PennMutual®



Producer's Underwriting Guide







For Producer Use Only

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Purpose of Guide

The purpose of this guide is to provide Penn Mutual agents with a concise document that provides key underwriting information in a readily available, easy to use format.

Underwriting Philosophy

Penn Mutual is committed to providing timely and competitive underwriting service to our agent while meeting the mortality assumptions established for its life products. The Underwriting Department is an integral part of the sales process and is committed to adding value and providing a competitive advantage to our producers.

The Penn Mutual Life Age and Amount Underwriting Requirements

Permanent and Term Life

Face Amount	Ages 0-15	16-40	41-49	50-60	61-70	71-80	81 +
50,000 to 250,000	A	C	C	C	C	D-1	E
250,001 to 499,999	B	C	C	C	D	D-1	E
500,000 to 999,999	B	C	C	D	D	D-1	E
1,000,000 to 1,499,999	I/C	C	C	D	D	D-1	E
1,500,000 to 2,499,999	I/C	C	D	D	D	D-1	E
2,500,000 to 5,000,000	I/C	C	D	D	D	D-1	E
5,000,001 to 10,000,000	I/C	C	D	D	D	D-1	E
10,000,001 and higher	I/C	C	D	D	D	D-1	E

Chart Key:

A	Non-Medical
B	Non-Medical + Urine
C	Para Med Exam & IRP (Insurance Risk Profile - Blood & Urine specimen)
D	Para Med Exam, IRP & EKG
D-I	Para Med, Sr. Supplement, IRP, EKG
E	Informal inquiry should be submitted prior to scheduling exam requirements: Para Med Exam, Sr. Supplement, IRP, EKG
I/C	Individual Consideration
Senior Supplement	Required for all individuals >70 years old, all amounts
Stress EKG	Requested by underwriter for cause – based on Framingham Cardiac Risk Score
Confidential Financial Statement (CFS)	**Personal Coverage:** Required: - Ages 20-60, Amounts over $5 million - Ages 61-70, Amounts over $2.5 million - Ages 71 and over, Amounts over $1 million - 3rd party supporting financial statements for past 2 years are required over $5 million **Business Coverage:** Required: - All ages, Amounts over $1 million
Inspection Reports	All ages -- $10,000,000 and over.
Survivorship Life Requirements	Medical Requirements are based on each individual's age and 50% of the face amount,unless one life uninsurable then the amount will be based on 100% of healthy life.

Note: For qualified plans, face amounts under $50,000 at ages 20-70 require a fully completed application and a Urine. For child riders, any requirements outside of the non-medical form will be at the discretion of Underwriting.

Additional requirements may be imposed by underwriting due to medical history, circumstances of the case or facultative reinsurance.

Underwriting Requirements as of 0/2015

The Penn Mutual Life Age and Amount Underwriting Requirements *Continued*

All Examination requirements, must be arranged through any of the following paramedical facilities:

- APPS (American Para Professional Systems Inc.)/Portamedic
- Examination Management Services, Inc. (EMSI)
- Exam One
- Superior Mobile Medics

These requirements apply to both Penn Mutual and its subsidiaries.

PLEASE NOTE: For the Survivorship Life products: both applicants are to be examined and the age of the younger applicant will determine the requirements for each.

*Applications in this age group must be cleared with Underwriting before requirements are arranged.

Medical requirements are determined by the amount of the new application and/or underwriting amount on the illustration. When underwriting a case the total amount of amount of coverage both in force and applied for is taken into consideration. We reserve the right to request additional requirements deemed necessary to evaluate the total risk presented.

Age 14 and under we will obtain an APS from the child's pediatrician in lieu of an examination.

Insurance Risk Profile (I.R.P.) is an automated chemical analysis of a blood specimen, which includes an H.I.V. antibody test for the A.I.D.S. virus. The blood and urine specimens will be obtained by the examining facility and forwarded to our designated laboratory.

We will accept medical examinations from other carriers that have been completed within 12 months of the Penn Mutual application for a proposed insured through age 70. In order to consider using another carrier's medical examination, the Medical Section of the Penn Mutual application is required to be completed with all questions asked and answered.

Preparing Your Client for the Exam

The medical exam is a vital part of the underwriting process and forms the basis on which your client is evaluated. Because detailed questions regarding medical history and a physical examination by an unknown professional examiner can sometimes be unnerving, it is important to prepare your client in the best way possible. To obtain the best possible results, we suggest you advise your client of a few simple steps:

1. If blood testing is required, try to fast at least 4 hours before your examination - an 8-hour fast is Preferred. You may drink water.
2. Drink a glass of water one hour or so before the exam as this will facilitate obtaining a urine specimen.
3. Be prepared to provide names, dosages, and frequency of any present medication. Also be prepared to provide any attending physician's correct name, address, zip code, telephone numbers, and dates of visits for the last 5 years and reason seen.
4. AVOID the following as these might adversely affect the results of the exam and give an inaccurate picture of your health condition.
   - Caffeine (coffee, soda, tea) for several hours before the exam
   - Smoking or chewing tobacco for at least one hour prior to your scheduled appointment
   - Alcoholic beverages for at least eight hours before the exam
   - Nasal decongestants
5. Do not engage in strenuous exercise for 24 hours before the exam.
6. Have photo identification available.
7. Schedule the appointment for the least stressful time of the day. Early morning is usually best.
8. Get a good night's rest before the exam.
9. Undressing is not required, but please wear a garment that is short-sleeved, or has sleeves that can be easily rolled up.
10. If you anticipate that your applicant may need a larger blood pressure cuff (for applicants with very large arms) or a large scale (for applicants over 300 lbs.), please alert the examining facility at the time of ordering the requirements.
11. The Senior Exam (for ages 71 and up) requires brief additional tests (for mobility, and cognitive ability) and a few additional questions.

Preparing Your Client for the Inspection Report

An inspection report is routinely required for face amounts $10,000,000 and above. Underwriting reserves the right to obtain an inspection report on any application and will conduct random interviews on 10 – 15 % of cases. Therefore, we recommend that you prepare the applicant for the possibility of an inspection report or an interview being completed on any application. Here are a few simple steps.

1. Inform your client that a representative of a national firm specializing in this type of report may be calling to complete an inspection report or an underwriter may call to conduct a phone interview.
2. Indicate that the inspection report may be required by the insurance company prior to issuing the policy.
3. Your client should be prepared to answer financial questions regarding earned/unearned income, net worth, assets, and liabilities. Your client may be asked to furnish phone numbers of their accountant and/or bank.
4. Be prepared to provide names and addresses of present or past physicians and medications (including exact spelling and dosage) that are presently being taken.
5. Some questions are repetitious of questions on the application or paramedical. This is intended to confirm that information provided is complete. Incomplete answers will only result in delaying the issuance of the policy.
6. If any questions or concerns arise during the inspection reporting process, please advise your client to contact the inspection facility immediately.

