



Underwriting. It's easier than ever.

A guide for your executive benefits business

Guaranteed Issue or Simplified Issue Underwriting

For agent/registered representative use only. Not for public distribution.

RETIREMENT | INVESTMENTS | INSURANCE

VOYA
FINANCIAL™



A guide for your executive benefits business

Executive Benefits

Most of Security Life of Denver Insurance Company's employer-sponsored policies are sold on a Guaranteed Issue (GI) or Simplified Issue (SI) basis. Our success in this market is due to the flexibility and convenience of our Guaranteed Issue and Simplified Issue programs. These programs allow you to sell our products with a variety of different pricing and design scenarios. With over 30 years in the business, we have the expertise to address the unique needs of your employer-sponsored business.

Executive

Executives of the company are responsible for directing and managing other employees. They are highly skilled and exhibit expertise in their field. Executives may have job titles such as CEO, President, Vice-President, Director, Manager or Partner. Typically executives make up no more than 35% of the company employees.

Salaries for executives can vary depending on job title, job duties, industry and geographic location. The underwriter will determine if the executive salary is an acceptable salary based on job title, job duties, industry and geographic location. The underwriter has the discretion to seek/request additional information.

Guaranteed/Simplified Issue Requirements

- Minimum ten lives
- Employer/employee relationship
- Actively at work
- W-2 or K-1 (not a 1099)
- Weighted average age (by employee death benefit) 55 or under
- Coverage amounts driven by benefit formula
- Definition of eligibility

Guaranteed Issue Underwriting

When we underwrite on a GI basis, we evaluate the risk of selling insurance without the advantage of medical evidence. Our Guaranteed Issue program allows you to enjoy the benefits of selling multiple policies without spending valuable time and effort on medical underwriting.

GI limits are based primarily on the type of sale, funding level and the number of lives. These formulas serve as a guideline for most Guaranteed Issue offers:

	Employee-Owned	Employer-Owned Funded at 7-Pay Premium
10-14 lives	\$15,000 per life	\$30,000 per life
15-19 lives	\$20,000 per life	\$40,000 per life
20+ lives	\$30,000 per life	\$60,000 per life

Examples:

1. An **employee-owned case** with 30 lives would have a GI limit of \$900,000 per life (30 lives multiplied by \$30,000)
2. An **employer-owned case** funded at 7-pay with 50 lives would have a GI limit of \$3,000,000 per life (50 lives multiplied by \$60,000)

Other factors considered are:

Spread of risk, the highest death benefit in the first 15 years, and the death benefit amount compared to participant's annual income.

Keep in mind that these are only guidelines. Each case is evaluated on its own merits. A written offer letter is required from your Executive Benefits Underwriter prior to enrolling participants.

Our Guaranteed Issue Program does not guarantee that a policy will be issued.

Two Levels of Guaranteed Issue

We offer two levels of Guaranteed Issue rates, Select and Regular. Policy charges may vary by the level of Guaranteed Issue.

Select GI – Available to executive groups

Regular GI – Available to groups of executives and professionals when there is a mix of less than 50% executives

The following questions must be answered by the employee:

- 1 | Are you actively performing normal duties at your customary place of employment for at least 30 hours per week?
- 2 | Have you been employed by the Plan Sponsor/ Employer during the past 90 days?
- 3 | During the 90 days prior to the date this consent application is signed, have you:
 - a) been absent from work due to illness, accident or medical treatment for either more than three consecutive days or a total of five days or more (not including vacations or holidays)?
 - b) sought or received care or treatment (outpatient or inpatient) at any type of hospital, emergency room or urgent care facility? If yes, give medical details.
- 4 | Have you used any tobacco or nicotine products within the last 12 months? If “Yes,” give type(s), frequency and date last used. (Tobacco use includes any substance containing nicotine within the last 12 months. We allow up to six cigars per year to be considered non-smoker.)
 - Proposed insured can be rated or excluded based on serious illness or hospitalization.
 - The proposed insured must consent to be insured.

Simplified Issue (SI) Underwriting

- Accommodates higher death benefits than GI using the same number of lives
- \$50,000 - \$100,000 factor per life depending on the number of lives in the group and the case design

Example: 15 lives x \$50,000 = \$750,000 per life

- Select Guaranteed Issue policy charges
- SI application with Part II questions

- MIB is required and APS is required for cause
- No exam, specimen or blood
- Through Table 4 accepted as standard
- Accept/Reject decision
- Requires a written offer letter from your Executive Benefits Underwriter.
- SI Underwriting is not available in Florida or Oregon.

