



Agent Guide

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AGENT SERVICES DIRECTORY

To contact us:

E-mail: status@ltcstatelife.com
marketing@ltcstatelife.com
underwriting@ltcstatelife.com
licensing@ltcstatelife.com
new_business@ltcstatelife.com
comp@ltcstatelife.com

Phone: Toll-free: 888-505-8101
Hours: 7:00 A.M. - 5:00 P.M. Pacific

Fax: Supplies: 317-285-2383
General: 818-887-4595

Mail: The State Life Insurance Company
Long Term Care Administrative Office
P.O. Box 4243
Woodland Hills, CA 91365-4243

Shipping: 21600 Oxnard Street, Suite 1500
Woodland Hills, CA 91367

Web site: www.ltcstatelife.com

You can use this site to get detailed status on your long term care business, plus you can obtain all of the information provided in this Agent Guide, underwriting guidelines, state product information, specimen policies, forms, and much more.

To set up access to our web site, go to www.ltcstatelife.com and click on the link "Fill out the Request for Website Access" and complete the requested information. We will respond with your assigned user name.

For temporary access, not including production and case status information, use the following:

User Name: 12guest

Password: guest

*AGENT
SERVICES
DIRECTORY*

ABOUT STATE LIFE

Founded in 1894, The State Life Insurance Company is headquartered in Indianapolis, Indiana. Part of the OneAmerica® family of companies, State Life specializes in individual long-term care insurance, licensed and authorized to conduct business in 46 states and the District of Columbia. OneAmerica's nationwide network of partner companies and affiliates offers retirement plan products and services; individual life, group and credit insurance; as well as annuities.

Mission

OneAmerica partner companies and affiliates provide security and peace of mind to customers by offering insurance and other financial products and services. We strive to be the company of choice by providing value and building the highest level of trust with our customers.

Vision

At OneAmerica, values form the cornerstone of our business. Our values system, called ASPIRE (Achievement, Stewardship, Partnership, Integrity, Responsiveness and Excellence) serves as a model for action and decision-making throughout the enterprise.

Achievement — We will be one of the top companies in the financial services industry.

Stewardship — We will always be strong in order to keep our long-term promise to pay, and profitable to build value for our owners.

Partnership — We will work together as a team with our producers to serve our customers.

Integrity — We will act with the highest ethical standards.

Responsiveness — We will listen to our stakeholders and respond to their needs.

Excellence — We will be distinguished as a quality company and good corporate citizen.

Objectives

Customer — Maximize the value to our customers by providing superior quality in products and services.

Growth — Grow revenue and assets on a profitable basis. Increase number of customers.

Partners — Grow and strengthen partnerships.

People — Cultivate an environment where values develop and retain high-quality people.

Ratings

A. M. Best

A (Excellent) — The third highest of 15 possible rankings places State Life in the top 20 percent of rated insurance companies. The rating reflects State Life's partnership with OneAmerica. In December 2004, State Life's policyholders voted to become members of the mutual insurance holding company (American United Mutual Insurance Holding Company) and a OneAmerica® partner company. This relationship provides the best of both worlds to State Life — the ratings and financial strength of a large company coupled with the personalized service available from a smaller company. The rating is also based upon State Life's improved earnings and its good capitalization.

Standard and Poor's Rating Services

AA- (Very Strong) — The fourth highest of 21 possible rankings places State Life in the top 19 percent of rated insurance companies.

To find out more about State Life and OneAmerica visit www.oneamerica.com.

ABOUT
STATE LIFE

UNDERWRITING

For Premium Rate Classes, Field Selection, Prescription Drug Guide and Impairment Guide, refer to the separate Underwriting Guide (S-9000-UG).

Underwriting Procedures

You should expect the underwriting process to take, on average, 30 days. We obtain medical records in every case. Telephone interviews are performed to clarify the applicant's medical history and to ascertain the applicant's ability to live and function independently. Functional assessments or paramedical exams are used to further test or confirm an applicant's health or ability to live and function independently. For applicants age 70 and over, an assessment/exam is automatically required. Lab tests for urine and blood are ordered only if we must establish the applicant's current condition when we are aware of significant past medical history. All functional assessments, exams, and lab tests are ordered only by Underwriting.

Previously Declined Cases

We do not consider applicants who have been previously declined by another insurer, so these cases should not be submitted.

Trial Applications/CODs

We do not accept trial applications or COD business. To process the application, we must have at least one month's premium. California (for applicants of all ages) and New Hampshire (for applicants over age 65) do not allow more than one month's premium to be submitted.

Applications with a billing mode of list bill that are submitted under pre-approved groups should be submitted COD. This applies only to list bill applications.

