Globe Life
Family Heritage Division

Life Representative Handbook

Some of the rules for this product differ from Globe Life Family Heritage Division's health products. This manual is to assist you with some of those differences.

This manual should be used in conjunction with the Representative Administrative Handbook which includes the administrative rules and procedures for Globe Life Family Heritage Division's health products.

FHD853413 **0224**

Table of Contents

Assistance Directory

The following guide should be used when contacting the office with questions.

Questions About	Contact	Phone Number	Email
Agent Licensing Agent State Appointments	Licensing Department	972-569-3735 (Fax Only)	AgentLicensing@Globe.Life
Policy Status Policyholder Questions Reinstatement Questions Group Business	Life Administrative Offices	877-694-8705	LifeServices@Globe.Life
Claim Status Benefit Questions	Claims Department	440-922-5160	LifeClaims@Globe.Life
Commission or Advance Questions	Life Administrative Offices	877-694-8705	LifeServices@Globe.Life
Commission Deposit Questions or Changes	Agency Accounting Department	469-525-4287 (Fax Only)	FHLCommissions@Globe.Life
New Business Questions Pended Applications	Life Home Office	440-922-5252, #4	WebLife@globe.life

Remember that many of your questions can be answered at the Globe Life Family Heritage Division website at **www.FHLconnect.com**

Product Description

Product

Heritage Whole Life Series 2 is a whole life insurance product that matures at age 100.

Issue Ages (age last birthday):

Age 18 through age 70

Issue Age 18 – 70						
Face Value	**$10,000**	**$20,000**	**$30,000**	**$50,000**	**$75,000**	**$100,000**

Rate Classes:

- Male Nicotine
- Male Nicotine-Free
- Female Nicotine
- Female Nicotine-Free

Policy Fee (included in the premium):

There is a monthly policy fee that is included in the rate.

Available Payment Methods:

	Factor	Method
Monthly	1	Bank Draft
Semi-Annual	6	Direct Bill
Annual	12	Direct Bill

Optional Riders

Accidental Death Benefit Rider – This rider will pay the Beneficiary the amount listed below in addition to the underlying Life coverage should the insured die from an accidental death while this rider is in force. Refer to the Accidental Death Benefit Rider for the complete list of specific exclusions and variances by state.

This rider is only available for purchase at the time of the initial sale and covers only the insured.

This rider will terminate upon the insured's 70th birthday. The level of Accidental Death coverage must match the level of the underlying Heritage Whole Life Series 2 coverage.

The amount of the Accidental Death Benefit Rider will match the amount of Whole Life chosen for the base policy ($10,000, $20,000, $30,000, $50,000, $75,000 or $100,000).

Children Term Insurance Rider – This rider will pay the Insured the amount listed below should one of their insured children die while this rider is in force. Refer to the Children Term Insurance Rider for a complete list of specific exclusions and variances by state. A letter will be sent to the policyholder when records indicate that the last child has reached the age of 23. Globe Life Family Heritage Division will not drop the rider at this time, because it is possible that the insured may have had more children since the policy was written. If a policyholder wishes to terminate this rider, he/she should send a letter requesting cancellation to the Life Administrative Office. This rider will terminate upon the insured's 70th birthday. Children can only be covered under one Child Term Rider.

To purchase coverage for a child or children, the child or children must be dependents of the insured.

The insured's children added after the effective date of this rider will be covered as follows:

- A natural child of the insured will become insured on the date the newborn child attains the age of 15 days or is first released from the hospital following birth, whichever occurs later. It is in the best interest of the insured to send a letter to the Life Administrative Office to notify them of a new child as soon as possible.
- Adding a Disqualified child who subsequently Qualifies may be allowed. A normal application, with instructions for completion, will be mailed to the policyholder. The parent must then complete the application for the relevant child, sign the application, and then return it to the Life Administrative Office. The application will be reviewed and, if accepted, the child will be added to the system.

A $10,000 benefit will cover each insured child, regardless of the amount chosen for the base policy.

