# 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 once 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

Aviva

AXA Equitable Life Insurance Company
- MONY Life Insurance Company of America

Banner Life Insurance Company[1]

Genworth Life Insurance Company
- First Colony Life Insurance Company
- GE Capital Life Insurance Company

The Guardian Life Insurance Company of America
- Berkshire Life Insurance Company of America

Hartford Life and Annuity Insurance Company

Liberty Life Insurance Company

Lincoln Benefit Life Company
- Allstate

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 Company[1]

Midland National Life Insurance Company[2]

Minnesota Life Insurance Company

New York Life Insurance Company[1]

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 Company[1]

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

State Farm Life Insurance Company

Transamerica Occidental Life Insurance Company

Union Central Life Insurance Company

West Coast Life

Western Reserve Life Assurance Company

[1] Only policies issued preferred rating classification or better are eligible.
[2] There is an adjustment to Preferred Non Tobacco and Preferred Tobacco underwriting class ratings for April 2007 and later.

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

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## 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:

- The following products offered by MetLife and its affiliates are eligible for conversion: MetLife Promise Whole℠ Life*, Guarantee Advantage Universal Life® and Equity Advantage Variable Universal Life℠.
- This program is not available for applicants residing in New York. However, if the formerly NY resident owner is currently a non-NY resident, eligible term carrier policies will be allowed.
- No partial conversions will be accepted**.
- Minimum face amount for conversion is $100,000.
- Preferred Nonsmoker is the best classification available with conversion. Elite is NOT available.
- Lifetime maximum aggregate face amount from all approved External Term Conversion cases per insured cannot exceed $1,000,000.
- Amounts over $1,000,000 must be underwritten.
- The insured's issue age (on the new permanent contract) must be between 18 to 65 inclusive.
- The term policy must have been issued and in force: six months prior to and within 60 months (five years) of the signed and dated Enterprise life insurance application.
- Subsidiaries and parent companies of the 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).
- 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.
- Modified Whole Life plans with term plan "features" are not available for conversion in this program.
- Return of Premium cases will be allowed.
- Policies with flat extra premiums or exclusion riders are not eligible for the program.
- Initial class must be standard or better, for both smoker and nonsmoker classes.
- Primary insured term riders and spouse term riders are eligible for conversion with the base term policy conversion, provided the rules for the base policy conversion also applies to the rider conversion.
- "Outside" (traditional) term riders on permanent plans issued by approved carriers ARE NOT eligible for this program.
- If waiver of premium 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.
- The original term policy must be submitted; no lost policy declaration forms will be accepted. Full duplicate policies are acceptable.
- All applications submitted for this program are to be completed on a Cash on Delivery (COD) basis to avoid double coverage under the existing term policy and the Temporary Insurance Agreement.
- No collaterally assigned policies are eligible for this program.
- Acceleration of Death Benefit Rider (ADBR) is not available with conversion.
- Business owned cases will be allowed as long as the conversion is same to same.
- Some companies engage in a practice called Table Shaving, program advantage or similar, where several substandard table ratings are "shaved" to the Standard class or higher. For these companies shown in the list of approved companies, our understanding is that their table shaving policy may have included term policies and therefore only term policies issued in the Preferred class are eligible for the conversion program.
- Conversion is to a single-life individual policy only; survivorship policies and the EEAVUL product are not eligible.
- Some companies may offer policy labels of standard with a table or class rating. Generally, these policies are not eligible for the program.
- A policy with a classification of just Smoker or Nonsmoker is a Standard classification.
- The insured and policy owner must reside in the U.S. While we are treating the underwriting as if the client has a contractual right, SFL is a solicited program. Therefore all stages of the new business process must be completed in the U.S.
- As with all life insurance sales, the transaction must be suitable for the customer and be fully supported by a financial needs analysis."

* MetLIfe Promise Whole Life will be available in accordance with the state-by-state rollout and that Whole Life will continue to be available only in accordance with the transition guidelines for the new product.

**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. Multiple term policies from multiple approved companies can be converted as long as the entire amount (for all policies) is converted and they map to the same MetLife class.

## SUBMISSION HIGHLIGHTS

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

1. Using the Enterprise Life Insurance Application:
   - If Disability Waiver is not requested:
     - Sections one through six (only)
     - Debit Authorization, if applicable
     - Section IX (Additional Information) Special Project Code "EC" should be indicated for the External Term Conversion Program
     - The Certification/Agreement/Disclosure pages, with all signatures included.
     - Producer Identification & Certification
     - Written confirmation of term policy cancellation*
   - If disability waiver is requested in accordance with program guidelines, or underwriting required due to face amount on new policy is greater than term and/or eligible rider being applied for and/or aggregate face amount for all non-Enterprise term policies exceeds $1,000,000, in addition to the above completed information, the application and any required forms (e.g., EAUTH, HIV Consent Form) must be fully completed, signed and dated. The EMED form is required but considered optional if an examination is required.
2. Policies will be issued on a C.O.D. basis to avoid the possibility of double coverage unless home office has received confirmation of term policy cancellation.
   - If home office has received confirmation of the term policy cancellation, the new policy may be backdated to avoid lapse in coverage.
   - If home office only has documentation indicating intent to cancel term coverage, the new policy must be issue C.O.D.
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 residence of the 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. Do NOT collect premium from the applicant.
   - If new policy is the Equity Advantage Variable Universal Life - Complete the Variable Supplement.

**For more information please contact your life insurance internal sales associate.**

*Enterprise SFL Assignment Form EXTC1 is no longer used with this program. In its place, we require written communication from the customer indicating intent to cancel or actual cancellation of the term policy. The new permanent policy cannot be issued without this documentation."

Permanent Life insurance products are issued by MetLife Investors USA Insurance Company, Irvine, CA, Metropolitan Life Insurance Company, New York, NY. Both are MetLife companies. All guarantees are based on the claims-paying ability and financial strength of the issuing insurance company. Variable products are distributed by MetLife Investors Distribution Company, Irvine, CA. November 2010

**Insurance Products:**
• Not A Deposit • Not FDIC-Insured • Not Insured By Any Federal Government Agency
• Not Guaranteed By Any Bank Or Credit Union • May Go Down In Value

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