Tips for Expediting the Underwriting Process

- For the paper exam process, complete the application in its entirety, including the medical questions even if an examination is required. At a minimum, provide the complete name, address, and telephone number of the personal physician and provide the reason and date last seen.
- Submit all required forms with the application, including the VUL supplemental application, Penn Check forms, Confidential Personal Supplement / Confidential Financial Supplement (as required), avocational questionnaires, etc. to the field office.
- Be sure to clearly state the name and relationship of the Beneficiary to the Insured. Where there are multiple beneficiaries indicate the appropriate percentage share for each.
- When a Trust is involved, give the complete name, ID number, and date of the Trust as well as the name of the Trustee.
- When a corporation is the owner and/or beneficiary, the phrase "It's successors or assigns" should be included. The corporate tax ID number should be included if the corporation is owner or payer.
- Whenever a correction is necessary (cross-out, write-over, or white-out) be sure to have the Proposed Insured initial the change. We cannot accept the agent's or the owner's initials on a corrected answer.
- For the paper exam process, schedule the examination when you take the application.
- Taking money with the application is encouraged, but it must be taken only within the terms of the application. The terms are spelled out in the Temporary Insurance Agreement. Money accepted outside of these terms will be refunded to the applicant.
- Use a Cover Letter to explain or highlight any unusual aspects of the case. These could be either medical or nonmedical in nature. This will help to expedite your case.
- On large cases, be prepared to supply documentation of maximum amounts and specific documentation required. Copies of the past two years Balance Sheets and Income finances. Refer to the Financial Underwriting Guidelines for Statements will help to expedite the underwriting process. If an estate plan has been completed, please include a copy with the application.

Penn Mutual Preferred Underwriting Class Guidelines

	Preferred Best (term plans only)	Preferred Plus	Preferred N/S[1]
No tobacco (years)	5 years	3 years[2]	2 years[2]
Build	See current height/weight chart		
Blood Pressure (by ages)	0-60: 135/85 61+: 140/90 (treated & untreated)	0-60: 140/85 61+: 145/90 (treated & untreated)	0-60: 145/90 61+: 150/90 (treated & untreated)
Total Cholesterol & HDL ratio (by ages)	0-60: 220/4.5 61+: 230/5.0 (treated & untreated)	0-60: 240/5.5 61+: 250/6.0 (treated & untreated)	0-60: 260/6.0 61+: 270/6.5 (treated & untreated)
Serum Albumin (ages 71+)	4.2	4.0	4.0
Moving Violations	1 violation in 2 years	2 violations in 3 years	2 violations in 3 years
DUI, reckless driving, suspension	None in past 10 years	None in past 5 years	None in past 3 years
Family History[3] (FH)	No FH of diagnosis or death from coronary artery disease, diabetes or cancer prior to age 60	No FH of coronary artery disease or cancer deaths prior to age 60	FH of not more than one cardiovascular or cancer deaths prior to age 60
Criminal activity	No history of felony		
Aviation	No participation in private aviation	No participation in private aviation unless IFR, ATP or Commercial license	
Avocation	No participation past 24 months	Not ratable	Not ratable
Personal history	No history of coronary artery disease, diabetes, stroke or cancer[4]		
Drugs & Alcohol	No history of drug or alcohol abuse or treatment	No history of drug or alcohol abuse or treatment within past 10 years	No history of drug or alcohol abuse or treatment within the past 7 years
Foreign Residence	Must be a U.S. citizen or permanent foreign resident		

Preferred Smoker will follow same criteria as Preferred N/S except for tobacco use.

1 Not available with flat or table rating based on PML medical underwriting standards. May consider with non-health related flat extra.
2 Occasional cigar may qualify for preferred rates if 12 cigars or less per year and microurinalysis is negative for nicotine
3 Discounted if insured age 60+; also applies only to natural parents
4 Except certain basal cell and squamous cell skin cancers

Penn Mutual Height and Weight Table

Preferred Best, Preferred Plus, Preferred, and Standard Classes Maximum Weight					
FT.	**IN.**	**Preferred Best (Term Only)**	**Preferred Plus**	**Preferred**	**Standard**
4	8	125	136	141	162
4	9	129	139	146	168
4	10	134	143	151	174
4	11	138	148	156	180
5	0	143	153	161	188
5	1	148	158	167	193
5	2	153	164	172	199
5	3	158	169	178	208
5	4	163	174	184	212
5	5	168	180	189	219
5	6	173	186	195	228
5	7	178	191	201	233
5	8	184	197	207	240
5	9	189	203	213	247
5	10	195	209	220	254
5	11	200	215	226	261
6	0	206	221	232	269
6	1	212	227	239	278
6	2	218	233	245	284
6	3	224	240	252	292
6	4	230	246	259	299
6	5	235	253	266	307
6	6	241	259	273	316

Alcohol Excess (includes alcoholism and problem drinking)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Any diagnosis of abuse or dependence ■ Past history of treatment ■ How long abstinent or consuming in moderation ■ Any relapses ■ Member of a self-help group such as Alcoholics Anonymous ■ Any co-morbid conditions, including any history of other substance abuse, driving offenses or participation in hazardous sports ■ Any medical complications	■ APS ■ Alcohol Questionnaire ■ MVR **Producer Assistance:** ■ Details to past and present drinking habits ■ Provide full details to treatment and facility if applicable ■ Provide dates and length of treatment ■ Any alcohol related complications (such as: liver, brain, nervous) ■ Outline favorable aspects with respects to employment, support groups, etc.	***Ratings depend primarily on applicant's age, time since last use and any co-morbid factors*** **Alcoholism:** **Best Case:** Standard (over age 30 and > 5 years since last consumption) **Worst Case:** Decline **Excess Alcohol Use:** **Best Case:** Standard Mild/Moderate Use: Table 2-4 **Worst Case:** Decline

Anemia		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Type of anemia ■ Severity/degree of anemia ■ Cause of anemia, if known ■ Treatment ■ Blood test results ■ Details of testing done and referrals to oncologist. specialists, hematologists (including dates, names of tests and doctors seen) ■ Medications ■ Any concurrent impairment	■ APS **Producer Assistance:** ■ Details to investigations and testing to include cause and/or source of bleeding ■ Details and dates of consultations and treatment, including transfusion ■ Response to treatment	***Ratings depend on type of anemia and assume anemia is fully investigated and stable.*** **Iron deficiency anemia:** Mild – Standard Moderate – Table 4 - 6 **Secondary Hemolytic anemia:** Mild - Standard Moderate – Table 4 - 8 **Idiopathic Aplastic Anemia:** Best cases stable for > 2 years - Table 8 **Sickle Cell Anemia:** Best case Table 8 or higher