Products available for Guaranteed Issue or Simplified Issue Underwriting

Variable	
<input type="checkbox"/> Voya Corporate VUL	Policy #2516 (VUL) - 09/07
<input type="checkbox"/> Voya VUL-CV	Policy #2517 (VUL) - 03/08
<input type="checkbox"/> Voya VUL-ECV	Policy #2518 (VUL) - 06/08
General Account	
<input type="checkbox"/> Voya IUL-Global	Policy #1180 - 12/09
<input type="checkbox"/> Voya IUL-Global Choice	Policy #1186-09/12
<input type="checkbox"/> Voya UL-CV	Policy #1177
<input type="checkbox"/> Voya UL-ECV	Policy #1176 - 08/08
<input type="checkbox"/> Voya IUL-Protector	Policy #1189-07/13

Pricing:

- Rates and underwriting available for Select, Regular, and Fully Underwritten.
- There are higher costs associated with Guaranteed/ Simplified Issue business that may affect performance.

Unisex or Sex Distinct

Please check with your Executive Benefits Underwriter before illustrating your case. They can determine if your case should be unisex.

Case Design

The Executive Benefits Underwriter must know the plan design when evaluating a new case. Typical types of plan design for cases include: Deferred Compensation, Death Benefit Only, Buy-Sell, Split Dollar Arrangements, and Section 162 Executive Bonus Plans.

Executive Benefits Financial Underwriting Guidelines

Underwriting Risk Amount total Death Benefit volume per case	Information Required
\$5,000,000 - \$20,000,000 death benefit	Copies of business financial statements such as balance sheet, income statement, & cash flow analysis.
\$20,000,000 + death benefit	Copies of business financial statements & third party verification.

Acceptable 3rd party verification of financials

Include audited CPA statement, attorney signed supporting documentation, or CPA verified and signed statements with supporting documentation.

Insurance Purpose	Formulas & Guidelines	Information Required
Key Person/Deferred Compensation & Most types of designs	Up to 10 times annual income	Verification of W-2 income, copies of business financial statements & third party verification
Buy-Sell/Stock Redemption	% of ownership times value of company (usually 5 – 15 x's earnings depending on industry)	Details as to how the amount was determined; corporate financial statements (income stmt & balance sheet); % ownership in company/Stock Valuation. Details regarding Buy/Sell agreement. Market value of business.

Overview of the Executive Benefits Process

- 1 | Submit an Executive Benefits Guaranteed Issue/Simplified Issue Request form (#127602) completed census, and composite illustrations. Plan design and definition of eligibility are crucial in our case evaluation.
- 2 | An Executive Benefits Underwriter reviews your case, sets the GI/SI limits, and prepares the Guaranteed Issue or Simplified Issue offer letter.
- 3 | Voya™ Life Companies' Customer Service prepares the customized enrollment package for you.

Our goal is to work with you to develop an offer that best meets the needs of your Executive Benefits client.

Your Executive Benefits Underwriter and Advanced Case Design contact can discuss options for your case and help with your plan design. We are available to help you with your case throughout the entire process, so do not hesitate to contact us.



Executive Benefits Contact List

Underwriter

Keith Rodefeld
800-333-6965, ext. 2247651

Or Email:

keith.rodefeld@voya.com

Advance Case Design

Pamela Duncan
866-464-7355, Option 1, ext. 3423702

Or Email:

pamela.duncan@voya.com

All guarantees are based on the financial strength and claims paying ability of Security Life of Denver Insurance Company, who is solely responsible for all obligations under its policies.

Life insurance products are issued by Security Life of Denver Insurance Company (Denver, CO). Variable universal life insurance products are distributed by Voya America Equities, Inc. Both are members of the Voya™ family of companies.

Variable insurance products are offered by prospectus only. To solicit variable insurance products you must maintain a variable insurance license, be appointed with the issuing company and be a registered representative of a broker-dealer that has a current selling agreement with the issuing company.

For agent/registered representative use only. Not for public distribution. ©2014 Voya Services Company. All rights reserved. CN1122-13988-1115

121455 09/01/2014