

Junior Estate Builder - Sales Kit

Sale Kit Includes the following:

- Application
- Bank Draft Authorization Form
- State Required Sales Forms



Application for Junior Estate Builder

Check the plan applying for:

Plan 20305 — Face Amount \$15,000
Annual Premium \$35

Plan 20306 — Face Amount \$20,000
Annual Premium \$45

Kanawha Insurance Company
210 South White Street
Post Office Box 7777
Lancaster, South Carolina 29721-0610

Agent Number _____

Proposed Insured(s)*	Home Office Use Policy Number	State of Residence	Sex M/F	Age	Date of Birth	State of Birth	Height	Weight
①								
②								
③								

*Proposed Insured(s) referred to as you or your.

	①		②		③	
	Yes	No	Yes	No	Yes	No
1. Within the past 7 years has Proposed Insured:						
a. Been diagnosed or treated for heart disease or any abnormalities of the heart, diabetes, kidney disease, anemia, immunodeficiency disease or disorder by a member of the medical profession? _ _ _ _ _	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Had any health, mental or physical impairment or been excused from any physical activities at school because of medical reasons? _ _ _ _ _	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Within the past 3 years has Proposed Insured been confined in a hospital? _ _ _ _ _	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Is Automatic Premium Loan desired? _ _ _ _ _	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the policy applied for replace or change any policy in force with any company? _ _ _ _ _ Give company name, policy number, date of issue, and amount. Complete replacement form.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Give details of "Yes" answers to questions 1 and 2. Include names and addresses of physicians, medical practitioners, hospitals, and clinics.

Proposed Insured(s)	Date, Reason, Medications, Physicians, Medical Practitioners, Hospitals, and Clinics

Beneficiary	Relationship

Please complete front and back of this application.

The undersigned applicant and agent agree that the applicant has read, or had read to him/her, the completed application and that the applicant realizes that any false statements or misrepresentations in the application may result in the loss of coverage as stated in the Incontestability Provision of the policy. If your answers on this application are incorrect or untrue, Kanawha Insurance Company may have the right to deny benefits or to rescind your policy.

Authorization: I authorize Kanawha and its reinsurers to obtain information as to the diagnosis or treatment of my or my child's physical and/or mental condition and any other information needed to determine eligibility for insurance. Upon presentation of this authorization, or a photocopy of it, which is valid for 26 months from the date shown below, Kanawha or its reinsurers may obtain information or records thereof from any licensed physician, medical practitioner, clinic, hospital, or other medical or medically related facility, insurance company, employer, consumer reporting agency or the Medical Information Bureau, that has any records of me or my child for whom insurance application is made, or my health or my child's health, to give to Kanawha or its reinsurers any such information and to testify to such information, all to the extent permitted by law. I realize that I, or a representative on my behalf, have the right to receive a copy of this authorization.

Caution: Any person, who with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, may be subject to prosecution and punishment for insurance fraud.

I acknowledge that I have received a copy of the Notice to the Proposed Insured and the Medical Information Bureau Disclosure Notice which was attached to this application.

Dated at _____ Date _____
City/State

X _____
Signature of Owner Relationship to Proposed Insured Social Security Number of Owner

X _____
Printed Name of Owner

Address _____ County _____

City _____ State _____ Zip _____ Within City Limits Yes No

X _____ X _____
Signature(s) of any Proposed Insured(s) if age 15 or over Signature of Licensed Resident Producer

Agent's Certification

To the best of my knowledge, replacement is is not involved. I hereby certify that I have truly and accurately recorded on the application the information supplied by the applicant.

Signature of Licensed Resident Producer Printed Name of Licensed Resident Producer Producer's License # or Code

All premium checks **must** be made payable to **Kanawha Insurance Company**. **Do not** make check payable to the agent or leave the payee blank.

- Billing Instructions:** Bill all policies to Owner/Applicant
 Bill each policy separately as follows:

Proposed Insured ① _____

Proposed Insured ② _____

Proposed Insured ③ _____

REPLACEMENT NOTICE
REPLACING YOUR LIFE INSURANCE POLICY?

Are you thinking about purchasing a new policy and discontinuing or changing an existing policy? If you are, your decision could be a good one—or a mistake. You will not know for sure unless you make a careful comparison of your existing policy and the proposed policy.