Aneurysm		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Type or location of aneurysm ■ Size and stability of aneurysm ■ Currently present ■ Treatment ■ Smoking history ■ Presence of associated coronary artery disease, hypertension, cerebrovascular, other peripheral vascular or renal disease, or COPD, history of infectious diseases, past trauma and familial tendencies	■ APS **Producer Assistance:** ■ Date of diagnosis ■ Treatment, including any surgery ■ If brain aneurysm any history of bleeding in brain ■ Any other cardiovascular diseases, diabetes or Transient Ischemic Attack (TIA) or stroke	***Can consider on a rated basis 6 to 12 months post-op depending on the type of aneurysm*** **Abdominal:** **No surgery:** Insured's under 40 years old: Best case - Table 4-8 if small size, stable for 2 years. Insured's over 40 years old: Best case - Standard to Table 4 if small size, stable for 2 years. **With surgery:** Individual Consideration Rating would depend on the age of the insured and the time elapsed since surgery **If diameter >5 cm:** Decline **Cerebral:** **No surgery:** $2.50 – 10.00/1000 depending on size and stability **With surgery:** Possible Standard after 6 months **Large:** Decline **Thoracic:** **With or without surgery:** Individual Consideration

Anxiety		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Related psychiatric illness including suicide attempts or thoughts ■ Medications/treatment ■ Alcohol/substance abuse ■ Duration of illness/stability of symptoms	■ APS **Producer Assistance:** ■ Type of anxiety ■ If episodic, number and date of most recent attack ■ Treatment, list all medications ■ Details to any missed work or school ■ Details of social or occupation function	**Mild anxiety:** single infrequent episode, no hospitalization and low dose maintenance medication. Standard (possible Preferred) **Moderate:** more frequent episodes, no hospitalization. Table 2 – 3. **Severe:** Chronic anxiety, episodes of depression, hospitalization. Table 4 to Decline

Arteriosclerosis
(refer to Coronary Artery Disease)

Asthma

Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Frequency and severity of asthma attacks ■ Type of medication and frequency of use ■ Hospitalizations or ER visits ■ Limitations to activities ■ Smoking history ■ Lost time from school or work ■ Compliance with treatment ■ Occupational or environmental exposure ■ Underwater or high altitude avocations	■ APS **Producer Assistance:** ■ Most recent attack include date ■ Frequency, include dates ■ Cause of attacks (allergies, other) ■ Any emergency room visits or hospitalizations, include dates ■ Treatment ■ Any home oxygen use	**Minimal Asthma:** Best case or exercised induced only, minimal symptoms, no significant risk factors – possibly Preferred Plus Mild, excellent control, minimal symptoms, no significant risk factors – Standard to Preferred; with risk factors minimum - Table 2 Moderate - Table 2 – 4 Severe – Table 6 to Decline

Atrial Fibrillation

Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis and age at onset ■ Age of applicant ■ Frequency of attacks ■ Associated symptoms and complications ■ Underlying cardiac and noncardiac disease ■ Treatment including use of anticoagulant medication or ablation procedures ■ Risk Factors for stroke	■ APS **Producer Assistance:** ■ Frequency and dates of episodes ■ Any emergency room or hospitalizations, include dates ■ Treatment, including dates of any ablation procedures ■ Any defibrillator implant ■ Any other cardiac diagnosis ■ Any history of Transient Ischemic Attack (TIA) or stroke	**New finding on insurance examination:** Postpone until cardiac work-up **Paroxysmal Atrial Fibrillation (PAF):** Well controlled less than 4 attacks per year: Standard to Table 3 **Chronic Atrial Fibrillation:** Requiring anti-arrhythmic treatment: Table 2 – 6 **Any cardiac disease:** Additional rating and/or Decline

Barrett's Esophagus		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Histological results ■ Metaplasia or Dysplasia ■ Segment length ■ Stable course ■ Medication/treatment	■ APS (with results of periodic biopsies) **Producer Assistance:** ■ Results of investigation, including histological results ■ Date of last follow-up and surveillance	Preferred consideration if no dysplasia on two or more studies over two years **Mild dysplasia:** Table 4 – Decline **Severe Dysplasia or malignancy:** Decline

Cancer		
Risk Factors	Typical Requirements	Likely Underwriting Decision
Refer to specific organ or type of cancer	**APS from Oncologist with pathology report and details to recent follow-up**	***For all forms of cancer: Consideration for insurance begins once treatment has been completed, assuming the client is well followed.***

Cancer: Breast		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Type and stage of cancer ■ Size of tumor ■ Type of treatment ■ Date Treatment completed ■ Any recurrence or spread ■ Reduced/eliminated risk factors (e.g., smoking) ■ Any serious complications from treatment	■ APS **Producer Assistance:** ■ Type of cancer (stage, grade, number of lymph nodes involved and recurrence) ■ Details and dates of treatments, including any adjunct therapy ■ Details to follow-up (mammogram, bone scans, etc.) ■ CEA/CA-15 testing if done	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Best case:** For certain types of breast cancer in ages 40 and above: Low grade in-situ disease: Possible Standard **Typical case:** Unable to consider until 2 years after completion of treatment then $10.00 - $20.00/year for 5 years.

Cancer: Colon		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Stage and grade of the tumor ■ Any hereditary syndrome that may be associated with other types of cancer ■ Treatment ■ Length of remission ■ Ongoing follow-up ■ Any recurrence ■ Any complications from treatment	■ APS **Producer Assistance:** ■ Date of Diagnosis ■ Type of cancer (stage, grade (TNM if known) ■ Treatment types and dates completed (surgery, type, chemotherapy, radiation) ■ Details of follow-up (date of last colonoscopy and tumor markers) ■ Any recurrences	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Best case:** Stage 0 tumor – Standard **Typical case:** Stage 1 tumor = $5.00/1000 Stage 2 tumor = $10.00/1000 Stage 3 tumor = $15.00/1000 **Worse case:** Decline

Cancer: Hodgkin's Lymphoma		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis ■ Type of leukemia and stage of cancer ■ Treatment ■ Date treatment completed ■ Any recurrence or secondary cancer	■ APS **Producer Assistance:** ■ Type and Stage ■ Details and dates of treatment ■ Follow up to include how often, labs, chest x-rays and date of last visit	**After postponement period of 1 – 10 years:** Rating Table 2-4 with a temporary flat extra of $5.00-20.00/1000

Cancer: Non Hodgkin's Lymphoma		
Risk Factors	Typical Requirements	Likely Underwriting Decision
		Would require individual consideration, decline in most cases.