Policy Dating

Once we have concluded that your client qualifies for coverage, the policy is issued with an effective date that can range from 60 days prior to the application date (backdating to save age) to 30 days after the underwriting approval date (dating to match the renewal date of a policy being replaced). We only backdate and post-date if specifically requested to do so on the application and if we have no reservations regarding the applicant's health status. Otherwise, the policy effective date will be the date of underwriting approval.

List bill cases will receive a first of the month effective date following approval in underwriting.

Policy Billing

Payment modes are annual, semi-annual, quarterly and monthly, however direct monthly billing is not available. Monthly mode of payment is limited to automatic bank withdrawal (PAC) and list bill. List bill is available for pre-approved employer groups with at least 3 policies on the list billing.

UNDERWRITING

Privacy & Confidentiality of Personal Health Information (PHI)

Federal law requires the safeguarding of PHI by all health insurers. Long Term Care Insurance (LTCI) is defined as a health product by HIPAA regulation. In underwriting applications for LTC insurance, State Life gathers as much medical information as possible prior to reaching a final decision on insurability. In some cases, coverage is issued with an increase in premium, a limitation in benefits or applicants may be declined. In such cases, where an Adverse Underwriting Decision has been made, the medical information is protected under the HIPAA Privacy Rule. As a result, State Life underwriters are prohibited from disclosing the details of an applicant's medical history to agents or agency employees if that medical information is considered confidential. In general, confidential medical information is medical information that was not disclosed at the time the LTC application was completed. The presumption under the Privacy Rule is that medical information would be disclosed on the application for any conditions the consumer is aware of and wants to reveal. State Life underwriters will provide a written explanation for any Adverse Underwriting Decision to the applicant or the applicant's physician upon request.

The State Life HIPAA compliant authorization form is titled **AUTHORIZATION FOR DISCLOSURE, RECEIPT AND USE OF PERSONAL HEALTH INFORMATION.**

This authorization form must accompany every application in order for us to initiate our underwriting handling. Each applicant is also provided a copy of our Notice of Privacy Practices at the point of application completion. Please familiarize yourself with these important documents.

NEW BUSINESS

Agent Appointment

Be sure you are properly licensed and appointed with us before you take an application. Rules vary from state to state, so check with us if you are in doubt.

Check the Application Instructions

Check the Application Instructions for the state of sale. Be sure you have all the correct forms and are aware of any specific product variations.

Submit All Requirements

- Complete a New Business Transmittal form and include it with your applications.
- Submit a complete application package:
 1. Fully completed Application for Long Term Care Insurance.
 2. Fully completed Authorization for Disclosure, Receipt and Use of Personal Health Information.
 3. Cash with Application - submit at least one month's premium. California (for applicants of all ages) and New Hampshire (for applicants over age 65) do not allow for more than one month's premium to be submitted. Submit only the client's current dated check, made payable to State Life. **We do not accept agent\agency checks or post-dated checks.**
 4. Automatic Payment Authorization form, if a monthly premium is to be deducted from your client's bank account. Include a voided check and two month's premium (except California (all ages) and New Hampshire (ages over 65)).

5. Replacement form, if your client will be replacing another LTC, medical, or health insurance policy. (Please refer to the "What Constitutes a Replacement" section for further clarification)
6. Protection Against Unintentional Lapse section of the Application is required in all cases. If the client doesn't want to designate anyone, the section must be marked accordingly.
7. Other state-specific required forms - refer to the Application Instructions.

Issue Turnaround

On average, we issue policies within 30 days of the date we receive the application. Difficulties getting the medical records or completing the telephone interviews are primary causes for slower turnaround. You can speed up the processes by:

- Telling the client that we will be conducting a phone interview with them. Many clients are uncomfortable or decline to be interviewed if they aren't told in advance that we will call.
- Indicating the best time to call your client and giving us the appropriate telephone number.

Replacement Business

Many states have regulations concerning policy replacement and some limit commissions in replacement situations. We will allow a replacement as long as the replacement is in the client's best interest and we will routinely notify the original company of the intended replacement. We will not allow a replacement if the new policy would not provide the client with either increased benefits or lower premiums for similar benefits.

*NEW
BUSINESS*

What Constitutes Replacement

The replacement questions on the LTCI application must be answered “Yes” in any of the following situations if, on the date of the application:

- The applicant has existing in-force LTCI, medical or health insurance coverage, which the applicant will not keep if we issue a policy.
- The applicant has existing in-force LTCI, medical or health insurance coverage with a paid-to-date that is within 65 days of the application date.
- With respect to joint coverage: 1) one applicant has no existing in-force LTCI, medical or health insurance coverage with a paid-to-date that is within 65 days of the application date, but the second applicant does; or 2) both applicants have existing in-force LTCI, medical or health insurance coverage with a paid-to-date that is within 65 days of the application date.
- The applicant is applying for a new LTCI policy with the same company (Internal Replacement) and will not keep the original policy if the new one is issued.

