

# Overview of Underwriting Table Shaving Programs

Company	How the Program Works	Products Available	Maximum Age	Maximum Coverage	Program Restrictions	Survivorship Policies Only	Changes Since Inception
American General	Discontinued table shaving program in late summer 2004						
AXA-Equitable	Table C to Standard	All individual and survivorship permanent life plans	70	\$10M individual \$20M survivorship	Cases not eligible for Table Shaving: <ul style="list-style-type: none"> <li>- cases rated for drug and alcohol abuse</li> <li>- cases rated for driving criticism</li> <li>- any case submitted for facultative reinsurance</li> <li>- flat extras for medical impairments (table rate portion of any rating will be eligible)</li> <li>- flat extras for occupation, travel, avocation or aviation</li> <li>- ratings for waiver of premium or monthly deduction</li> <li>- cases back-dated to save age</li> <li>- no term conversions, cases issued under 'Preferred Client Program' or any other program providing for limited underwriting</li> </ul>	Only one life eligible	<ul style="list-style-type: none"> <li>- Introduced March 2003</li> <li><i>Effective March 2005:</i></li> <li>- Reduction in max issue age from 80 to 70</li> <li>- For survivorship plans - only one life eligible</li> </ul>
ING-Security Life of Denver ING-ReliaStar ING-Security CT ING-Southland	Table 2 (B) to Standard Underwriters are able to apply credits to reach Table 2	Permanent products only	80	Individual and Joint - Maximum: \$5M Minimum: \$100,000	Exclusions: <ul style="list-style-type: none"> <li>- US residents only - no foreign travel</li> <li>- No flat extras for ratable avocations, facultative cases, and cancer risks.</li> <li>- Prior facultative reinsurance cases excluded</li> <li>- Not available on term conversions or business issued prior to 10/1/04</li> <li>- No BOLI, Corporate Benefits VUL or PPVUL</li> <li>- Cancer risks are eligible provided there is no applicable flat extra</li> </ul>	If both applicants are Table B or less, both can be reduced to Standard If one client is over Table D, neither can be reduced	<ul style="list-style-type: none"> <li>- Introduced December 2002</li> <li>- Decreased number of tables from 4 to 2 in September 2004</li> <li>- Increased issue age from 75-80</li> <li>- Program will be discontinued December 31, 2005</li> </ul>
Jefferson Pilot Financial	Table 4 to Standard Automatic Reduction to Standard (ARTS) Program	All permanent products except JPF Legend EXEC, JPF Legend EXEC NY, JPF Advantage Solutions, and JPF Advantage Solutions NY	75	Individual and Joint up to age 75: \$10M	<ul style="list-style-type: none"> <li>- All flat extras excluded (medical and nonmedical)</li> <li>- \$100,000 minimum face amount</li> <li>- No prior facultative reinsurance</li> <li>- Cannot use underwriting credits to qualify for ARTS program</li> <li>- Alcohol/Drug use and Mental/Nervous conditions excluded</li> </ul>	Maximum of 6 combined tables. If one applicant is assessed at Table D and the second is no worse than Table B, or if both are Table C, both insureds can be reduced.	<ul style="list-style-type: none"> <li>- Introduced January 1998</li> <li>- Increased max face amount from \$5M to \$10M in November 2003</li> <li><i>Effective 7/15/05:</i></li> <li>- Decreased max combined tables for survivorship from 8 to 6</li> <li>- Reduced max issue age from 80 to 75</li> <li>- Excluded alcohol/drug use</li> <li>- Added caveat that u/w credits can't be used to qualify for the ARTS program</li> </ul>
John Hancock USA	Table 3 to Standard under the "HealthStyles" program (credit system for good health factors)	All permanent products are eligible	80	Individual and Joint: \$5M	<ul style="list-style-type: none"> <li>- Exclusions: all cases rated with a medical or non-medical flat extra, volatile risks for hazardous occupations or hobbies, and alcohol or drug abuse.</li> <li>- No term or SPVL</li> </ul>	Both lives are eligible	<ul style="list-style-type: none"> <li>- Introduced late 2003</li> <li>- Decreased table rating from Table 4 to Table 3 in January 2005</li> </ul>
Lincoln Benefit	Maximum of 4 Tables (Apply applicable credits from Table 1 to Table 6)	Permanent products only	75	Individual and Joint: \$5M	<ul style="list-style-type: none"> <li>- No cancer, stroke, alcohol or drug use, or a combination of coronary artery disease and diabetes</li> <li>- Not available with flat extras</li> </ul>	Both lives are eligible	Not Available
Lincoln Financial	Table C to Standard	All permanent products are eligible	70	\$10M	<ul style="list-style-type: none"> <li>- Flat extra ratings of \$5.00/thousand or less will be reduced to standard except if combined with a table rating</li> <li>- Exclusions: flat extras for ratable aviation, avocation, or poor MVR's</li> </ul>	Both lives can be reduced to standard rates if rated Table C or less	<ul style="list-style-type: none"> <li>- Introduced October 1998</li> <li>- Program discontinued for ages 71-80 in January 2005</li> </ul>

Current As Of 12/2005

Programs Are Subject To Change

For Updated Information Please Contact CPS Ron Viola Insurance Services, Inc.