Cancer: Kidney Cancer		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Type and stage of cancer ■ Treatment ■ Date treatment completed ■ Current GFR	■ APS from Oncologist with pathology report and details to recent follow-up **Producer Assistance:** ■ Type of cancer (stage, grade, recurrence) ■ Treatment types, with dates completed	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Renal cell carcinoma:** Stage I & II; grade 1 & 2: Postpone 2 years then: $5.00-15.00/1000 for 5 years **Wilm's tumor:** Stage I & II: $5– 8.00/1000 for 5 years Stage III & IV: Table 2-3

Cancer: Leukemia (Chronic Lymphocytic Leukemia only CLL)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis ■ Type of leukemia and stage of cancer ■ Treatment ■ Date treatment completed ■ Any recurrence or secondary cancer	■ APS **Producer Assistance:** ■ Type and Stage ■ Details and dates of treatment	Chronic Lymphocytic Leukemia (CLL). With no progression of disease over 2 years. Blood studies within specified ranges and no lymphadenopathy. Ages 70 and up: Table 4 Ages 60 – 70: Table 6 Ages 55 – 59: Table 8

Cancer: Lung		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis ■ Stage of cancer ■ Type of treatment ■ Date treatment completed ■ Any recurrence or spread ■ Reduced/eliminated risk factors (e.g., smoking) ■ Any concurrent impairment (e.g., emphysema or chronic bronchitis) ■ Any serious complications from treatment	■ APS **Producer Assistance:** ■ Type of cancer (stage, grade, and recurrence) ■ Details and dates of treatment ■ Dates of follow-up and most recent surveillance testing (CT scans, etc.)	*Lung cancer can only be considered if treatment completed, stable course, no recurrence and not smoking.* Stage I: Postponed for 3 years then $10.00-20.00/1000 for 5 years Stage II: postponed for 5 years then $15.00 – 20.00/1000 for 5 years Stage III & IV: Decline

Cancer: Ovarian Cancer		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Type of cancer (stage, grade and recurrence) ■ Treatment types, with dates completed	■ APS from Oncologist with pathology report and details to recent follow-up **Producer Assistance:** ■ Type of cancer (stage, grade, and recurrence) ■ Details and dates of treatment ■ Dates of follow-up	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Range of offer:** Temporary extra of $10.00-20.00/1000

Cancer: Prostate		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis ■ Type of treatment ■ Date treatment completed ■ Stage and Gleason grade ■ Any recurrence or spread ■ Current PSA reading ■ Any serious complications from treatment	■ APS **Producer Assistance:** ■ Type of cancer (stage, grade, and recurrence) ■ Gleason Grade if known ■ Treatment types, with dates completed ■ Dates of follow-up and most recent surveillance testing (PSA, etc.)	***Varies by type/stage/grade of cancer and types and dates of treatment*** Ages to 70, localized tumor, treatment with surgery: Stage I and II: Gleason 2-4 after 2 years: Standard Gleason 5-6: $7.50/1000 for 3 years Higher Grade: Postpone for 3 years then T-2 plus $12.00/1000 for 5 years Stage III: Gleason 5-6: Postpone 5 years then T-2 plus $15.00/1000 for 5 years Gleason 7: Postpone 5 years then T-4 plus $15.00/1000 for 5 years Gleason 8 – 10: Postpone for 10 years

Cancer: Prostate High Grade Prostatic Intraepithelial Neoplasia (PIN)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Actually a pre-cancerous condition ■ Current Age ■ Date of diagnosis ■ Date of last Biopsy ■ Date of next Biopsy ■ Current PSA and Free PSA levels	■ APS **Producer Assistance:** ■ Dates of follow-up and most recent surveillance testing (PSA, Biopsy etc.)	High Grade II, III suspicious for cancer (PSA>10, Free PSA<15% or abnormal TRUS or DRE – Postpone for next Biopsy. Not suspicious for Cancer by above criteria, durations since discovery. Less than 1 yr – Postpone 1-3 yrs – T2 3 yrs up with negative repeat biopsies – Standard

Cancer: Skin Borderline Malignancy (Bowen's disease, dysplasic nevus, Lentigo Maligna, Hutchinson's melanotic freckle)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Pathology (confirmation of basal cell carcinoma) ■ Type of treatment ■ Date treatment completed ■ Confirmation that tumor has been removed completely ■ Any recurrence or spread ■ Ongoing risk factors like multiple dysplastic nevi and a propensity to develop other skin cancers ■ Any serious complications from treatment	■ APS **Producer Assistance:** ■ Date of diagnosis ■ Pathological diagnosis (Basal cell, Squamous cell, etc.) ■ Date treatment completed ■ Type of treatment (surgery, radiation, freezing, etc.) ■ Frequency of dermatology follow-up ■ Date of last dermatology follow-up ■ Details to any lifestyle modifications	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Best case:** Standard

Cancer: Skin Malignant		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Type of cancer/tumor ■ Depth and thickness of tumor ■ Type of treatment ■ Date treatment completed ■ Any recurrence or spread ■ Ongoing risk factors like multiple dysplastic nevi and a propensity to develop other skin cancers ■ Any serious complications from treatment	■ APS **Producer Assistance:** ■ Date of diagnosis ■ Type of cancer /Pathology report (stage, tumor thickness and recurrence ■ Treatment types with dates each treatment completed ■ Frequency of regular dermatology follow-up ■ Any other skin disorders (e.g., dysplastic nevi, borderline malignant skin conditions)	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Best case:** Stages 0 (in-situ) & 1A – Standard possible Preferred **For other stages, no consideration for at least 12 months after completion of treatment then:** Stage 1B = $12.50/1000 at best Stage 2A = $15.00/1000 at best Stage 2B = $20.00/1000 at best **Worse case:** Decline

Cancer: Thyroid		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Type of thyroid cancer (papillary, follicular, anaplastic, etc.) ■ Pathology ■ Age of applicant ■ Type of treatment and date(s) performed ■ Any remission and for how long ■ Any recurrence ■ Any complications from treatment	■ APS **Producer Assistance:** ■ Type of cancer (including lymph node or other organ involvement) ■ Treatment types with dates completed	***Varies by type/stage/grade of cancer and types and dates of treatment*** **Best offer:** Standard **Typical rating:** Temporary flat extra of $8.00/1000 **Worse:** Decline

Cancer: Uterine Cancer		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Pathology ■ Stage of cancer ■ Type of treatment ■ Date all treatment completed ■ Family history ■ Any recurrence ■ History of breast cancer	■ APS with surgical pathology report **Producer Assistance:** ■ Stage, grade and any recurrence ■ Date of treatment, including surgery, chemotherapy and radiation ■ Dates of follow-up and most recent surveillance testing	***Varies by type/stage/grade of cancer and types and dates of treatment*** Typical ratings range from: Temporary flat extra of $5.00-15.00/1000

Cancer: Abnormal PAP Tests		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Most recent PAP results ■ Prior abnormal results ■ Current and prior treatment with pathology reports	■ APS including all pathology reports **Producer Assistance:** ■ Dates, stage and grade ■ Treatment & any details known	***Vary by type, stage/grade of abnormality and dates*** Standard most likely within two years – not guaranteed Preferred possible depending on dates, specific abnormality, treatment and most recent 1-2 PAP results. May require three years of normal PAP tests.

