FOCUS 10 Life®

FOCUS on SALES
and leave the rest to us!

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general product information

• Employer-Paid, Non-Voluntary Benefit
• “White-Collar” Occupations
• Individual term life policy with 10-year level premium
• Simplified issue, with only one qualifier
• Issued to age 70
• Fully portable
• Convertible to a permanent policy without evidence of insurability
• Approved in all 50 States
10a - The “actively at work” question is the only qualifying question.

10b - General rule: any tobacco use in prior 12 months = tobacco class. Exception: 2 or fewer cigars/month = non-tobacco
target prospects

Ideal for any employee in a full time “white-collar” occupation, such as:

- Law firms – Management, Associates, and Other Staff
- Architectural/Engineering firms – Professionals and Staff
- HealthCare – Hospitals and Medical practices (Radiologists, Anesthesiologists, Cardiologists, etc.)
- Financial Services – Accounting firms, Banks, Stock Brokerage firms, Insurance agencies, and Investment firms
- Service firms – Advertising, Hotels & Casinos, Grocery Store chains, Call Center, and Real Estate Companies
- Venture Capital/Private Equity Firms

In addition, can be sold to a carved out group of employees (executives, management, sales) within “blue-collar” industries
# simplified issue guidelines

<table>
<thead>
<tr>
<th>Covered Lives</th>
<th>10 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guideline Face Amounts</td>
<td>10 to 19 lives: $100,000 or $150,000*, or a combination of the two</td>
</tr>
<tr>
<td>Face Weighted Average Age</td>
<td>50.00 or less*</td>
</tr>
<tr>
<td>Maximum Issue Age</td>
<td>70 at Nearest Birthday</td>
</tr>
<tr>
<td>Maximum Class Benefit Multiple</td>
<td>2.5 times*</td>
</tr>
<tr>
<td>Billing Modes</td>
<td>Standard: Monthly Premium &lt; $1,000: Calendar Quarterly</td>
</tr>
</tbody>
</table>

*Exceptions allowed with prior approval. If a case meets all guidelines, Ameritas® alone determines acceptability. If a case exceeds one or more guidelines, Ameritas® and its reinsurer will determine acceptability.
Some examples of “exception” cases approved – Most cases are written on exception basis

<table>
<thead>
<tr>
<th># of Lives</th>
<th>Guideline Benefit</th>
<th>Maximum Benefit Approved</th>
<th>Benefit Multiple Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>150,000</td>
<td>500,000</td>
<td>50,000</td>
</tr>
<tr>
<td>13</td>
<td>150,000</td>
<td>1,000,000</td>
<td>76,293</td>
</tr>
<tr>
<td>16</td>
<td>150,000</td>
<td>1,200,000</td>
<td>75,000</td>
</tr>
<tr>
<td>19</td>
<td>150,000</td>
<td>1,500,000</td>
<td>78,947</td>
</tr>
<tr>
<td>36</td>
<td>720,000</td>
<td>2,000,000</td>
<td>55,556</td>
</tr>
<tr>
<td>50</td>
<td>1,000,000</td>
<td>2,500,000</td>
<td>50,000</td>
</tr>
<tr>
<td>53</td>
<td>1,060,000</td>
<td>3,000,000</td>
<td>56,604</td>
</tr>
</tbody>
</table>

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uses of FOCUS 10 Life®

FOCUS 10 Life® policies are individual policies that can be owned by the employer, the insured or a third party. FOCUS 10 Life® coverage can be used to meet a number of business insurance needs.
one plan to address multiple needs

For example, a firm can design a plan to provide *buy sell funding* for two partners while at the same time providing *key person* coverage on ten managers and a *fringe benefit* for the remaining eligible employees.
employer-owned life insurance notice and consent

The Pension Protection Act of 2006 added Internal Revenue Code section 101(j), which changed some of the rules regarding the taxation of death benefit to be excluded from the business’ income, the employee must be given notice of the policy and consent to be insured by the employer. This notice and consent is in addition to any notice provided on the life insurance application and must be signed by the employee prior to issuance of the policy.
Focus 10 Life® case study

- Medical group needing $1,000,000 of life insurance on each of 6 owners to fund a Stock Redemption Plan.
- Interested in streamlined underwriting.
- Medical Group employed over 60 others.
Focus 10 Life® case study (con’t)

Recommended Plan Design

<table>
<thead>
<tr>
<th>Class</th>
<th>Benefit</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners</td>
<td>$1,000,000</td>
<td>Buy-Sell</td>
</tr>
<tr>
<td>Non-Owner Physicians</td>
<td>$400,000</td>
<td>Fringe Benefit</td>
</tr>
<tr>
<td>Physician Assistants</td>
<td>$160,000</td>
<td>Fringe Benefit</td>
</tr>
<tr>
<td>All Other Employees</td>
<td>$65,000</td>
<td>Fringe Benefit</td>
</tr>
</tbody>
</table>

This plan design met all Simplified Issue Guidelines and readily secured approval to be implemented.
Focus 10 Life® case study (con’t)
the results:

• Owners secured $1,000,000 policy to fund the Stock Redemption Plan.

• The employees received a new employer-provided life benefit.

• Premium for Owners’ policies represented 63% of the total Focus 10 Plan premium.

• Focus 10 annualized premium: approximately $35,000

• Producer’s First Year Commission: over $13,000
FOCUS 10 Life® compensation

Producer First year Commission - 40%
Producer Renewal Commission - 2%

Policy fees are non-commissionable.
Focus 10: creating future opportunities from one sale

New hires and promotions:
• New policies and New First Year Commission

Terminations:
• Portability for employee and opportunity for Producer to place permanent insurance through conversion (next slide)

Year 11:
• Opportunity to “restart” the Focus 10 Plan and earn new first year case commission
Focus 10: conversions to permanent insurance

Under current practice, Focus 10 Policies convert to any Ameritas “single life” contract in the Standard rate class.

<table>
<thead>
<tr>
<th>Policy Name</th>
<th>Type</th>
<th>Key Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excel Essential UL</td>
<td>Universal Life</td>
<td>Low Premium 15 Year Guarantee</td>
</tr>
<tr>
<td>Excel LifeValue UL</td>
<td>Universal Life</td>
<td>Cash Growth DB Options</td>
</tr>
<tr>
<td>Excel Index UL</td>
<td>Index Universal Life</td>
<td>2% floor</td>
</tr>
<tr>
<td>Excel Plus Index UL</td>
<td>Index Universal Life</td>
<td>Choice of index options</td>
</tr>
<tr>
<td>Keystone WL</td>
<td>Whole Life</td>
<td>Low Premium</td>
</tr>
<tr>
<td>Keystone Foundation WL</td>
<td>Whole Life</td>
<td>Cash Growth</td>
</tr>
<tr>
<td>Excel Performance VUL</td>
<td>Variable Universal Life</td>
<td>Investment Options</td>
</tr>
</tbody>
</table>
how to obtain a FOCUS 10 Life® quote

Simply e-mail the census, preferably in Excel. In addition to Employer Name and Home Office Address, the census should include:

- Employee Name (not required)
- Date of Birth
- Gender (product is unisex but gender will appear on quote)
- Tobacco status, if known. (Otherwise we will assume all are non-tobacco)
- Benefit Amount (or salary and benefit formula)