In each of the above scenarios a completed Replacement form must be submitted along with the Long Term Care application.

It is important to note that when an applicant has an existing long-term care insurance policy that is not being replaced, the total daily benefit amount of the existing policy and the new insurance applied for may not exceed the maximum daily benefit amount allowed.

Commission Limitations for Internal Replacements

Commissions will be paid in accordance with any applicable state regulations. However, if you replace a State Life policy, commissions will be paid as follows:

- The portion of the premium for the new policy that is **less than or equal to** the premium for the policy being replaced will be paid at the **renewal** commission rate.
- The portion of the premium for the new policy that is **greater than** the policy being replaced will be paid at the **first year** commission rate.

Delivery Requirements

- All delivery requirements will be indicated on the Delivery Transmittal that accompanies the policy.
- You have 30 days from the mailing date of the policy to deliver the policy and obtain any outstanding delivery requirements.
- It is important that we receive all outstanding delivery requirements on or before the Final Delivery Date indicated on the Delivery Transmittal.
- If we do not receive all delivery requirements by the Final Delivery Date, the case will be closed, the premium will be refunded directly to the applicant and the policy will be “null & void”.
- If you need additional time to deliver the policy or pick-up delivery requirements, please contact the New Business Department prior to the Final Delivery Date.

Reissues

You may return a policy for reissue as follows, based on the status of the policy:

1. Pending Delivery or During Free-Look Period

- Return the policy with a written request for reissue describing the desired changes. Submit additional premium if applicable and include a sales proposal reflecting the changes.

2. After Free-Look Period and Within 90 Days of Policy Effective Date

- Contact the Underwriting Service Department to determine if the change will require a new application. Return the policy with a written request for reissue, a new application (if required by Underwriting), additional premium if applicable, and a sales proposal reflecting the changes.

3. More Than 90 Days from Policy Effective Date

- The policy cannot be reissued. Submit a new application with a check for the appropriate amount, a Replacement form, and a sales proposal indicating the coverage desired.

*NEW
BUSINESS*

APPLICATION PREPARATION AND PROCEDURES

General Instructions

- You must be licensed and appointed by State Life in the state of sale. Your license and appointment must permit you to solicit long term care insurance and you must have completed any LTC continuing education requirements of the state.
- You must comply with all relevant state regulations. We will not accept an application that does not comply with state regulations.
- Answers to questions must be printed clearly in blue or black ink. No white out on applications is permitted. Any corrections must be crossed out and initialed by the applicant. All questions must be completed.
- Use only full names to indicate insureds, policyowners, and beneficiaries.
- The application must be dated and the city and state of signing must be given.
- You must fill out the Agent's Statement completely.

State Regulation

As a result of state regulation of long term care insurance, policy forms and application materials vary from state to state. **It is extremely important to use the correct application and disclosure materials for the state in which the application is solicited.** Please refer to the Application Instructions for the state of sale to determine the appropriate forms.

Since State Life will issue a policy specific to the state in which the application is solicited, the application should be solicited in the applicant's state of residence. **If the application is taken in another state, you must submit a written explanation as to why the application was not solicited in the applicant's residence state.**

Applications may not be solicited in states other than the applicant's residence state for the purpose of avoiding state regulations.

By state regulation, Minnesota and Texas residents may only receive contracts respective to the applicant's resident state. Consequently, Minnesota and Texas residents should only sign application forms consistent with their state of residence, regardless of where the application is signed. Note the Writing Agent must also be licensed and appointed in the applicant's resident state.

Application

The application can be used for an individual or for two applicants (joint coverage). For joint coverage the older applicant is primary and should complete the first page. The younger applicant should complete the joint coverage section.

Type of Coverage Applied For

Mark which type of policy the applicant(s) will want to have issued.

Elimination Period

Choose the number of days the client wants as a pre-selected waiting period before claim benefits are payable - 0, 30, 90 or 180 days.*

Daily Benefit

Specify the Daily Benefit in \$10 increments, from \$40 to \$300 per day.*

Benefit Period

Select the Benefit Period — Lifetime, 10, 6, 5, 4, 3, or 2 years.*

APPLICATION
PREPARATION
AND
PROCEDURES

* Options may vary by product and state

Optional Coverage

For Benefit Increase, Nonforfeiture Benefit, and Additional Benefit Riders, if there is more than one available selection for each rider, the client may select only one option with each rider.

Primary Applicant Rate Class

Complete for the applicant, or if a joint policy is being requested, complete this for the older applicant.

Joint Applicant Rate Class

Complete for the younger applicant only if a joint policy is being requested. Be sure to also complete the Joint Coverage portion of the application or a Supplemental application.

Premium Payment Options

Indicate the client's choice here.