Chronic Obstructive Pulmonary Disease (COPD) and Emphysema		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Smoking history and current tobacco use ■ Severity of symptoms ■ Duration/progression of disease ■ Degree of impaired respiratory function ■ Any concurrent impairment (e.g., CAD, asthma, cancer, malnutrition, build/decreased weight) ■ Any hospitalization ■ Any complications ■ Any treatment with oxygen is a decline	■ APS (to include results of pulmonary function tests) **Producer Assistance:** ■ Description of disease (e.g., chronic bronchitis, emphysema, etc) ■ Symptoms (e.g., shortness of breath, chronic cough) ■ Records of exacerbations ■ Treatment and any home oxygen use ■ Level of activity ■ Details of lifestyle modification ■ Any tobacco use ■ Emergency room or hospitalizations, including dates ■ Results of pulmonary function tests, Chest X-rays and/or CT reports or any additional imaging studies.	***The younger the applicant, the higher the rating.*** **Mild:** Standard to Table 2 **Moderate:** Table 2-8 **Moderately Severe/Severe:** Decline **With Tobacco use:** Decline

Coronary Artery Disease (including Angina, Angioplasty, By-pass Surgery, Heart Attack or Myocardial Infarction)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis and age at onset ■ Severity of the disease (how many vessels and which ones) ■ Current symptoms ■ Treatment ■ Medications ■ Smoking history ■ Any concurrent serious impairment ■ Any history of congestive heart ■ failure or arrhythmia	■ APS (to include results of cardiac testing) ■ EKG (resting or stress) **Producer Assistance:** ■ Specific diagnosis (e.g., heart attack, angina, etc) ■ Dates of symptoms ■ Treatment, including dates of any surgery ■ Cardiac test results ■ Detailed list of medications ■ Details of any lifestyle change. ■ Tobacco use history ■ Any history of carotid disease, aneurysm, peripheral vascular disease, congestive heart failure, transient ischemic attack or diabetes	Unable to consider until 3 - 6 months post-surgery Single vessel disease: Good follow-up, ejection fraction > 55%, normal stress test within past year: Standard to Table 6 Two vessel disease: Good follow-up, ejection fraction > 50%: Table 4-8 Three vessel disease: Individual consideration

Crohn's Disease or Ulcerative Colitis		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Age diagnosed ■ Date of last major attack ■ Treatment, particularly duration and medical therapy including steroids ■ Surgery, type and subsequent course ■ Extent and severity of disease ■ Complications including malabsorption, i.e., anemia ■ Extra-colonic complications including psychiatric comorbidity ■ Functional capacity	■ APS (to include colonoscopy pathology reports and lab results) **Producer Assistance:** ■ Extent of disease ■ Date of recent flare ■ Frequency of flares ■ Details and dates of GI visits ■ Any hospitalizations ■ Dates and results of surveillance testing (colonoscopy) ■ Confirmation of an active life style	***The younger the age of the applicant and the more severe the course of the disease, the higher the rating.*** **Mild disease (near normal bowel habits, infrequent episodes):** Standard- Table 6 **Moderate disease:** Medications needed for control, limited disease, no more than two surgeries: Table 4 - decline **Severe disease:** Multiple surgeries, extensive disease, weight loss: Decline

Depression		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Date of last treatment ■ Medication (multiple or frequent changes) ■ Treatment with a psychiatrist ■ Hospitalization ■ Lost time from work ■ Suicide attempt or ideation ■ Severity of disorder (minor, major, bipolar, seasonal, etc) ■ Significant weight loss ■ Insomnia ■ Loss of interest or pleasure in activities	■ APS (to include any psychotherapy evaluation or evidence of stability) **Producer Assistance:** ■ Emergency room or hospitalization dates ■ Treatment, including medications ■ Evidence of stable environment and occupation ■ Alcohol and drug use history	Present on treatment: Minimal: Preferred allowed Mild: Table 2 Moderate: Table 4 Severe: Table 8 to decline More than 1 episode, chronic symptoms: Mild: Table 3-4 Moderate: Table 6 Severe: Table 8 to decline No further treatment or low med dosage: Mild-mod: <1 year Table 2-4; >1 year, standard- Table 2 Severe: <2 years since last symptoms Table 8; >2 years Table 2-4 Bipolar Disorder: Less than 1 year of diagnosis – Postpone Mild – Moderate : Table 2-8 Severe: Decline

Diabetes		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis and age at onset ■ Type of diabetes ■ Treatment – insulin or oral medications ■ Degree of control – blood sugar readings ■ Complications – nephropathy, retinopathy, neuropathy, cardiovascular disease	■ APS **Producer Assistance:** ■ Treatment including medications ■ Details of control, including A1c if known ■ Any hospitalization dates ■ Complications (e.g., cardiovascular, kidney, eye, brain, skin ulcers) ■ Tobacco use history	Type 1 Also known as Insulin Dependent Diabetes Mellitus (IDDM) Best case: Table 3 - 4 Typical case: Table 5 - 8 Worst case: Decline (complications, poor or uncontrolled) Type 2 Also known as Non-insulin Dependent Diabetes Mellitus (NIDDM) or Adult Onset Diabetes Best case: Standard Typical case: Table 2 – 4 Worst case: Decline (complications, poor or uncontrolled)

Epilepsy/Seizure Disorder		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Age onset ■ Compliance with medication ■ Control of seizures ■ Results of neurological evaluation	■ APS **Producer Assistance:** ■ Type and cause of seizure ■ Age diagnosed ■ Treatment ■ Date of last seizure ■ Frequency of attacks	**Best case:** Preferred classes dependent upon date of last seizure, age, MVR history and current treatment. **Typical case:** Standard – Table 6 **Worst case:** Decline

Gastric Surgery for Obesity		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Pre-operative weight ■ Current weight ■ Any co-morbid conditions (such as diabetes, gastrointestinal issues, hypertension, coronary disease) ■ Date of surgery ■ Type of surgery ■ Any surgical complications	■ APS **Producer Assistance:** ■ Supply all medical reports relating to the surgical procedure and follow-up ■ Current weight ■ Maintained weight loss since surgery ■ Any current weight loss medications needed	Unable to consider until 3 months after surgery. Restrictive surgery (gastric banding or gastroplasty): 6 months to 3 years: Table 3 >3 years: Standard to Table 2 Malabsorptive surgery/bypass: <6 months: Postpone 6 months - 2 years: Table 3 Over 2 - 5 years: Table 2 Over 5 years: Standard – table 2 *Any additional rating for Build will be applied*

