

# Challenge Program

## The painless way to update insurance

Many consumers want to add additional life insurance coverage to offset dismal interest rates and investment results or because they feel they need more due to the uncertain climate since September 2001. To give you the competitive edge, CNA is reinstating the new and improved Challenge Program 2002.

CNA's challenge program allows consumers who had policies issued preferred with other eligible companies or with CNA in the past 2-4 years to buy a new CNA term life product without having to undergo more medical testing.

The program is ideal for customers who have put off updating their insurance policies because they are fearful of facing needles, tests and doctors, or want to avoid the hassle and inconvenience. Maximize your commission potential by taking advantage of this program. Review your roster and contact:

- Clients who need additional coverage or newer policies
- Clients who are involved in business arrangements, such as buy-sell agreements where the company's assets have increased
- Policyowners who have added or lost a spouse
- Policyowners who have become parents, have more children or have children attending college
- Policyowners that have increased or decreased their personal net worth

*The Challenge Program begins January 21, 2002.*

## Rules for 2002 Challenge Program

1. Eligible plans: CNA Term life 115G (available to applicants with existing 10- or 15-year plans), 120G (available to applicants with existing 15- or 20-year plans) and ViaPro G\* (available to applicants with existing 20-, 25- or 30-year plans).
2. Eligible classes: Preferred Non-Tobacco, Select Non-Tobacco and Preferred Tobacco (Classification standards of existing policy must be as strict as our current underwriting standards for the class of the new policy.)
3. Issue ages (current age): 115G and 120G: 18-59. ViaPro G\*: Non-Tobacco: 18-49; Tobacco: 18-39.

4. Age of existing policy: the CNA application must be signed within 48 months of the issue date of the original policy (Preferred Tobacco classification within 24 months.) When the original policy was issued more than 24 months prior to the date of the signing of the CNA application, the best class available is Select Non-Tobacco; when the original policy was issued not more than 24 months prior to the date of the signing of the CNA application, the best class available is Preferred Non-Tobacco or Preferred Tobacco.
5. Maximum policy size: the lesser of \$499,999 or the face amount of the original policy Note: The original policy may be larger than the new one being requested but can never be less.
6. Maximum amount in force with CNA: \$5,000,000
7. Companies whose business is ineligible: Allstate, Banner Life, Confederation Life, John Hancock, Massachusetts General, Mid-Continent Life, Prudential Life, State Life, United of Omaha, United Presidential Life and US Financial. CNA may request a copy of the underwriting guidelines (including preferred criteria) of the original issuing company to determine eligibility. We reserve the right to add companies to this ineligible list.
8. Items required from agent: (a) Copy of the current policy face page clearly showing the underwriting class and face amount, (b) Copy of all evidence included in original policy (application for original policy including part 2, exam results, questionnaires, etc.), (c) complete Valley Forge Life application with all health and financial questions answered, and (d) a completed and signed Challenge Program Confirmation form that confirms that a full blood test (not dried blood) was completed with the original policy.
9. Additional underwriting information: the original policy must have been fully underwritten including full blood (not dried blood) and urine. CNA reserves the right to require additional underwriting evidence. CNA will check the MIB record for each applicant.
10. Additional coverage without replacement: additional coverage may be purchased under this program provided there is adequate financial justification. Normal replacement commission reductions apply for CNA replacements.
11. Replacements: client should keep the old policy in force until the new CNA policy has been in force for 30 days. Any replacement of existing coverage must follow state and company replacement rules, and it is the responsibility of the agent to follow these rules and be prepared to show that the replacement is in the client's best interest.
12. Commissions: CNA will pay full first-year commissions on this business, but this business will not be eligible for any special marketing programs (temporary bonus programs, contests, etc.). If a CNA policy is re-written under this program, normal replacement commission reductions will apply, and state replacement rules must be followed. Normal replacement commission reductions apply for CNA replacements.

\* The policy fee waiver for spouse/business partner is not available with Challenge underwriting.