Payment Mode and Amount

Select the appropriate payment mode here. If the application is part of a pre-approved employer or association group and the payment mode is list bill, select List Billing and the appropriate payment mode.

Approved Employer or Association Group

A discount is available to members/employees of groups that have been pre-approved by State Life (see 9-1). If your client is a member of such a group, indicate the Group ID Code assigned by State Life or give the group name.

Paid with Application

Enter the annual premium for the selected coverage, indicate the appropriate modal premium, and enter the amount submitted with the application. It must be a minimum of one month's premium (limited to one month in California (all ages) and New Hampshire (ages over 65)).

Beneficiary Name and Relationship

If applying for a joint policy, do not name the joint insured as the beneficiary, since any benefits are paid on a second-to-die basis. If there is more than one beneficiary indicated, benefits will be divided equally unless otherwise shown. If the beneficiary will be a trust, write in the name and date of the trust (example: John and Jane Smith Living Trust, 01/01/95).

Special Request/Requested Effective Date

Use this area to show any special requests or to request a specific issue date (see Policy Dating, 3-1).

Protection Against Unintentional Lapse

Indicate whether a person other than the insured will be designated to receive notice of lapse or termination of the policy for nonpayment of premium. If a person will be designated, provide the information requested.

Rejection of Benefit Increase or Nonforfeiture Riders

The applicant(s) must initial if they are rejecting the benefit increase riders, or the nonforfeiture riders.

Signed at

Indicate the city and state where the application is taken. If it is a different state from the applicant's resident state, please submit a written statement as to why the application was not solicited in the applicant's resident state.

Applicant's Signature and Date

The applicant(s) must sign and always current date the application. We do not accept applications that are received more than 30 days after the signature date.

Agent Statement

We use this section to obtain your certification regarding important aspects of the sale.

Please complete all questions in the Agent’s Statement section of the application, which addresses your relationship with the applicant, policy replacement, the manner in which the application was obtained, also confirming the delivery of the Outline of Coverage, all required Disclosures including the Notice of Insurance Information Practices, the Notice of Privacy Practices, and the appropriate state Shopper’s Guide to the applicant(s).

Disclosure and Conditions of Coverage

Both you and the applicant must sign and date this form, and then it is to be left with the applicant.

The Conditions of Coverage specifies the effective date of coverage and extent of liability assumed by State Life.

Supplemental Application for Policy Ownership

This form is completed to establish third party ownership of the policy. It should be filled out by the policyowner. A contingent policyowner must be named. The completed application must be signed by the agent, the policyowner and the applicant(s).

**APPLICATION
PREPARATION
AND
PROCEDURES**

AGENT LICENSING

Licenses and Appointments

In order to take an application, you must be currently licensed and appointed by State Life for long term care insurance in the state in which you are soliciting. If you plan to do business in more than one state, be sure to understand each state's long term care appointment and continuing education requirements before soliciting applications in that state.

Solicitation Prior to Appointment

Some states permit a licensed agent to solicit insurance immediately upon submission of an application for appointment to the insurance company. Other states require an agent to wait until receiving written notice that the appointment is effective.

If you are uncertain about the rules for the state in which you will be soliciting long term care insurance, check with our Agent Licensing Department.

Long Term Care Continuing Education

Some states (currently California, Colorado, Illinois, Indiana, Maryland and Washington) require completion of long term care continuing education **before** long term care applications may be solicited. In California, Illinois, Indiana and Washington, you must provide us with evidence of completion of long term care continuing education before we can process your appointment. These regulations are applicable to both resident and non-resident agents, except in Indiana, where continuing education requirements apply to Indiana and Vermont residents only.

In Massachusetts, you must successfully complete State Life's product training program before your appointment can be processed.

AGENT
LICENSING

COMMISSIONS

New Business Commissions

Writing agent new business commissions are paid daily. If the policy is issued as applied for and no further premium due, the commission check will be mailed the next business day, unless commissions are assigned.

If there is a counteroffer, premium due, or there are outstanding delivery requirements (other than the delivery receipt), the commission check will be mailed the day after we receive all delivery requirements, unless commissions are assigned.

Overrides & Renewals

Overrides and renewals are paid weekly. Checks are mailed on Wednesday of each week.

Commission Direct Deposit

You may complete the Long Term Care Commission Direct Deposit form in order for your commissions to be deposited directly into your bank account.

COMMISSIONS

GUIDELINES FOR SUBMISSION AND APPROVAL OF ADVERTISING AND SALES MATERIAL

Today's environment of consumer protectionism demands full and fair disclosure as well as accuracy in the advertising and solicitation of insurance products. This is especially true in the senior marketplace where companies are being subjected to increasing scrutiny by state regulators. In addition, State Life is committed to presenting both the Company and its products in a responsible and professional manner. In order to meet these goals and requirements, we have developed a set of guidelines to assist you in preparing your advertising material. Your cooperation in following these guidelines will not only help us to meet regulatory requirements, but will also serve to provide a smooth, quick review and approval of your materials.