Heart Attack (refer to Coronary Artery Disease)

Heart Valve Disease		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Valve affected ■ Treatment ■ Any complications ■ Any ongoing treatment ■ Any history of coronary artery disease, stroke or pulmonary disorder	■ APS ■ Recent results of echocardiogram **Producer Assistance:** ■ Results of all consultations, tests and treatment ■ Indication to past and present symptoms ■ Any complications ■ Any ongoing treatment ■ Type of valve used in replacement	**Aortic valve replacement:** Age 40 – 49: Table 10 Age 50 – 59: Table 6 Age 60 – 69: Table 4 Ages over 70: Table 2 **Mitral Valve replacement:** Ages 40 – 49: Table 8 Ages 50 – 59: Table 6 Ages 60 – 70: Table 4 Ages over 70: Table 3

Hepatitis B and C		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Duration of disease ■ Treatment ■ Acute or Chronic Infection ■ Laboratory results ■ Biopsy results if done ■ Any alcohol usage or other medical conditions	■ APS ■ Laboratory results ■ Sonogram and/or CT scan results, biopsy results **Producer Assistance:** ■ Results of serologic tests, liver function tests, liver biopsy ■ Date of infection (if known) ■ Treatment details ■ Alcohol consumption	*Rating will be dependent on insured age, duration of disease, if treated and success of treatment, results of serologic test, liver function test.* <u>Hepatitis B</u> Best case: Treated successfully, HBsAg negative and liver function normal: Standard Chronic infection, treated, biopsy results- mild, depending on liver function test: Table 2-4 Untreated or treatment unsuccessful: Mild to Moderate: Table 8 <u>Hepatitis C</u> Typical rating T-4 to Decline.

Lupus		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Type of lupus (discoid or systemic) ■ Symptoms ■ Disease duration ■ Duration in remission ■ Organs involved ■ Medication and response to therapy	■ APS **Producer Assistance:** ■ Type of lupus ■ Organ involvement ■ Duration of disease ■ Years in remission ■ Medication and response to therapy	*Rating depends on insured age, duration of the disease, treatment and organ involvement.* <u>Discoid lupus:</u> No corticosteroid: Standard <u>Systemic lupus:</u> < 1 year diagnosed: Postponed 1 – 5 years: Table 4-8 Typical rating after 5 years T-4

Marijuana Use (includes medical use)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Diagnosis of abuse or dependence ■ Past history of treatment ■ Reason for use ■ Any co-morbid conditions including history of other substance abuse, alcohol abuse, driving offenses, or participation in hazardous sports ■ If medicinal use, use of any other medications including opiates/narcotics ■ Any medical complications	■ APS ■ Substance use questionnaire **Producer Assistance:** ■ Details to usage ■ Amount, frequency, duration ■ Reason for use ■ If medicinal, details to ailment ■ Any other medications or medical history	Ratings depend primarily on applicant's age, reason, frequency, and amount used and any co-morbid conditions Experimental or Intermittent – likely Standard Tobacco however possible Preferred Tobacco for best case scenario Other use – best case table 2 to Decline Medicinal – rating would be based on the condition being treated, best case table 4 to Decline

Pacemaker		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Age at onset ■ Symptoms/function capacity ■ Any underlying disease ■ Reason for pacemaker ■ Prior EKG's ■ Any medications	■ APS **Producer Assistance:** ■ Age pacemaker inserted ■ Reason for pacemaker ■ Any current medications ■ Any other medical history	*No consideration until 3 months after surgery* Ages less than 40: Table 3 Ages 41-60: Table 2 Over age 60: Standard

Pancreatitis		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Frequency of attacks (acute or chronic) ■ Underlying cause ■ Treatment ■ Complications, including diabetes mellitus	■ APS **Producer Assistance:** ■ Type (acute of Chronic) ■ Frequency of symptoms and date of last symptom ■ Treatment ■ Complication ■ Current alcohol consumption	*Rating dependent upon acute or chronic, years since last symptom.* Postponed for one year then: Chronic: Table 2 – 6 Acute: Single attack after 1 year Standard

Parkinson's Disease		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Date of diagnosis ■ Rate of progression of disease ■ Medication/treatment ■ Unilateral or bilateral ■ Extent of disability symptoms ■ Indications of dementia	■ APS **Producer Assistance:** ■ Date of diagnosis ■ Treatment ■ Progression of disease ■ Unilateral or bilateral ■ Any limitations of activities of daily living	Typical case: Table 2 – 4 Worst case: Table 5 - Decline

Peripheral Artery Disease / Peripheral Vascular Disease		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Location and extent of atherosclerotic disease ■ Date of diagnosis ■ Surgery ■ Medication/Treatment ■ Smoking status ■ Compliant with medical treatment and follow-up ■ Any concurrent impairment (CAD, CVD, diabetes, hypertension, etc)	■ APS to include copies of vascular and cardiac investigation ■ Ankle-brachial index (ABI) **Producer Assistance:** ■ Date of diagnosis ■ Medication/treatment ■ Any surgery ■ Risk factor modifications ■ Lifestyle/Smoking status ■ Any other medical impairments	<u>Without surgery*:</u> Mild disease: Table 2 Moderate disease: Table 4 Severe disease: Decline <u>With Surgery (after 2 years)*:</u> Ages < 40: Table 6 Ages 40-69: Table 3 Over age 70: Table 2 *Increased rating if smoker *With coronary artery disease, cerebrovascular disease or diabetes: Decline

Pulmonary Embolism		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Underlying cause ■ Evidence of pulmonary heart disease ■ Treatment ■ Number of episodes	■ APS **Producer Assistance:** ■ Cause ■ Number of episodes ■ Treatment ■ Any ongoing treatment	*Residual deep vein thrombosis: Postpone* Single episode: Standard Multiple episodes: Table 2 Continued anti-coagulant treatment: Table 4

Rheumatoid (and Psoriatic) Arthritis		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Severity of symptoms ■ What medications are being taken ■ Type of medication oral/ injection and frequency ■ Level of daily pain ■ Any limitations of daily activities	■ APS **Producer Assistance:** ■ Joints affected and number of joints ■ Severity and dates of flare ■ Treatment ■ Any joint replacement or surgeries ■ Any disabilities ■ Emergency room or hospitalization dates	Mild: Possible Preferred Moderate: Table 2 - 4 Severe: Table 6 to Decline