Only children who qualify for coverage should be added to the "Covered Children Information" section of the application.

Definitions

These definitions are summarized from the policy for your easy reference. Please refer to the policy form itself for exact definitions, which will ultimately govern any coverage questions.

Ownership

The Owner is shown on the Policy Schedule and may exercise all rights and privileges described in this policy while the Insured is alive. Only the policyholder can make changes to the policy, beneficiary, assignments, etc.

Beneficiary

The person named on the application to receive the Death Benefit Proceeds of the policy. If multiple Beneficiaries are named, any Death Benefit will be paid in equal shares to the surviving Beneficiaries.

Contingent Beneficiary

The person on the application who will become the Beneficiary upon the death of the last surviving Beneficiary before the Insured's death. If there is no Beneficiary designation in effect at the time of the Insured's death, or if no Beneficiary survives the Insured, the Owner becomes the Beneficiary. If none of the above survives, the Insured's estate shall be the Beneficiary.

Change of Beneficiary

Only the policyholder may change a Beneficiary at any time while the Insured is living by requesting such a change to the Company in writing.

Assignment

The policyholder may assign this policy by sending to the Company a properly executed assignment to the company.

Death Benefit

The amount payable to the Beneficiary at the death of the Insured.

Maturity Benefit

The amount payable to the Owner if the Insured is living on the Maturity Date shown on the Policy Schedule.

Payment of Proceeds

Policy Proceeds will be paid in one lump sum; or, before the Insured dies or the Maturity Date, you can, by written request, choose any payment option that Family Heritage Division offers at that time.

Interest on Proceeds

We will pay interest from the date interest is due under applicable law to the date of payment.

Policy Loan Provisions

Loans

Loans plus interest are available up to but not exceeding the cash value of the whole life policy. Any premium due and unpaid at the time the loan is made will be deducted from the loan proceeds. Interest is due on each yearly policy anniversary. If any interest is not paid when due, the Policy Loan will be increased by that amount. If the Policy Loan Debt equals or exceeds the Loan Value, the policy will terminate.

Nonforfeiture Benefits

Nonforfeiture Values

In the event of non-payment of premiums, the nonforfeiture options are Net Cash Value and Reduced Paid-Up Insurance.

Underwriting

Prequalification

- Carefully ask all of the underwriting questions, making sure that the proposed insured understands each one.

  The agent must not instruct a proposed insured on how to answer any question.

- Verify the proposed insured's identity by checking his/her driver's license or picture ID with the information they provided in the top portion of the application.

Application

Make sure the proposed insured qualifies by completing the application.

- Be sure to thoroughly read the question and present it as it is written. The application uses very specific wording, so ensure that you are not excluding someone who should be approved by misreading any part of the question.
- Question #2 – Coverage denied if answered Yes

  Ever applied for or received disability or workers' compensation benefits based on permanent disability or currently receiving disability, workers' compensation or government benefits for temporary disability?

- Question #11 – Coverage denied if answered Yes

  Is the Proposed Insured or any Child to be covered under this policy currently in prison, on probation or on parole for a felony?

- Question #12 – Coverage denied if answered No

  Is the Proposed Insured or any Child to be covered under this policy a permanent resident of the United States, the United States Protectorates or Canada?

- **Child Coverage:** If any question numbered 2 through 11 is answered with a "YES" response by THE CHILD, then that child is not eligible for coverage and should NOT be included in the "Covered Child Information" table on page 2 of the application.

Life applications are to be submitted to the FHD Home Office, regardless of the answers given on the application. Each application will then be underwritten and assigned a risk score, and the applicant will be notified of the decision. All HWL (Adult Life) applications are subject to the underwriting process and eligibility is subject to change based on the final Home Office review. The agent will be notified by letter if the applicant has been declined.

Be sure the person listed as the policyholder has an "insurable interest" in the life of the proposed insured. (See Frequently Asked Questions for more information on "insurable interest.")

Reapplication Procedures

If an individual is declined coverage with Family Heritage Division and wishes to reapply, they must wait 3 months to do so.

