**UNITED HOME LIFE INSURANCE COMPANY**
**P.O. Box 7192**
**Indianapolis, IN 46207-7192**
**Phone: (317) 692-7979 Fax: (317) 692-7711**

**NOTICE TO APPLICANTS REGARDING REPLACEMENT OF LIFE INSURANCE OR AN ANNUITY.**
**THIS NOTICE IS FOR YOUR BENEFIT AND IS REQUIRED BY LAW.**

1. If you are urged to purchase life insurance and to surrender, lapse, or in any other way change the status of existing life insurance, the agent is required to give you this notice.
2. It may not be advantageous to drop or change existing life insurance in favor of new life insurance, whether issued by the same or a different insurance company. Some of the disadvantages are:
   a. The amount of the annual premium under an existing policy may be lower than that under a new policy having the same or similar benefits.
   b. Generally, since the initial costs of life insurance policies are charged against the cash value increases in the earlier policy years, the replacement of an old policy could result in the policyholder sustaining the burden of these costs twice.
   c. The incontestable and suicide clauses begin anew in a new policy. This could result in a claim under a new policy being denied by the company which would have been paid under the old policy.
   d. Existing policies may have more favorable provisions than new policies in such areas as settlement options and disability benefits.
   e. An existing policy may have a reserve value in addition to any cash value which may be of some benefit to the insured.
   f. The insurance company carrying your current insurance policy can often make a desired change on terms which would be more favorable than if existing insurance is replaced with new insurance.
3. It may not be advantageous to change an existing policy to reduced paid-up or extended term insurance or to borrow against its loan value beyond your expected ability or intention to repay in order to obtain funds for premiums on a new policy.
4. There may be a situation in which a replacement policy is advantageous. You may want to receive the comments of the present insurance company before deciding this important financial matter.

   I hereby acknowledge that I received the above “Notice to Applicants Regarding Replacement of Life Insurance or an Annuity” before I signed the application for the proposed new insurance.

_______________________ _______________________
*Date* *Signature of Applicant*

**STATEMENT BY APPLICANT**
**REGARDING NOTIFICATION OF REPLACEMENT TO THE REPLACED INSURER**

I have read the “NOTICE TO APPLICANTS REGARDING REPLACEMENT OF LIFE INSURANCE OR AN ANNUITY” which was furnished to me by the agent taking the application for this policy.
(Applicant: Please sign one of the following statements and complete reverse side.)

1. Please notify my present insurer(s) regarding this transaction.

_______________________ _______________________
*Date* *Signature of Applicant*

2. Please do not notify my present insurer(s) regarding this transaction.

_______________________ _______________________
*Date* *Signature of Applicant*

The signature of the applicant shall be that of the insured unless someone other than the insured is the owner of the policy. If someone other than the insured is the owner of the policy, the owner must sign. If the insured is under eighteen (18) years of age, the parent is deemed to be the owner of the policy.

Certification by the agent:

I hereby certify that nothing was said or done during the sales presentation to influence the decision of the applicant regarding this statement.

_______________________ _______________________
*Date* *Signature of Agent*

_______________________
*Insurance Agency or Agent License Number*

## DEFINITIONS

**Premiums:** Premiums are the payments you make on the life insurance or annuity contract. They are unlike deposits in a savings or investment program because if you drop the policy you might get back less than you paid in.

**Cash Surrender Value:** This is the amount of money you can get if you surrender your life insurance policy or annuity. If there is a policy loan, the cash surrender value is the difference between the cash value printed in the policy and the loan value. Not all policies have cash surrender values.

**Lapse:** A life insurance policy may lapse when you do not pay the premiums within the grace period. If your policy had a cash surrender value, the insurer might change your policy to as much extended term insurance or paid-up insurance as the cash surrender value will buy. Sometimes the policy lets the insurer borrow from the cash surrender value to pay the premiums.

**Surrender:** You surrender a life insurance policy when you either let it lapse or tell the company you want to drop it. If a policy has a cash surrender value, you can receive such value in cash if you return the policy to the company with a written request.

**Borrow Policy Loan Values:** If your life insurance policy has a cash surrender value, you can usually borrow all or part of said amount from the insurer. Interest will be charged according to the terms of the policy, and if the loan and unpaid interest ever exceeds the cash surrender value the policy will be terminated. If you die, the amount of the loan and any unpaid interest due will be subtracted from the death benefits.

**Evidence of Insurability:** This means proof that you are an acceptable risk. You have to meet the standards of the insurer regarding age, health, occupation, and such other standards as the insurer feels necessary to be eligible for coverage.

**Incontestable Clause:** This says that after one or two years, according to the provisions of the contract, the insurer shall not resist a claim because you made a false or incomplete statement when you applied for the policy. During the first two years if there are false or incomplete answers on the application and the insurer discovers them, the insurer can deny a claim as if the policy has never existed.

**Suicide Clause:** This says that if you commit suicide after being insured for less than one year, your beneficiaries will receive only a refund of the premiums that were paid.

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The following policy(ies) may be replaced as a result of this transaction:

| Insurer as it appears on the policy | Insured as it appears on the policy | Policy Number |
|---|---|---|
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| | | |

The proposed policy is:

________________________________________ $ ______________
face amount