



Product InSight

GENAMERICA UNDERWRITING PRACTICE: TABLE SHAVING APRIL 2002

GenAmerica Underwriting Practice: Table Shaving

Effective 4/1/2002, GenAmerica is excited to unveil a new and aggressive underwriting practice - Table Shaving.

Brokerage business is booming at GenAmerica. To keep the momentum going, GenAmerica looked to our most successful brokerage agencies for new ideas, and here's what they overwhelmingly asked for:

Effective 4/1/2002, GenAmerica is excited to unveil a new and aggressive underwriting practice - Table Shaving.

Initially this program will apply to GenAmerica's highly sought after UL(01), JSUL(01) and JSVUL(01) (as well as the SCTR and JSCTR riders). In the future, we anticipate extending the program to other products.

Here are the parameters that Underwriting will use to determine which applicants qualify for table shaving and therefore a standard rated policy instead a rated policy (for JSUL(01) and JSVUL(01), BOTH applicants will be eligible for table shaving).

- Table shaving will be available for **substandard medical risks only**. Other substandard risks (e.g., occupation, avocation, hazard, aviation, alcohol and drug abuse) will be excluded.
- Certain **combinations of table ratings and flat extras** will be shaved to standard. The maximum table ratings and flat extras eligible for table shaving to standard are:
 - Table ratings to Table D (4 tables)
 - Permanent flat extras to \$5.00 per thousand
 - Temporary flat extras with an average rating over 5 years up to \$5.00 per thousand.

Examples:

A \$12.50 per thousand flat extra over 3 years would have an average rating of 7.50 per thousand (\$12.50 x 3 = \$37.50. \$37.50 / 5 = \$7.50) and not qualify for shaving.

- Table rating and flat extra combinations with an average rating over 5 years up to \$5.00 per thousand will be shaved to standard. For

purposes of determining eligibility of these combinations, each table rating is converted to a permanent flat extra of \$2.50 per thousand (e.g., Table rating B = a permanent flat extra of \$5.00 per thousand. Example: Table B plus \$5.00 per thousand flat extra for 3 years converts to \$5.00 for the table rating and \$3.00 for the temporary flat extra. The result is an average rating over 5 years of \$8.00 per thousand, which would not be eligible for table shaving.

- **Facultatively reinsured** policies (including substandard shopping) are not eligible for table shaving.
- **Maximum issue age** = 75.
- **Maximum face amount** = \$10 million. If the total face amount is over \$10 million, you may either have one \$10 million table shaved policy and one for the balance that is not table shaved, or one policy that is not table shaved. Said another way, we will not "blend" the table shaved and non-table shaved ratings into one "blended" rating.
- **In force policies** will be subject to exchange rules. That is, a current date exchange may be requested if the exchange is suitable for the client. Current date exchanges require full underwriting and any surrender charges due on the policy being exchanged will be collected.
- **Term conversions** (without underwriting) to a product eligible for table shaving would be issued with the original risk classification of the term policy. New underwriting evidence of insurability is required at the time of conversion for the new policy to be eligible for table shaving.
- **Base increase requests** on a policy that is table shaved requires new underwriting. Therefore, the increase can be shaved if the insured still qualifies and is reapproved for table shaving.

All policies are issued by General American Life Insurance Company, 700 Market Street, St. Louis, MO 63101. The variable universal life insurance policies and variable life insurance issued by General American Life are underwritten by General American Distributors, Inc. (GAD), General American Life are wholly owned subsidiaries of GenAmerica Financial Corporation, an affiliate of MetLife, Inc.. Copyright 2001 General American Life Insurance Company.