Application Submission

Once the application is fully completed and signed by the proposed Insured, the agent should leave the signed conditional receipt with the proposed Owner.

AZ and KS require the issuance of a "Temporary Insurance Agreement" in lieu of the Conditional Receipt.

Applications must be received within 10 days of the date of sale.

If the proposed owner is paying premiums through monthly bank draft, be sure that the "Authorization for Monthly Deductions from my Account" is completed.

For rules regarding Submitting the Initial Premium Payment refer to your Representative Administrative Handbook.

Premiums

All premiums in the Rate Guide are monthly premiums. If a mode other than monthly is selected, then multiply the monthly premium by the appropriate factor (Semi-Annual = 6, Annual = 12).

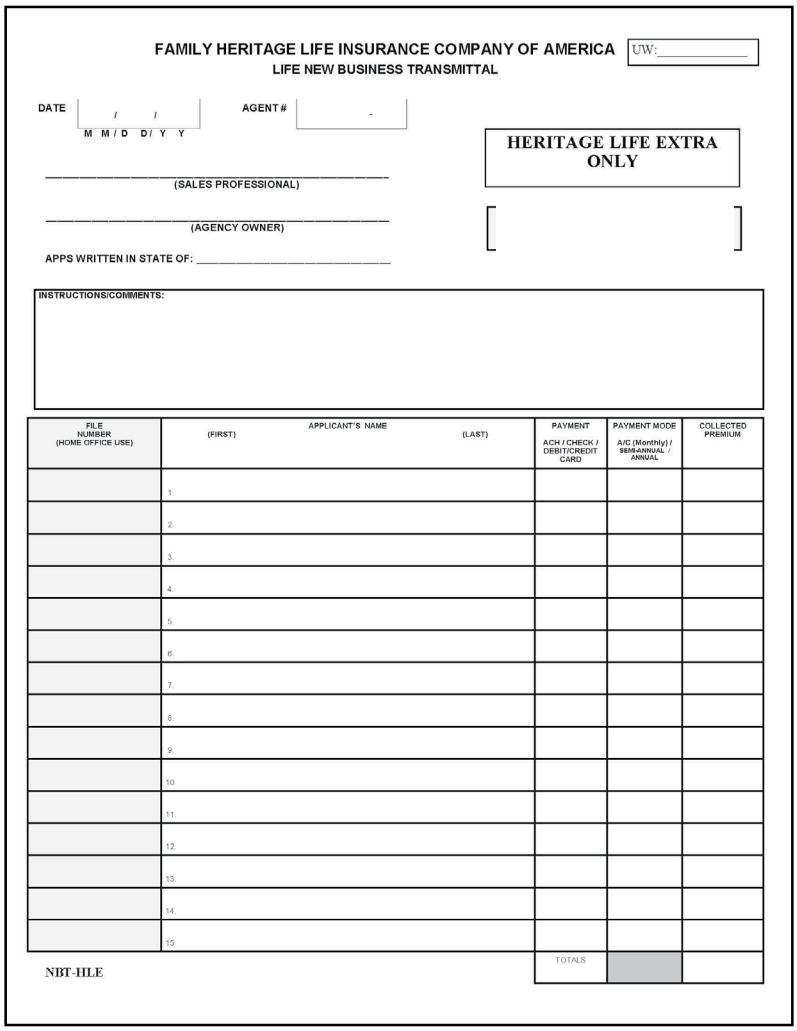
Split Business

- The lead agent must be the writing agent and sign all applications.
- Only the lead agent receives production credit.
- Credit may only be split 50/50.
- Each agent is paid on the split percentage and based on their own individual advance/commission schedule.

New Business Transmittal (Required)

All new Life business must be submitted on a Life New Business Transmittal and faxed to Home Office New Business Fax, **844-325-6520**. Applications submitted with a check should be mailed to:
PO Box 470608
Cleveland, OH 44147

Your Life business must be received by Friday by 8:00am EST in order for your business to be processed and your advance to be deposited by Thursday of the following week.