Pre-approved Advertising

In addition to the Consumer Brochure, several pre-approved agent and consumer pieces are available to you for your marketing program. Please contact your marketing organization for further information on obtaining these materials.

What is Advertising?

■ Advertising includes any material which is designed to create public interest in The State Life Insurance Company, its products, agents, or brokers. This includes, but is not limited to, consumer material designed to induce the public to purchase, increase, modify, retain, renew, or reinstate a policy as well as agent recruiting and training materials.

■ Examples of advertising include, but are not limited to, printed and published material, audio visual material, slide presentations, direct mail material, newspaper and magazine ads, radio and TV scripts, telemarketing scripts, billboards and similar displays, flyers and ad slicks, leaflets and booklets, brochures, newsletters, form letters, prospect letters, lead-generating devices of all kinds, depictions and illustrations, prepared sales talks, presentations, and agent training materials.

■ **INTERNET ADVERTISING** — State Life views Internet Web sites as a form of advertising and solicitation. Therefore, any Web sites that advertise State Life or its products must adhere to the Company's approval guidelines for traditional forms of advertising. Any Company-or product-related material appearing on a Web site must be submitted for review and approval as described below. Revisions requested during the review process must be made before the Web site "goes live" on the Internet. In addition, "hot-links" to the State Life corporate Web site are not permitted without prior Company approval. If the Company becomes aware of an unapproved Internet ad or link, it will proceed in the same manner as with an unapproved print ad.

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FOR
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OF
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AND SALES
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ADVERTISING
AND SALES
MATERIAL

Review and Approval Procedures

- **All advertising and sales material must be submitted for Company approval prior to use, including material designed for agent use only.**
- Long term care consumer advertising and sales material must be submitted for state approval in most states. Depending on the state, approval time generally ranges from 30-60 days.
- All advertising material submitted for approval must be accompanied by a completed Advertising Submission Form.
- Most material can be submitted by e-mail, fax, or regular mail. All advertising and sales material should be submitted to:

Long Term Care Administrative Office
Attn.: Compliance Department
P.O. Box 4243
Woodland Hills, CA 91365-4243
Fax: (818) 867-2508
E-mail: Advertising@LifeCareAssurance.com
- Upon receipt of advertising material for review, we will assign it a form number for tracking purposes. Under state law, this number must be placed in the lower left-hand corner of the advertising piece.
- If revisions are required, we will request that you send us revised copy for our final sign-off and approval for use. Revised copy must be sent back to us within 15 days of the request. If we do not receive revisions within this time, the material will be considered withdrawn from consideration and must be resubmitted for review and approval.
- We are required by law to keep final copies of all advertising and sales materials on file. **Once the material is approved, two (2) final printed copies must be mailed to us for our files within 30 days of approval.** If we do not receive the final printed copies within this time, Company approval of the material will be withdrawn and any further use will not be permitted.
- In the case of consumer material that requires filing for state approval, three (3) additional final printed copies (or clean copies suitable for filing purposes) should be sent to us as soon as possible for submission to the state insurance department. We will notify you immediately upon our receipt of state approval or any state objections that may require further revision.
- Individual materials will be approved for a specific manner of use (i.e., newspaper or magazine ad, mailer, flyer, etc.), target audience, and geographic location. **Any change in the content of the material itself or in its approved manner of use must be resubmitted for review.**
- Due to the dynamic nature of insurance products, statistical information, and other elements that frequently make up the content of advertising and sales material, all advertising will be approved for use for a specific period of time. Prior to the assigned approval expiration date, the material must be resubmitted for approval. If no revisions are required in order to update the material, the period will be extended.

Guidelines for the Content of Advertising and Sales Material

The following guidelines are used by the Company to review all material submitted for approval. Designing your consumer, agent, and training materials in accordance with these standards will expedite their approval.

- All material that makes any reference to State Life, or its long term care products, must include the full Company name and product form number. This is true even for material that makes indirect references or even no reference at all when the ultimate goal of the piece is the sale of a State Life product. Reference to the product should be shown at the bottom of the ad:

Coverage provided by Policy forms (applicable form numbers) underwritten by The State Life Insurance Company, Indianapolis, IN