Sleep Apnea		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Type of apnea (obstructive, central or mixed) ■ Severity ■ Treatment (CPAP, surgery, weight loss) and compliance ■ Presence of cardiovascular disease and/or risk factors including hypertension, arrhythmias ■ Current build – overweight (obesity) ■ Smoker	■ APS (to include results of sleep studies) **Producer Assistance:** ■ Treatment and compliance with treatment ■ Details of risk factors: build, smoker, alcohol/drug history, MVR violations, disability, depression	Mild disease: No complications and compliant with treatment: Standard (possible preferred) Moderate disease: Subject to severity of symptoms, compliance and test results - Standard to Table 3 Severe disease: Possible consideration subject to compliance with treatment for over 1 year, favorable recent sleep study, current build and symptoms - Standard to Table 6 Severe disease untreated: Decline

Stroke or Transient Ischemia Attack (TIA)		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Date of diagnosis and age of onset ■ Extent of neurological deficit ■ Primary cause of stroke ■ Treatment ■ Medications ■ Number of strokes or episodes ■ Smoking history ■ Any history of diabetes or cardiac disease	■ APS **Producer Assistance:** ■ Date of occurrence ■ Treatment (medication or surgery) ■ Residual neurological defects (e.g., paralysis, sensory loss, vision, language, memory, mood, etc.) ■ Assistance needed for Activities of Daily Living (ADL'S) (e.g., eating, bathing, dressing, toileting, transferring (walking) and continence)	Stroke: Table 4 minimum, could hold flat extra to Decline subject to severity of neurological residuals and ADL's TIA: Best Case: Standard - subject to confirmation of no neurological residual

Impairments - Non-Medical

Aviation		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Pilot experience ■ Flight ratings and type of license held ■ Medical history ■ Lifestyle ■ Where they fly ■ Type of aircraft flown ■ Type of flying ■ Purpose of flights and number of flying hours per year	■ Aviation Questionnaire ■ MVR **Producer Assistance:** ■ Overall experience ■ Hours flown per year ■ Pilot experience ■ Flight ratings ■ Aircraft ■ Details of specialized flying	Best case: Possible Preferred Typical case: Standard – if experience > 100 hours and annual flying hours 100 – 250 hours. Less experience or annual hours > 250 Flat extra premium of $2.50 –5.00/1000 Student Pilot: $2.50/1000 Worst case: Decline

Climbing and Mountaineering		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Frequency ■ Type of terrain; established trails ■ Altitude/heights ■ Location: North America/ Europe or elsewhere ■ Medical history ■ Lifestyle	■ Mountaineering questionnaire ■ Foreign Travel questionnaire, if applicable **Producer Assistance:** ■ Overall experience ■ Frequency ■ Type of terrain ■ Difficulty of climbs ■ Length of climb (in time) ■ Type of equipment used ■ Sierra Club Class or Yosemite Decimal System Class (1 through 6) ■ Any goal for setting record	Best case: Hiking - Possible Preferred Plus Typical case: Standard for semi-technical climbing; Technical or Aid climbing – Flat extra of $2.50-7.50/1000 Worst case: Decline

Driving		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Current age ■ Types of infractions ■ Frequency of infractions ■ DWI (Multiple) ■ Other suspensions and number of suspensions ■ Accident (at fault) ■ Risk-taking avocations ■ Occupation/Aviation (example truck driver/bus driver/pilot) ■ DUI history with current abnormal LFT ■ Certain medical impairments ■ Any history alcohol/drug abuse or treatment ■ Status of current driver's license	■ MVR **Producer Assistance:** ■ Number and types of violations ■ Date of last violation ■ Date of last suspension, length of, and reason for suspension	Best case: Preferred for 2 or less minor violations in 3 years Multiple violations: Flat extra $2.50-10.00/1000 Single incident DUI: over age 25 over 2 years is Standard; others = postpone or Flat extra premium Worst case: Decline

Motor Vehicle Racing		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Professional or paid driver ■ Type of racing & class ■ Type of vehicle/engine size ■ Top speed ■ Type of course & surface type ■ Frequency/how many races per year ■ Location (outside US or Canada) ■ Adverse driving record within the past 5 years	■ Hazardous Sports Questionnaire ■ Foreign Travel Questionnaire (if applicable) **Producer Assistance:** ■ Type of racing (classification and category) ■ Frequency ■ Experience ■ Speeds attained ■ Other avocations	Best case: Preferred/Preferred (stock car, vintage, autocross, rally) Typical rating: Flat extra of $2.50 – (AKCA, ASA, IMSA, SCCA, drag racing, midgets, modified, sprint, sports car) Worst case: Decline Note: Indiscriminate use of alcohol or illicit drugs could result in a decline.

Impairments - Non-Medical

Scuba Diving		
Risk Factors	Typical Requirements	Likely Underwriting Decision
■ Experience including certification ■ Depth of dives ■ Any medical impairments ■ Specialty and technical diving	■ Scuba Diving Questionnaire, ■ Foreign Travel Questionnaire (if applicable) **Producer Assistance:** Type of diving (location, site, activities) ■ Experience ■ Frequency and depth of dives	Best case: Preferred Plus with no ratable activity Worst case: Decline

Underwriting Guidelines

Financial underwriting is necessary on all applications to screen for adverse selection and to determine if the amount of insurance is reasonable. The following guidelines are used by the underwriters to determine the maximum amount of coverage that is considered usual for the proposed insured's financial status. If the total face amount (all companies) falls outside of these guidelines, a brief letter from you explaining the purpose of the insurance and how you arrived at the face amount can help to expedite the underwriting process. If annual premium for personal insurance exceeds 25% of the applicant's total income, a cover letter is required explaining how the premium is being funded and why.

Below are listed the most common needs for life insurance and the appropriate guidelines for maximum face amount and necessary documentation. Unless indicated otherwise below, all cases require Penn Mutual's Confidential Financial Statement questionnaire (CFS) at $2,500,001 and higher and supporting financial documentation for amounts of $5,000,001 and higher. Supporting financial documents should include past two years tax forms, income statements and balance sheets, etc. The type of supporting documentation depends on the purpose of the insurance (see below). If these items are not available, please provide any available supporting documentation with an explanation. An inspection report (IR) will be requested for coverage $10 million and over at all ages.