FAMILY HERITAGE LIFE INSURANCE COMPANY OF AMERICA
LIFE NEW BUSINESS TRANSMITTAL

UW:_____

DATE / / (M M / D D / Y Y)

AGENT# -

HERITAGE LIFE EXTRA ONLY

_____ (SALES PROFESSIONAL)

_____ (AGENCY OWNER)

APPS WRITTEN IN STATE OF: _____

INSTRUCTIONS/COMMENTS:

FILE NUMBER (HOME OFFICE USE)	APPLICANT'S NAME (FIRST) (LAST)	PAYMENT ACH / CHECK / DEBIT/CREDIT CARD	PAYMENT MODE A/C (Monthly) / SEMI-ANNUAL / ANNUAL	COLLECTED PREMIUM
	1.			
	2.			
	3.			
	4.			
	5.			
	6.			
	7.			
	8.			
	9.			
	10.			
	11.			
	12.			
	13.			
	14.			
	15			
		TOTALS		

NBT-HLE

If you are submitting an application for Life business (Child Whole Life, Heritage Whole Life) in addition to applications for Health business (Cancer, Heart, Accident, HIP), then you must include separate transmittals along with the appropriate premiums for any Life business on one check, and include a separate check containing the appropriate premiums for any Health business.

IMPORTANT NOTE: A $20 Life Processing Fee will be charged to the agent's account if premiums for Life and Health sales are included on the same check.

Replacement Form

If the proposed insured already has individual life insurance or annuity contracts in force, then the agent must read the replacement form to the proposed insured, have the proposed insured sign the form, and submit the form with the application. These steps MUST be completed and the replacement form MUST be submitted regardless of if the Family Heritage Division policy will replace an existing policy.

The completion of a replacement form is a regulatory requirement by the state and is mandatory.

If the proposed insured would like to replace an existing policy with a Family Heritage Division policy, then the agent must read the replacement form to the proposed insured, obtain the information about the other policy (or policies), have the proposed insured sign the form and submit the form with the application for life insurance.

A blank copy of the replacement form must always be left with the client.

Replacement Forms may vary from state to state – always check the form number to be sure you are using the correct form for the state in which you are selling.

Customer Service

Reinstatement

Lapsed policies may be reinstated in certain circumstances. If the agent wishes to reinstate a policy, they must do so within three years after the due date of the first unpaid premium. The following will be due prior to reinstatement:

- Proof of insurability – fill out an application with "Reinstatement" written at the top.
- Past due premiums with compounded interest at the policy loan interest rate. The agent will need to contact the Life Administrative Office for total premium amount due.
- Repayment of any outstanding policy loans that existed at the time of lapse with accrued interest at the policy loan interest rate.

The agent must submit the completed application and premium to the Life Administrative Office.

The effective date of reinstatement will be the later of the date that Family Heritage approves the reinstatement or the date that Family Heritage Division receives all past due premiums with interest.

Commissions will resume based on the policy effective date. Reinstatement production credit and advances will be awarded only one time per policy.

If a policy has been surrendered for its cash value it is not eligible for reinstatement and a new policy application (a rewrite) must be submitted through the normal new business process.

As an alternative to the procedures above, the policyholder may contact the Family Heritage Division Administrative Office directly for instructions on reinstating lapsed policy.

Reinstatement provisions may vary from state to state. Agents should review the policy language for their specific state.

Rewrite

If a policy is surrendered for its cash value and the applicant wishes to take out another policy, then a rewrite must be submitted through the normal new business process. The following rules will apply for rewrites:

- First-year commissions will not be paid unless the premiums of the rewrite are higher than the old policy.
- If the original policy was never issued or it was cancelled under the "Free Look" provision, then normal first year commissions will be earned.

Multiple Policy Households

Special commission rules apply when a policy is written in a household of an existing policyholder. If more than one policy is written on a policyholder or anyone else in the household and the previous policy lapses while first year commissions are being earned on the newer policy, then first year commissions will immediately cease and switch to renewal commissions.