- The company name can only be referred to in two ways: “State Life” or “The State Life Insurance Company.” No other versions or abbreviations are acceptable.
- The State Life OneAmerica name and logo are standardized and must be used in accordance with the Company’s policy on corporate identity. This policy and camera-ready logo artwork for use in creating your materials are available upon request.
- All “agent only” advertising, training or recruiting material must display the disclaimer **FOR AGENT USE ONLY** in 10 point bold, capital letters. This includes, but is not limited to, recruiting ads in industry trade publications as well as any ad, mailer, or letter that is sent to agents to describe or promote the Company or its products. Training materials such as scripts, slide presentations, and videos must also display this disclaimer.
- Material that uses the word “plan” must identify the product being advertised as an “insurance policy.”
- An advertisement that is intended for multi-state or nationwide use may describe the product and its features in generic terms, but must display the disclaimer **BENEFITS MAY VARY BY STATE** in 10 point bold, capital letters. If the ad is to be targeted for a specific state and that state has variations on the product’s features, the ad should reflect such variations. This is particularly important in consumer materials.
- Depending on the state and the content of the material, a consumer ad may be considered an “invitation to inquire” or “invitation to contract” and exclusionary language or caveats may be required.
- Generally, consumer advertising material that is limited to a brief description of the product’s benefits and features is considered an “invitation to inquire” and should display the following statement:
For costs and further details of the coverage, including exclusions, any reductions or limitations and the terms under which the policy may be continued in force, contact your agent or The State Life Insurance Company.
- Consumer advertising that mentions cost (premium rates) is considered “an invitation to contract” and must include a full disclosure of the product’s exceptions and limitations.
- Phrases or devices which are designed to create undue fear or anxiety, excite fear of dependence upon relatives or charity, imply financial ruin, and similar “scare tactics” are not acceptable.

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MATERIAL**

- If the advertising refers to the tax benefits of a tax qualified policy, the following disclaimer is necessary:

The information provided here is not intended to be as legal or tax advice. We recommend that you consult with an attorney, accountant or tax advisor regarding the tax implications of purchasing long term care insurance.

- Any consumer advertising designed to be a lead-generating, direct response device must disclose that an insurance agent may contact the applicant, if such is the fact. In addition, an agent that makes contact with a consumer, as a result of acquiring that consumer's name from a lead-generating device, must disclose such fact in the initial contact with the consumer.
- All material that uses statistics or quotations of facts must cite the source of such information.
- If comparison data with other companies' premiums or product features is used, we must be able to verify the accuracy of such information and whether it is the most current available. Please send any source material utilized for such comparisons when you submit this type of advertisement for review. As a general rule, such comparison material will be approved for agent use only, but not for dissemination to consumers. The following disclaimer must appear prominently directly below any comparison data:

Policy features, provisions, and benefits vary from company to company.

- When describing policy features or benefits that are optional, please refer to them as such. In addition, do not overstate or exaggerate the value of any benefit or feature beyond what it actually provides.
- Do not use absolute, subjective terms such as "the best LTC policy available," "the lowest rates," "the top commissions in the industry." Rather, describe the products, rates, commissions, etc. using terms such as "one of the best...," "among the lowest...," "excellent commissions" or "among the top commissions..." to the extent such descriptions are accurate.
- If you wish to cite State Life's financial ratings, please contact the company for the most up-to-date information.
- Do not use terms such as "we" and "our" when referring to the Company and its products. Ads should not give the impression that agents are Home Office employees of State Life. It must be clear that the agent or marketing organization and State Life are not the same entity. Agent should use footnote or language indicating that the agent or marketing organization is separate from State Life.

ADVERTISING SUBMISSION FORM

1. Complete **ALL** of the information below.
2. Fax this form (please mail if text or graphics may be illegible when faxed) along with a copy of your material to the address listed on the right:
3. The Compliance Department will:
 - assign a Form Tracking Number to your material;
 - review for adherence to state regulations; and
 - as a result, may require revisions to your material.
4. Once approved, any changes in the content or stated use of the material must be resubmitted for reapproval.
5. Upon approval, two (2) final prints must be mailed to us within 30 days of the approval date.
*****If we do not receive the final copies within this time, Company approval of the material will be withdrawn and any further use of the material will not be permitted.*****
6. In most states, long term care advertising may not be used until approval is received from the state. We will notify you if state filing is required and will need three (3) clean copies with all final revisions sent to us by mail. We will file the material with the state and notify you when approval is received.
7. The advertising material will be approved for use for a one (1) year time period and will have an assigned expiration date. **If you desire to use this material beyond the stated expiration date, it must be resubmitted for reapproval.** For more information, refer to your copy of Advertising Rules and Guidelines.

