

Standard Increase Options – Fact Sheet and FAQ’s



	Protector Platinum, Essential, and Plus	Platinum Advantage
Acronyms	FPO: Future Purchase Option Rider <ul style="list-style-type: none"> Increases exercised from a pool of benefit, purchased at policy issue 	BIR: Benefit Increase Rider <ul style="list-style-type: none"> Available on Platinum Advantage policies Increases benefit based on financial underwriting
Quotes	<p><i>Can Truluma run an Increase quote?</i></p> <ul style="list-style-type: none"> Yes, Truluma can run quotes for all policyholders based on information provided, including GME programs. <p><i>Approximately how long will it take to receive a quote?</i></p> <ul style="list-style-type: none"> Quotes can be issued the same day as the request. <p><i>What do I need to provide?</i></p> <ul style="list-style-type: none"> Please provide annual income, details of any other DI and/or Group Long Term Disability (LTD) inforce, and advise if the Insured is a business owner or a government worker. 	
How often does this option occur?	Annually (doesn't have to apply)	Every 3 years (must apply to keep the rider)
When is the insured/broker notified?	Insureds are notified <i>via mail</i> of an upcoming increase option 60 days before their policy anniversary date. Truluma reaches out <i>via email</i> to the broker 2 months before the policy anniversary month for Insureds with increase options that month.	
When can the insured apply?	Applications can be submitted any time from 60 days before the anniversary date to 30 days after this date. They must be submitted with financials in order to meet the deadline.	
Normal Application Process	<p>60 days before the anniversary date the Insured receives a letter describing the option to increase.</p> <ul style="list-style-type: none"> The maximum increase available is listed as the current FPO pool on the base policy. <p>The application must be submitted with financials to Truluma to begin underwriting.</p> <ul style="list-style-type: none"> Most recent tax returns with all schedules is the best financial submission. The HIPAA consent form must be signed by the client. 	<p>60 days before the anniversary date the Insured receives a letter describing the option to increase. This letter includes an application as well as information regarding income documentation.</p> <p>The application must be submitted with financials to Truluma to begin underwriting.</p> <ul style="list-style-type: none"> Most recent tax returns with all schedules is the best financial submission. The application can be DocuSigned but requires electronic consent from the client as well (this form can be e-signed). After receiving the application, Standard conducts initial review of the materials provided, and will reach out if additional information is needed.

Standard Increase Options – Fact Sheet and FAQ's



	<ul style="list-style-type: none"> ○ The application can be DocuSigned but requires electronic consent from the Insured as well (this form can be e-signed). • After receiving the application, Standard conducts initial review of the materials provided and will reach out if additional information is needed. • If no further information is needed, underwriters will review the income and current inforce coverage to determine the maximum increase the Insured qualifies for. • When underwriting makes a decision they notify the Inforce Policy Coordinator at Truluma with the maximum benefit amount, new policy number (if applicable), and effective date. • The Insured can decide on the amount they would like to accept (between the 50% minimum and the full offer). • The policy is sent electronically to the broker and client for signatures. At this stage, if the client would like to be on automatic drafting or change their premium mode they can elect to do so via the EFT form sent with the policy. • After signatures are received, Standard will draft or request premium to place the increased benefit amount inforce. • The FPO pool is reduced based on the increase amount exercised. The premium for the FPO rider on the original base policy will remain the same until the full pool is exercised, no matter how much benefit is remaining. After the pool is exercised, the rider and associated premium is removed from the base policy. 	<ul style="list-style-type: none"> • If no further information is needed, underwriters will review the income and current inforce coverage to determine the maximum increase the Insured qualifies for. • When underwriting makes a decision they notify the Inforce Policy Coordinator at Truluma with the maximum benefit amount, 75% and 50% increase amounts, and the effective date. <ul style="list-style-type: none"> ○ After receiving an offer, the Insured must accept between 50% and 100% to keep the BIR on their policy. If no offer is received, the rider will still renew automatically. • Once the Insured decides on the amount to issue, Standard will produce a quote based on the accepted increase and will generate an endorsement. The endorsement must be signed and returned within 30 days to place the increase inforce. • The draft of premium will occur on the policy anniversary date, or when the endorsement and authorization to draft is received (if the policy anniversary date has already passed). • The next regular increase option will occur in 3 years.
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<p>Base Policy Changes</p>	<p><i>Will the increased benefit be on a new policy or layered onto the base?</i></p> <ul style="list-style-type: none"> This increased benefit will become a new Platinum Advantage policy. If the client has accepted previous increases, the additional benefit may be layered onto this additional policy. <p><i>Does the writing agent for the increase option automatically become the servicing agent on the base policy?</i></p> <ul style="list-style-type: none"> No, the writing agent for the increase will only receive commission and be the servicing agent on the increase policy. In order to become the servicing agent on the base policy, a broker of record change must be submitted. (see <i>BOR change instructions</i>) 	<p><i>Will the increased benefit be on a new policy or layered onto the base?</i></p> <ul style="list-style-type: none"> The increase will be layered onto the base policy. <p><i>Does the writing agent for the increase option automatically become the servicing agent on the base policy?</i></p> <ul style="list-style-type: none"> The writing agent for the BIR will not automatically become the servicing agent for the base policy. The agent needs to submit a broker of record change (if they are already appointed) in order to become the servicing agent on the policy and receive commissions for the increase option.
<p>Off-Anniversary Qualifications</p>	<p>Protector Platinum (and Platinum GME policies): off-anniversary is available if the Insured:</p> <ul style="list-style-type: none"> Financially qualifies for at least a \$500 increase Involuntarily loses employer-paid Group Long Term Disability (LTD) within 90 days of applying <ul style="list-style-type: none"> OR has completed a residency and/or fellowship in the last 36 months. <p>Protector+ / Protector Essential: off-anniversary increases are available if the Insured:</p> <ul style="list-style-type: none"> Has experienced a significant increase in earned income due to a job change, promotion, or establishment of medical practice within 90 days of applying 	<p>The accelerated off-anniversary option is only available until age 50.</p> <p>Clients must be age 50 or younger and within the last 90 days: have income increased by at least 30% since last anniversary date or exercise, OR experienced an involuntary loss of Group LTD</p> <p>Medical Residents or Fellows may apply for Off-Anniversary BIR up to 12 months after completion of Residency or Fellowship</p> <p>NOTE: Off-anniversary BIR increases are placed on a new policy with a different effective date than the base policy.</p>