Cancellations

- Policyholder Services at the Administrative Office must receive a request in writing, signed by the policyholder (spouse's signature is not acceptable).
- Agents who receive calls to cancel a policy must instruct the policyholder to submit their request in writing to the Policyowner Services Department.

Frequently Asked Questions

How are effective dates assigned for policies?

- The Life Underwriting Department is the only department authorized to assign a policy effective date after review of all necessary documents, including medical records.
- No policy will be assigned an effective date of the 29th, 30th, or 31st of each month, if received on those days the policy will be given an effective date of the 1st of the following month. Ex: Application is submitted and received on 10/29/2024, policy effective will be 11/1/2024.
- Representatives are not permitted under any circumstances to state or to imply an effective date of coverage.
- Representatives who state or imply a policy effective date may be held responsible for any claim incurred due to incorrect information that is relayed to the applicant.

What is an "insurable interest?"

Generally, an insurable interest in a life exists when a person has a reasonable expectation of benefit or advantage from the continued life of another or, if he or she would suffer financial loss from the other person's death. The benefit or advantage does not have to be monetary; it can be based on affection (e.g. a spouse or a parent) or dependence (e.g. a child). Often times, it can be based on a business relationship (e.g. partners in a business). An exception to the insurable interest requirement exists for beneficiaries when a person takes a life policy out on his or her own life. The general rule is that one may lawfully take out a policy of insurance on his or her own life and make the benefit payable to whomsoever he or she pleases, either himself or herself, or his or her estate or a third person regardless of whether or not the latter has an insurable interest.

What is Globe Life Family Heritage Division's policy on replacements?

Replacements are generally not beneficial to the consumer, to the agent, or to Family Heritage Division. Frequently, replacing one life insurance policy with another one results in the loss of built-up cash value in the original policy. This is not good for the consumer. As a result, it is not good for the reputation of the agent or Family Heritage Division. Family Heritage Division will accept applications that replace other life insurance policies as an accommodation to the proposed insured and the agent, but agents with an excessive number of replacements will be terminated.

How does an insured change their policy from Nicotine to a Nicotine-Free policy?

An insured may apply to change a policy with a "nicotine" class to a "nicotine-free" class. In order to be considered, the insured must have not smoked for the past twenty four (24) months. The insured must also complete a Smoking Questionnaire and submit a urine specimen to the Underwriting Department. The Policy Service Department will correspond with the insured regarding the decision or if additional items are needed. Any lab fees or other charges will be at the insured's expense.

What happens if a child is accidentally covered under two child riders?

If a child is accidentally covered under two child term riders, then the rider with the earliest effective date will be enforced. The second rider will then become null.

May the insured upgrade their policy to a higher level of coverage if they wish?

No, a policy can not be "upgraded" to another level of coverage. However, an insured can purchase additional policies from Family Heritage Division as long as the total coverage of the policies combined is less than or equal to the $100,000 max allowable coverage per individual.

Can a client have the life insurance policy if they were on disability 2 years ago but they are not now?

Question 2 on the Heritage Life application is essentially two questions in one based on two different categories of disability, **temporary** and **permanent**:

If the applicant EVER received disability or workers' compensation benefits based off of PERMANENT disability then they are not now or ever eligible for coverage under this product.

If the applicant is CURRENTLY receiving disability, workers' compensation or government benefits based off of TEMPORARY disability then they are not eligible NOW while they are receiving those temporary benefits … if they answer this question NO at the time they are no longer receiving benefits they would be eligible.

The applicant should be aware if they were assigned benefits for TEMPORARY or PERMANENT disability status.

Other Resources

Medical Definitions

AIDS: Collection of symptoms and infections resulting from the specific damage to the immune system. The late stage of the condition leaves individuals prone to opportunistic infections and tumors.

Alzheimer's disease: A neurodegenerative disease characterized by progressive cognitive deterioration together with declining activities of daily living and neuropsychiatric symptoms or behavioral changes. It is the most common type of dementia.