Mail To:

Long Term Care Administrative Office
 Attn: Compliance Department
 P.O. Box 4243
 Woodland Hills, CA 91365-4243
 FAX: 818.867.2508

AGENT INFORMATION			
Agent Name/Agency: _____			
Address: _____	City: _____	State: _____	Zip: _____
Phone No.: _____	Fax No.: _____	Marketing Organization: _____	

DESCRIPTION AND USE OF ADVERTISING MATERIAL

1. **Product Name:** _____
2. **Target Audience:**
 - Consumer/General Public
 - Agent Only Recruiting/Training
3. **Media:**
 - Ad Slick/Flyer
 - Consumer Sales Presentation
 - Newsletter
 - Agent Sales Tools
 - Contact Letter
 - Newspaper/ Magazine Ad:
 - Agent Training Presentation
 - Internet/Online Services/Web Site
 - Broadcast Media
 - Illustration Software
 - Brochure
 - Mailer
 - Poster
 - Video
 - Other (Please describe): _____

Name of Publication _____

Intended Date of Publication _____

4. Material Description: _____	Filing organization: _____
Intended for use in the following states: _____	

OFFICE USE ONLY

Form Tracking No.: _____	<input type="radio"/> Disapproved <input type="radio"/> Approved <input type="radio"/> Approved As Revised	Expiration Date: _____
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Comments: _____

By: _____	Date: _____
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ADMINISTRATIVE GUIDELINES FOR EMPLOYER/ASSOCIATION GROUP SALES

Qualified Groups:

1. Any employer with three or more employees; or
2. Associations, labor unions, and trade or professional organizations with ten or more members, an active existence for at least two years, a constitution and bylaws, and formed in good faith for purposes other than obtaining insurance.
3. Groups larger than 1000 lives will be considered only when it is clear the agent of record has in place a marketing plan and the ability to solicit the group members. The agent must be able to demonstrate control of the group solicitation process prior to approval. Utilizing only mass mailing will not demonstrate cohesiveness or control of the solicitation process.
4. The following groups will not be acceptable for discount:
 - Bank Depositors ("Senior" clubs with by-laws and a board of directors may be eligible)
 - Clients of professional firms (e.g. CPA firms, stockbrokerage, law firm, etc)
5. Chamber of Commerce members can be considered as an association group. However, employees of chamber members will not be eligible under the chamber endorsement. Each employer would need to sign the group application in order to allow its employees to receive an employer group discount. These same guidelines will be applied to all groups of a similar nature, including co-ops and any other associations with multiple membership levels.

6. Guidelines to consider when soliciting a group:
 - Does the group have a strong enough affinity to allow for added value from the group sponsor's endorsement?
 - Will you be able to have strong marketing control?
 - Is the group distinct from the general population?

Employer/Association Group Discount

1. If the employer/association group discount is used, premiums and commissions are reduced as follows:

Premium discount

10% All Ages

Commission reduction:

Please refer to your commission schedule for this information.

2. Once a group is solicited and the discounted premium rates are offered to its members, no individual members of the group may be solicited for coverage at the premium rates which are offered to the general public.
3. If an agent other than the agent of record submits an application for a group discount, we will do the following:
 - grant the discount to the client;
 - reduce the payable commissions;
 - notify the agent of record; and
 - split the writing agent commission with the agent of record 50/50, unless they mutually agree to a different split of the total available commission.

ADMINISTRATIVE
GUIDELINES
FOR
EMPLOYER/
ASSOCIATION
GROUP SALES

The writing agent may not submit any additional applications for discount from the same group without prior approval in writing from the agent of record.

4. If an agent other than the agent of record submitted an application and within 90 days of policy issue the client requests a group discount, we will handle as in #3 above, retroactive to original effective date.
5. If an agent other than the agent of record submitted an application and more than 90 days after policy issue the client requests a group discount, we will do the following:
 - grant the discount to the client on the next policy anniversary; and
 - reduce the payable renewal commissions for the writing agent only.

Underwriting Concessions

1. Applicants under age 40 will be considered when part of a qualified group, using age 40 rates.
2. Rating concessions may be considered when 25 or more applications are submitted together, with application dates falling within a two-week period. The rating class of each applicant may be improved by one class; however, uninsurable applicants are not eligible for coverage and smokers are not eligible for the Preferred rate. The number of applicants in good health needs to offset the number of applicants that are less healthy.
3. Guaranteed Issue is not available.

Billing Methods

We can provide a list bill for employer groups with at least 3 policies on the list billing. If there are less than 3 policies on list billing mode, we will not offer or continue a list bill for the employer group.

We can also bill individuals via our normal billing methods (annual, semi-annual, quarterly, or monthly bank withdrawal).

Application for Approval of Employer/Association Group

1. Prior to submission of group business, the Application for Approval of Employer Group or the Application for Approval of Association Group must be submitted to the Company for review and approval. All information must be fully completed.
2. The association or employer group representative must sign the application, and no alteration of language is allowed. The group must approve the product for solicitation to its employees or members. Agents may not sign the application as a representative of the association or group.
3. The Company will review the application and request further information if needed. Approval or disapproval will be sent to the agent of record.

Submission of Business

1. Identify all individual applications under group by answering the question on the application under Premium Information and entering the Group Identification Code.