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MassMutual	Discontinued table shaving program January 1, 2005						
MetLife/New England Financial/GenAmerica	Table C to Standard	Permanent products only	75 (80 for Joint Survivor UL)	\$10M ages 0-70 \$5M ages 71-80 (including both base and term face amounts)	<ul style="list-style-type: none"> <li>- Available for smokers and nonsmokers</li> <li>- Available for substandard medical risks only</li> <li>- Other substandard risks - occupation, avocation, hazard, aviation, alcohol and drug abuse are excluded</li> <li>- Facultatively reinsured policies are not eligible for table shaving</li> <li>- New underwriting is required for a term conversion to be eligible for table shaving</li> <li>- Base increase requests on policies that are table shaved require new underwriting</li> <li>- If insured is a true standard risk a flat extra premium assessed for medical reasons will be shaved to standard</li> <li>- Maximum permanent flat extra eligible for shaving is \$5/1000 or \$5/1000 for 5 years if temporary extra assessed</li> <li>- Combinations of table ratings and flat extra premiums are not eligible</li> </ul>	Table shaving is done on an individual basis, but is available on either or both lives as long as both insureds are insurable. If one life is Uninsurable, policy is not eligible for shaving program.	<i>Effective May 2005:</i> <ul style="list-style-type: none"> <li>- Changed from Table 4 to Table 3</li> <li>- Limited maximum face to \$5M on single life policies for ages 71-75</li> </ul>
New York Life	Table 4 to Standard (Nonsmoker 2,3,4 to Select Standard; Smoker 2,3,4 to Standard)	All individual and survivorship plans except SPVUL and Private Placement	80	Individual: \$5M AND less than \$15M inforce and applied for with all companies Survivorship: \$10M AND less than \$30M inforce and applied for with all companies	<ul style="list-style-type: none"> <li>- Individual risks will be reduced to Non-Smoker:                             <ol style="list-style-type: none"> <li>1.) with medical flat extra of \$4.80 or less</li> <li>2.) with medical flat extra of \$2.40 (\$3.60 for survivorship) or less for avocation, occupation, motor vehicle or aviation</li> <li>3.) Nonsmokers with medical table rating of Class 2 to 4</li> </ol> </li> <li>- Individual risks will be reduce to Standard:                             <ol style="list-style-type: none"> <li>1.) with \$4.80 or less medical flat extra</li> <li>2.) with \$2.40 (\$3.60 for survivorship) or less flat extra for avocation, occupation, motor vehicle or aviation</li> <li>3.) with medical table rating of Class 2 to 4</li> </ol> </li> </ul>	A high substandard rating on one life does <u>not</u> impact table shaving on the other.	<ul style="list-style-type: none"> <li>- Introduced in the 1980's</li> <li>- On a few occasions changed the risk class that substandard policies are shaved to</li> <li>- When they updated their substandard risk class structure from classes A-G to tables 2-13, there was a slight shift in what ratings qualified for shaving</li> </ul>
Prudential	Table B to Preferred NT	All permanent products	80	Maximum Face Individual: \$5M to age 75; \$2.5M ages 76-80 Survivorship: \$10M to age 75; \$5M ages 76-80	Exclusions: <ul style="list-style-type: none"> <li>- Minimum DB Requirement: \$1,000,000</li> <li>- Term Elite, Term Essential, Pru Guaranteed Life not included</li> <li>- Smoker classes not included</li> <li>- Term Conversions excluded</li> <li>- Flat extras excluded</li> <li>- Drug/Alcohol use or poor driving records excluded</li> </ul>	Both lives may be shaved if they meet the requirements indicated in this table	<ul style="list-style-type: none"> <li>- Introduced February 2002</li> <li>- No changes since inception</li> <li>- Program will be discontinued December 31, 2005. Credit system for good health factors will be put into place thereafter.</li> </ul>
Sun Life	Table 2 to Standard (Sun Power Point Enhancement Program)	Not available	75	\$25M ages 70 and under; \$18M ages 71-75	<ul style="list-style-type: none"> <li>- Backdating to save age 75 is not permitted</li> </ul>	Both lives are eligible, but second life may not exceed Table 4	<ul style="list-style-type: none"> <li>- Program will be discontinued December 31, 2005</li> </ul>
Travelers	Discontinued table shaving program January 15, 2006						
West Coast Life	Discontinued due to changes in reinsurance agreements as of 12/31/04						