.

Applicant signature _____ Date signed _____

X

(Signature as it appears on bank records)

Destroy faxed check upon receipt confirmation by home office

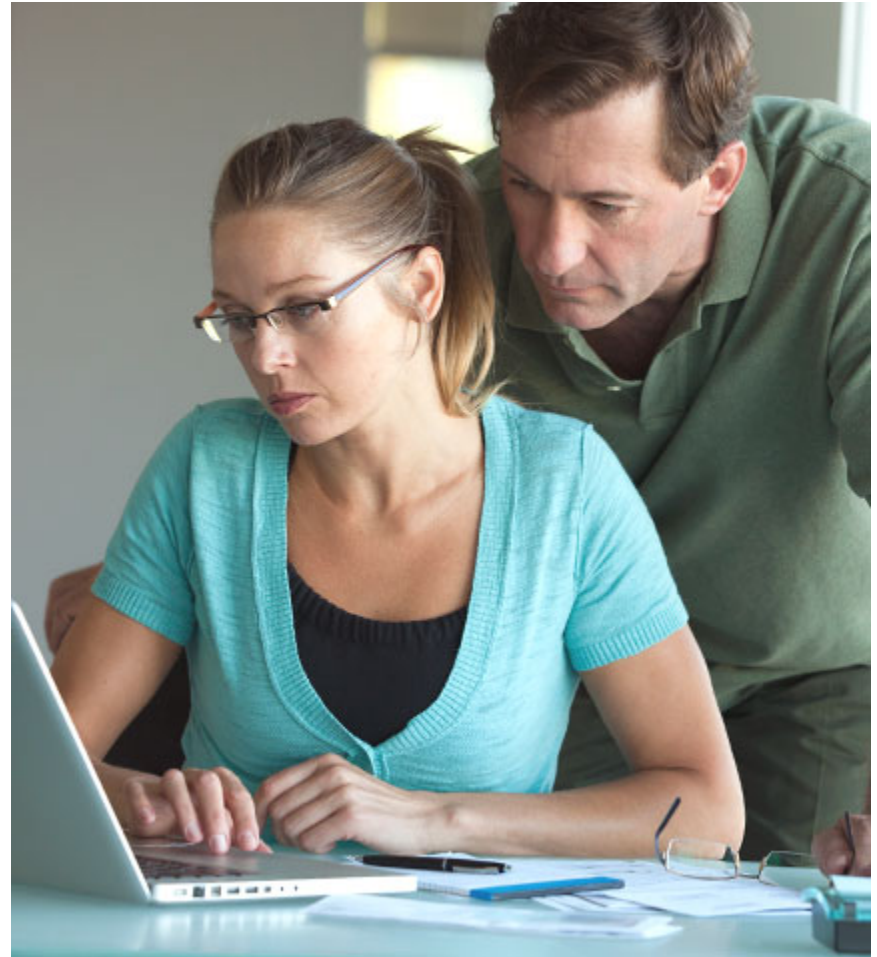
It is important to inform applicant that check will be destroyed

Bank Draft

Initial premium by EFT will be drafted the day of issuance

Draft dates requested up to 10 days from initial draft date will be honored for subsequent premiums

- Indicate preferred draft dates for subsequent premiums in the remarks section of the application



Note: Using Electronic Funds Transfer (EFT) helps maintain better business persistency, helps ensure important coverage is maintained and is required for policyholders paying monthly.

Note: To eliminate unexpected overdrafts, ACI does not offer EFT for other premium modes.

Application Processing Guidelines



Applications will be rejected if:

- Anyone other than applicant completes and signs application
- Applicant did not know they applied for insurance
- Applicant is unwilling to complete telephone interview
- Faxed application, applicable forms and initial premium are not received in good order within 30 days from date of pre-approval
- Applicant is not legal U.S. resident and a resident of the policy issue state

Signed HIPPA authorization form is required

Premium Shortages

Rate calculation on modal factors

- Use modal factor provided in Outline of Coverage
- Agent rate cards provide monthly rates; available for most products

Policy fee

- Annual fee – included in monthly rates
- Add fee to annual, quarterly, or semi-annual rates as found on agent rate sheet
- Jet Pre-Approval quotes rates that include annual policy fee

**For applicants using EFT: Draft will be taken for correct amount
Direct Bill: Additional funds required before processing can continue**

Life Insurance Buyers Guide

Helps you recommend suitable life insurance coverage

- Find a policy that meets customer's needs and fits their budget
- Decide how much insurance customer needs
- Help customer make informed decisions when buying a policy

Important things to consider

- Review customer's insurance needs and circumstances
- Help them choose policy that has benefits most closely fitting their needs
- Provide clear explanation that graded and modified benefit plans will not pay full death benefit in first 2 policy years (except for accidental death)
- Be sure they can afford premium payments
- Don't sign insurance application until customer is sure answers are complete (based on level of coverage being applied for) and accurate
 - Standard 2 year contestability period
- Do not replace customer's policy unless in their best interest
 - Will this policy reduce their existing cost or provide more coverage for the same cost?
- Leave Buyers Guide with applicant

Contestability Period

By signing the application, the applicant and agent represent that the applicant has read, or had read to the applicant, the completed application, and the applicant understands that any false statements or misrepresentations made in the application may result in loss of coverage under the policy to which the application is a part.