Chronic obstructive pulmonary disease (COPD): Chronic obstruction of the flow of air through the airways and out of the lungs, and the obstruction is generally permanent and progressive over time.

Cirrhosis: Consequence of chronic liver disease characterized by replacement of liver tissue by fibrotic scar tissue as well as regenerative nodules, leading to progressive loss of liver function; most commonly caused by alcoholism.

Heart attack: Condition caused by occlusion of one or more of the coronary arteries; death of or damage to part of the heart muscle due to insufficient blood supply.

Hepatitis C: A blood-borne, infectious, viral disease that is caused by a hepatotropic virus; can cause liver inflammation that is often asymptomatic, but ensuing chronic hepatitis can result later in cirrhosis (fibrotic scarring of the liver) and liver cancer.

HIV: A retrovirus that causes acquired immunodeficiency syndrome (AIDS).

Lou Gehrig's disease: Progressive neuromuscular disease that weakens and eventually destroys motor neurons (components of the nervous system that connect the brain with the skeletal muscles).

Malignant hypertension: Hypertension that progresses rapidly, accompanied by severe vascular blockage.

Multiple sclerosis: Chronic, inflammatory disease that affects the central nervous system; causes impaired mobility and disability in severe cases.

Muscular dystrophy: Characterized by progressive skeletal muscle weakness, defects in muscle proteins, and the death of muscle cells and tissue.

Organic Brain Syndrome: is a general term, referring to physical disorders (usually not psychiatric disorders) that cause decreased mental function.

Parkinson's disease: Degenerative disorder of the central nervous system that often impairs the sufferer's motor skills and speech.

Pulmonary fibrosis: Scarring of the lung tissue; gradually the air sacs of the lungs become replaced with fibrotic tissue.

Sickle cell anemia: Inherited disease in which the red blood cells, normally disc-shaped, become crescent shaped. As a result, they function abnormally and cause small blood clots.

Spina bifida: Developmental birth defect involving the neural tube; incomplete closure of the embryonic neural tube results in malformed vertebrae that do not fully enclose the spinal cord.

Systemic lupus: Systemic lupus is a chronic inflammatory condition caused by an autoimmune disease and affecting the internal organs.

Transient ischemic attack (TIA): A temporary stroke-like attack that lasts for only a short time and is caused by a temporarily blocked blood vessel.

All medical definitions were taken from www.medterms.com

Pended Applications

- The Home Office reserves the right to pend any application for any reason, regardless of whether that reason is covered in this manual.
- Representatives can generally avoid the majority of pended applications by following the basic guidelines in this manual.
- Agent will be notified by email that their application is pended.
- Pended applications that are not resolved within 30 days will be withdrawn

Below is a list of the most common reasons a life application may be pended:

- The proposed insured has existing life insurance coverage and a replacement form has not been included.
- The agent has used an incorrect form or the form number is not visible on the application.
- The agent, the proposed insured, or the proposed owner have neglected to sign the application

Claims

Refer to the Claims section of your Representative Administrative Handbook for details about filing claims, the claim review process and all other claim related information.

Agent Compensation

Agents are paid commissions once a week on Thursday the following week the policy was activated. Ex: Life policy activated Tuesday you will receive your commissions the following week on Thursday.

Refer to the Agent Compensation section of your Representative Administrative Handbook for details about advances, commissions, chargebacks and all other agent compensation related information.

Representative Conduct

Refer to the Representative Conduct section of your Representative Administrative Handbook for details about advertising, sales to existing policyholders, irregular business and all other conduct related information.

Supplies and Forms

Refer to the Supplies and Forms section of your Representative Administrative Handbook for details about ordering supplies, state specific forms and all other supply related information.

Rates

Rates are located on your Rate Guide and are currently calculated for monthly premiums. If a different mode of payment is required, then the monthly rates must be multiplied by the correct modal factor:

Payment Mode	Factor
Monthly	1
Semi-Annual	6
Annual	12

Montana uses unisex rates for the Heritage Whole Life Series 2 product
California uses a state specific rate sheet
ALL other states use the standard rates