

For Your Information

TO: Assurity Life Distributors
FROM: Bruce K. Scheiber, Director of Underwriting Services
DATE: August 6, 2007
RE: Acci-Flex Disability Income Rider benefit limits

As a reminder, we discovered that under certain circumstances, Assurity's illustration software is not notifying the user of recalculations to the monthly benefit amount for the Disability Income Rider on the Acci-Flex product.

The maximum monthly benefit for the DI Rider on Acci-Flex Life is **\$1,800 per month or 1.5 percent of the base policy face amount — whichever is less.** The benefit is limited to a maximum of 60 percent of the applicant's gross earned monthly income (40 percent in California).

To get the maximum DI amount (\$1,800), the face amount of the policy must be at least \$120,000. Currently, the software allows an agent to list a lower face amount and still request the full \$1,800 in DI. The DI amount is then recalculated, but no noticeable warning is given to the user that it has done so. The illustration does reflect the lowered DI amount. If the application shows the higher DI amount, a correction cannot be made until the application comes to underwriting, where the system automatically increases the face amount to match the DI request.

Assurity is working to solve this inadvertent issue for the next software release. We apologize for any inconvenience this situation has caused.

The maximum disability income benefit issued will also take into consideration the insured's total of other individual and group disability income benefits in force.

Elimination Period – 90 days
Benefit Period – two years
Issue ages – 18 to 60 years
Minimum issue amount – \$300

For more information about Acci-Flex and the DI Rider, please see the product guide on the Extranet.