If the policyholder dies within the 2 year contestability period, ACI/CLI will conduct a claims investigation into the insured's health condition at the time the application was taken. A false statement or misrepresentation may result in

- The policy being rescinded, if allowed under the law
- Agent commissions are charged back if policy is rescinded.

Small Face Value Disclosure

Example

- Age 70 female, non-smoker
- \$10,000 death benefit
- \$670.00 annual premium
- Premium payments will exceed death benefit on 14th annual payment (age 84)

AMERICAN CONTINENTAL INSURANCE COMPANY
101 CONTINENTAL PLACE
BRENTWOOD, TENNESSEE 37027
(615) 377-1300

POLICY DISCLOSURE

PLEASE READ CAREFULLY. You have selected a whole life insurance policy with a face value of \$15,000 or less. Based on the amount of insurance you have selected it is anticipated that over the term of your life insurance policy that the amount of premium you will pay for this policy may exceed the face value of your policy.

The following information is provided for your reference:

EFFECTIVE DATE OF POLICY: February 10, 2010

FACE AMOUNT OF POLICY: \$10,000

ANNUAL PREMIUM: \$670.00

*ANTICIPATED DATE THAT YOU MAY EXPECT YOUR PREMIUM PAYMENTS TO EXCEED THE POLICY FACE AMOUNT: February 10, 2024

*This date is based on the following: (1) premiums are paid when due; (2) there is no lapse in coverage; (3) the face value of the policy remains the same for the term of the policy; (4) there are no policy loans which may affect the value of the policy; and (5) the policy remains in force.

American Continental Insurance Company does not offer other types of life insurance products like term life, universal life or variable life. Premium payment modes available were outlined at the time of application and no other premium payment plans are available.

You have 30 days to review your policy and return it to Company for a full refund if you decide that you do not want to keep it.

If you have any questions regarding this notice or questions about your policy please contact your agent or our office.

NC-DISC-10



Qualification Period: April 1, 2014 – March 31, 2015

Destination: Costa Rica, Early Summer 2015

Qualifying requirements:

Combination of Medicare Supplement, Final Expense, and Complementary products

- **MGAs**
(top 10 qualify)
 - \$ 6,000,000 production = 1 trip
 - \$10,000,000 production = 1 extra trip
 - \$15,000,000 production = 2 extra trips
- **Recruiting GAs**
(top 10 qualify)
 - \$ 1,000,000 production
- **Agents**
(top 70 qualify)
 - \$ 200,000 production

MGAs, Recruiting GAs, and Agents who qualify but are not in the "top" group for the trip, will each receive \$3,000.



For full details, contact Agent Services or visit aetnaseniorproducts.com

Need Assistance?

Contact Agent Services

**1.800.264.4000, Option 3, 1
(Sales)**

- Order supplies
- Assistance completing application
- Product availability

aetnaseniorproducts.com

- Order supplies
- Track qualification for sales incentives
- Block of business reports
- News bulletins

The screenshot shows the Aetna Senior Products website interface for agents. At the top left is the Aetna logo. To the right are links for [Impersonate](#), [Your Profile](#), [Directory](#), [Contact Us](#), and [Logout](#). Below this is a navigation bar with tabs for [Agent Home](#), [News](#), [Products/Supplies](#), [Promotions](#), [Tools/Training](#), and [Dashboard](#). On the left side, there is a vertical menu with links for [Top Producers](#), [Order Supplies](#), [Promotions](#), [Newsletters](#), [Reports](#), and [Email Us](#). The main content area features a "Welcome Agents" header and a "Products and Supplies" section. This section includes a sub-header "Products and Supplies" and a paragraph: "Our complete portfolio of Senior Supplemental insurance products are in this section. Product availability is shown by state and legal entity. You can also easily order sales support materials and download forms specific to each state, entity, and product [Products and Supplies](#)". To the right of this text is an image of a stack of papers. Below the text is a pagination bar with numbers 1 through 6 and a "III" icon. A "News" section on the right contains a headline: "If you follow the PGA Champions Tour, you just might see the Aetna Medicare Supplement logo (that's ours) on the South African golfing icon, David Frost. Aetna Senior Supplemental Insurance is sponsoring David this season so our logo will be along for the ride on his hat and shirt sleeve. And, some of our agents and sales folks will be following on the course as well. [Read More](#)". At the bottom of the page, there is a welcome message: "Welcome to your website. This website is designed to help you manage your Aetna Senior Supplemental insurance business with us. Aetna Senior Supplemental Insurance includes all products underwritten by American Continental Insurance Company (ACI) and Continental Life Insurance Company of Brentwood, Tennessee (CLI), both Aetna companies, and Medicare Supplement Insurance underwritten by Genworth Life Insurance Company (GLIC) and Genworth Life and Annuity Insurance Company (GLAIC), both Genworth Financial companies with policy administration by Aetna Life Insurance Company and its affiliates. If you need assistance in learning how to best utilize the features of this website, feel free to contact our Agent Services team (800 264-4000). We are here to help you." The footer contains the copyright notice "© 2012 Aetna Inc."

Question And Answer

Press *1 to ask a question

**To order supplies, call Agent Services team at
1.800.264.4000, Option 3, 1**

Thank you

aetnaSM