Personal Coverage	
Income Replacement	Documentation
The following table represents the factor to be applied to applicant's annual earned income to determine the maximum amount insurable: Ages Factor 18-30 30x 31-40 25x 41-50 20x 51-60 15x 61-70 10x 71 up Individual consideration	■ Cover Letter ■ CFS, past two years income tax forms or personal financial statements (for amounts indicated above)
Estate Planning	Documentation
Formula: Net worth (x) Growth Factor (up to 7%) (-) Unified Credit(s) (x) tax rates (federal and state) (+) other final expenses. Higher growth rates are subject to individual consideration. See the table below for the maximum specified projection period. For survivorship cases, the age of younger life is used. Substandard lives will lower the projection period. To age 55 20 years 56 – 65 15 years 66 – 75 12 years 76 – 80 7 years Over age 80 Individual consideration	■ Cover Letter: explain how amount was determined and indicate if our Advanced Sales Department worked on the estate analysis. If projected growth rate is more than 7% or projection period exceeds the table, include explanation. ■ Copy of Estate Analysis ■ CFS or personal financial statement as indicated above ■ If the business is more than 25% of the estate, include business financial statement ■ If other assets such as real estate or collectables represent more than 25% of the estate, include supporting documents such as appraisals and/or tax assessments.

Personal Coverage

Creditor	Documentation
Maximum of 100% of the loan amount within the confines of the Income Replacement rules. Otherwise, 90% of the loan.	■ Cover Letter : include details of loan to include amount, purpose, repayment schedule, etc. ■ CFS or personal Financial Statements as indicated above

Retirement Funding	Documentation
Policies should be premium driven with minimum death benefit for premium paid. The following *percentages* of income should be used as premium guidelines. This is based on the fact that disposable income normally increases with age.	■ Cover Letter ■ CFS, past two years tax forms or personal financial statements (for amounts indicated above)

Age	Maximum % of Net Earned Income as a Premium Guideline
20-30	10%
31-40	15%
41-50	20%
51 up	25%

Split Dollar	Documentation
Split Dollar used to fund personal insurance needs, apply the appropriate guidelines above based on purpose.	■ Cover Letter ■ Copy of Split Dollar agreement ■ CFS or personal Financial Statements as indicated above

Charitable Giving	Documentation
If the insured is paying the premium (either directly or through donations) and has a meaningful relationship with the charity, the amount of insurance owned by the charitable entity should be reasonably in line with the relationship and past donations. For charitable cases with multiple lives, the program and the amounts of insurance will be reviewed by the Marketing Programs & Policy Steering Committee. If the source of premiums is from borrowed funds rather than the entity's funds, the arrangement will be given heightened scrutiny.	■ Cover letter ■ Contribution record to establish pattern of giving ■ Two years tax forms ■ For charitable cases with multiple lives, need to provide information on the charitable program in advance of submitting applications. The information should include details of the program and group being solicited, proposed face amounts, copies of solicitation materials, disclosures, etc.

Personal Coverage	
Juvenile	Documentation
Coverage must be consistent among all siblings. Parents should have more coverage in force than their children, and all coverage should be in line with family's financial situation. The death benefit is usually not the primary motivation for the policy; therefore, the death benefit should be set at the minimum for the premium paid. Certain states place specific restrictions on the maximum face amount allowed on juveniles.	■ Cover letter explaining coverage on parents/siblings and how amount was determined ■ Documentation of parent's net worth ■ If gift, financial statements of person making gift

Business Coverage	
Replacement of Keyperson	Documentation
10x compensation (include salary, bonus, and fringe benefits).	■ Cover letter - job duties / responsibilities, unique talent, other value added contributions ■ CFS Part 2 ■ Tax forms to verify keyperson's income
Buy-Sell, Partnership, Stock Redemption	Documentation
% of ownership x market value + up to 7% growth factor for 5 years. Higher growth rates are subject to individual consideration. To determine market value, average net income for last 2 yrs. capitalized at 10%; OR, appropriate amount as evidenced by Buysell / Stock Redemption agreement; OR, by valuation completed by our Advanced Sales Department or other credible source.	■ Cover letter - ownership details, how amount determined, support for valuation of business, explanation of growth factor if higher than 7% ■ CFS Part 2 ■ Copy of buy-sell agreement
419 Business	Documentation
419 is a tax deductible plan which is based on normal insurance needs. Use the stated maximums for the particular need being covered (income replacement, estate tax, buy-sell, etc). Refer to Trust document for potential limitations.	■ Cover letter ■ Based on purpose, see documentation outlined above
COLI: deferred compensation and retirement benefits	Documentation
(401k Overlay Plan, S.E.R.P., Restricted Bonus Plan) Amount of coverage based on funding requirements of the plan. Emphasis is on benefit accumulation and retirement income. Generally death benefits are within personal guidelines. If not, death benefits must be minimized for the premium amount within plan objectives.	■ Cover letter to include details of plan, benefit formula, company background, etc. ■ Census of group ■ CFS or business Financial Statements as indicated above
Creditor	Documentation
Within confines of Keyperson limits, up to 90% of loan amount.	■ Cover letter to include loan details ■ Copy of Loan Agreement ■ CFS Part 2

Delivery of the Policy

Proper delivery of a policy is a very important step in the sales process. To avoid potential "free look" complications, all policies should be delivered to the owner as promptly as possible and must be delivered within 30 days of receipt by you.

When you deliver a life policy, it is imperative to determine if there has been a change in the proposed insured's health, habits, occupation and other facts since the application/exam was taken before delivering the policy. If there has been a change, the policy cannot be delivered without reviewing the changes with Underwriting. Please have the applicant sign a statement as to the changes and submit this to your field office. Underwriting will decide whether the policy can be delivered or the underwriting evaluation must be reopened.

When you personally deliver the policy to the owner, both you and the owner should sign and date the policy receipt, and one copy of the duplicate receipt should be left with the owner. The other copy of the policy delivery receipt, amendments,, and NAIC illustration, if applicable, should be signed and returned to Penn Mutual's home office within 30 days of the issue date. If the policy is not accepted by the owner, please return it immediately to the home office for cancellation.

Large Case Program

Penn Mutual has developed the Large Case Unit, which is a special program for handling your large cases. Major components of the program include: expanded communication, priority handling, and a very competitive underwriting offer. Under terms of this program, a large case is defined as an application for:
$100,000 annual premium OR
$10,000,000 of face amount

Your Large case will receive special first-class treatment, which includes:

Special case handling, to include:

- priority processing by both the field office and home office
- priority attention to attending physician statements
- aggressive follow-up on all outstanding requirements
- priority policy issue
- express-mail service throughout the process

Underwriting review

We make maximum use of our underwriting expertise in getting your case the best possible offer.

Improved communication through your field manager

You are encouraged to consult with your general agent or regional director before a Large Case application is taken to discuss any medical or financial underwriting issues. If necessary, your field manager will involve underwriting management at that point. The underwriter will maintain close communication with your field manager at critical decision points.

PennMutual®



Our Noble Purpose

Since 1847, Penn Mutual has been driven by our noble purpose — to create a world of possibilities, one individual, one family and one small business at a time. As an original pioneer of mutual life insurance in America, we believe that purchasing life insurance is the most protective, responsible and rewarding action a person can take to build a solid foundation today and create a brighter future for generations to come.

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