Standard Increase Options – Fact Sheet and FAQ’s



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State Application to Use	Can be written in EITHER the original state of the base policy OR the new current resident state. The agent must be licensed in whichever state the application is being taken.	Platinum Advantage policies are not available in Wyoming, California does not have GME policies available, and Massachussettes does not have business platinum advantage policies available. If clients currently reside in these states the application would need to be run as the base policy state (if changed) or the increase is unavailable. The agent must be licensed in whichever state the application is being taken.																		
Where to find an application	Click here to download an application	Click here to download an application																		
Financials	Click here for Standard’s Income Documentation Reference	Click here for Standard’s Income Documentation Reference																		
Minimum Benefit Available	Protector Essential and Protector +: \$100 Protector Platinum: \$200	\$200 (must accept at least 50% of the maximum offer)																		
Maximum Benefit Available	<table border="1"> <thead> <tr> <th></th> <th>ProtectorEssential / Protector+</th> <th>Protector Platinum</th> </tr> </thead> <tbody> <tr> <td>Age 18-41</td> <td>Full Pool Amount</td> <td>Full Pool Amount</td> </tr> <tr> <td>Age 42-44</td> <td>1/2 Pool Amount</td> <td>Full Pool Amount</td> </tr> <tr> <td>Age 45:</td> <td>1/2 Pool Amount</td> <td>1/3 Pool Amount</td> </tr> <tr> <td>Age 46-50:</td> <td>1/3 Pool Amount</td> <td>1/3 Pool Amount</td> </tr> <tr> <td>Age 51-55:</td> <td>N/A</td> <td>1/3 Pool Amount</td> </tr> </tbody> </table>		ProtectorEssential / Protector+	Protector Platinum	Age 18-41	Full Pool Amount	Full Pool Amount	Age 42-44	1/2 Pool Amount	Full Pool Amount	Age 45:	1/2 Pool Amount	1/3 Pool Amount	Age 46-50:	1/3 Pool Amount	1/3 Pool Amount	Age 51-55:	N/A	1/3 Pool Amount	100% of offer, based on financial underwriting
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Age 51-55:	N/A	1/3 Pool Amount																		
When does the rider terminate?	<ul style="list-style-type: none"> When the FPO pool has been fully exercised, The policy reaches the termination date. On the policy anniversary after the client’s 55th birthday 	<ul style="list-style-type: none"> If the rider BIR is not applied for If base monthly benefit has been reduced If less than 50% of an increase option offer is accepted On the policy anniversary after the client’s 55th birthday 																		

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AIB Details	Increases benefit by 4% annually for 6 years. On the 5 th year the rider must be renewed through financial underwriting. <ul style="list-style-type: none">• The increase will occur on the policy anniversary.• Premium is based on age and occupation class at increase.• The increases can be refused before the policy anniversary by returning the AIB notice mailed by Standard.• The rider will be terminated if 2 <i>consecutive</i> increases are refused within 1 renewal period. The Insured can refuse the final increase as well as the initial increase after renewal with no consequence.• Automatic increases do not take place if Insured is on claim.• The renewal letter for the AIB is sent 75 days before the anniversary date.• To renew, the Insured must be under age 60 and work at least 30 hours a week.
Quirks	On Business Protector policies, the Insured may exercise twice the amount of the FPO Option if they did not exercise the FPO Option the prior year.