If the individual application is for list bill, submit it COD and check off List Billing in the Payment Mode and Amount section of the application.
2. For all groups, at least one application must be submitted within 6 months of the group approval date, or the group will lose its discount status and the agent will no longer hold agent of record status. A new group application must then be submitted to re-establish a discount for the group.

3. For groups of 25 lives or less, the agent must submit applications totaling at least 20% of the eligible members each year, or the group will lose its discount status and the agent will no longer hold agent of record status.

Any applications already receiving the discount will maintain a discount, but new applications will not be eligible without resubmitting a new group application.

4. For groups of 26 to 250 lives, the agent must submit at least 10 applications for the group each year, or the group will lose its discount status and the agent will no longer hold agent of record status.

Any applications already receiving the discount will maintain a discount, but new applications will not be eligible without resubmitting a new group application.

5. For groups of 251 or more lives, the agent must submit applications totaling at least 5% of the eligible members each year, or the group will lose its discount status and the agent will no longer hold agent of record status.

Any applications already receiving the discount will maintain a discount, but new applications will not be eligible without resubmitting a new group application.

*ADMINISTRATIVE
GUIDELINES
FOR
EMPLOYER/
ASSOCIATION
GROUP SALES*

**APPLICATION FOR
APPROVAL OF EMPLOYER GROUP**
(For Association Groups, use form S-0175-A)

AGENT INFORMATION (Please print legibly)

Agent of Record: _____
Agent Number: _____ Marketing Organization: _____
Phone Number: _____ Fax Number: _____

GROUP INFORMATION (Please print legibly)

Employee Group

Name of Employer: _____
Address: _____

Type of Business: _____

State(s) to be solicited: _____

Number of Employees: _____ Expected Participation: _____

Will Employer pay a portion of the premium? Yes _____ % No

To be solicited: Active Employees Retired Employees Spouses
 Children Parents Grandparents

BILLING INFORMATION (Please print legibly)

Employer List Bill? Yes No

List Bill Frequency: Monthly Quarterly Semi-Annual Annual

List Bill Contact and Address

Name: _____ Phone Number: _____

Address: _____

STATEMENT BY OFFICER, DIRECTOR OR OTHER COMPANY OFFICIAL *(Please print legibly)*

I _____, _____ of
Name Title

_____, state as follows:
Name of Company

1. The policy's benefits, features and premium rates have been fully explained to and reviewed by our management and/or directors.
2. As a result of such review, we hereby agree that The State Life Insurance Company's long term care policy may be solicited to our employees.
3. Employees will be made aware that the premium rates being offered are discounted from the premium rates offered to the general public.

Signature: _____ Date: _____
Name

HOME OFFICE USE ONLY *(Please print legibly)*

Approved Disapproved Further Information Required

Group ID Code (must be indicated on all applications): _____

Comments: _____

Authorized: _____ Date: _____

APPLICATION FOR APPROVAL OF ASSOCIATION GROUP

(For Employer Groups, use form S-0175-E)

AGENT INFORMATION *(Please print legibly)*

Agent of Record: _____

Agent Number: _____ Marketing Organization: _____

Phone Number: _____ Fax Number: _____

GROUP INFORMATION *(Please print legibly)*

Type of Group

Association Labor Union Other

Name of Association: _____

Address: _____

Type/Purpose of Association: _____

State(s) to be solicited: _____

Number of Members: _____ Expected Participation: _____

Will Association pay a portion of the premium? Yes _____ % No

To be solicited: Members Spouses Children Parents Grandparents

How long has this Association been in existence? _____

Does this Association have a constitution and bylaws? Yes No

Additional Information About This Group: _____

BILLING INFORMATION *(Please print legibly)*

List Bill? Yes No

List Bill Frequency: Monthly Quarterly Semi-Annual Annual

List Bill Contact and Address

Name: _____ Phone Number: _____

Address: _____

STATEMENT BY OFFICER, DIRECTOR OR OTHER ASSOCIATION OFFICIAL *(Please print legibly)*

I _____, _____ of
Name Title
_____, state as follows:
Name of Association

1. The policy's benefits, features and premium rates have been fully explained to and reviewed by our management and/or directors.
2. As a result of such review, we hereby approve The State Life Insurance Company's long term care policy for solicitation to our members.
3. Members will be made aware that the premium rates being offered are discounted from the premium rates offered to the general public.

Signature: _____ Date: _____
Name

HOME OFFICE USE ONLY *(Please print legibly)*

Approved Disapproved Further Information Required

Group ID Code (must be indicated on all applications): _____

Comments: _____

Authorized: _____ Date: _____



*The State Life Insurance Company
a ONEAMERICA® financial partner
Home Office: Indianapolis, Indiana
Long Term Care Administration Office
P.O. Box 4243
Woodland Hills, CA 91365-4243
888-505-8101*

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