Make sure you understand the facts. Georgia law gives you the right to obtain a policy summary statement from your existing insurer at any time. Ask the company or insurance producer that sold you your existing policy to give you information about it.

The reverse side contains a checklist of some of the items you should consider in making your decision. TAKE TIME TO READ IT.

Do you let one insurance producer or insurer prevent you from obtaining information from another insurance producer or insurer which may be to your advantage.

Hear both sides before you decide. This way you can be sure you are making a decision that is in your best interest.

If you wish a policy summary statement from your existing insurer or insurers, check this box.

We are required to notify your existing company that you may be replacing their policy.

Signature of Applicant Date

Printed Name of Applicant

Printed Address of Applicant Street or P. O. Box City State ZIP

Signature of Licensed Insurance Producer Date

Printed Name of Licensed Insurance Producer

Printed Address of Licensed Insurance Producer Street or P. O. Box City State ZIP

ORIGINAL TO APPLICANT; COPY TO REPLACING INSURER; COPY TO REPLACED INSURER

ITEMS TO CONSIDER

1. If the policy coverages are basically similar, premiums for the new policy may be higher because rates increase as your age increases.
2. Cash values and dividends, if any, may grow slower under a new policy initially because of the initial costs of issuing a policy.
3. Your present insurance company may be able to make a change on terms which may be more favorable than if you replace your existing insurance with new insurance.
4. If you borrow against an existing policy to pay premiums on a new policy, death benefits payable under your existing policy will be reduced by the amount of any unpaid loan, including unpaid interest.
5. Current interest rates are not guaranteed. Guaranteed interest rates are usually considerably lower than current rates. What rates are guaranteed?
6. Are premiums guaranteed or subject to change—up or down?
7. Participating policies pay dividends that may materially reduce the cost of insurance over the life of the contract. Dividends, however, are not guaranteed.
8. **CAUTION:** You are urged not to take action to terminate, assign or alter your existing life insurance coverage until after you have been issued the new policy, examined it and have found it to be acceptable to you.

AND REMEMBER. You have ten (10) days following receipt of any individual life insurance policy to examine its contents. If you are not satisfied with it for any reason, you have the right to return it to the insurer at its home office or to the insurance producer through whom it was purchased, for a full refund of premium.

Life Insurance Buyer's Guide



HUMANA[®]
Guidance when you need it most

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various insurance departments coordinate insurance laws for the benefit of all consumers.

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Important Things to Consider

- Review your own insurance needs and circumstances. Choose the kind of policy that has benefits that most closely fit your needs. Ask an insurance producer or company to help you.
- Be sure that you can handle premium payments. Can you afford the initial premium? If the premium increases later and you still need insurance, can you still afford it?
- Don't sign an insurance application until you review it carefully to be sure all the answers are complete and accurate.
- Don't buy life insurance unless you intend to stick with your plan. It may be very costly if you quit during the early years of the policy.
- Don't drop one policy and buy another without a thorough study of the new policy and the one you have now. Replacing your insurance may be costly.
- Read your policy carefully. Ask your insurance producer or company about anything that is not clear to you.
- Review your life insurance program with your insurance producer or company every few years to keep up with changes in your income and your needs.

Buying Life Insurance

When you buy life insurance, you want coverage that fits your needs.

First, decide how much you need – and for how long – and what you can afford to pay. Keep in mind the major reason you buy life insurance is to cover the financial effects of unexpected or untimely death. Life insurance also can be one of many ways you plan for the future.

Next, learn what kinds of policies will meet your needs and pick the one that best suits you.

Then, choose the combination of policy premium and benefits that emphasizes protection in case of early death, or benefits in case of long life, or a combination of both.

It makes good sense to ask a life insurance producer or company to help you. An insurance producer can help you review your insurance needs and give you information about the available policies. If one kind of policy doesn't seem to fit your needs, ask about others.

This guide provides only basic information. You can get more facts from a life insurance producer or company or from your public library.

What About the Policy You Have Now?

If you are thinking about dropping a life insurance policy, here are some things you should consider:

- If you decide to replace your policy, don't cancel your old policy until you have received the new one. You then have a minimum period to review your new policy and decide if it is what you wanted.
- It may be costly to replace a policy. Much of what you paid in the early years of the policy you have now, paid for the company's cost of selling and issuing the policy. You may pay this type of cost again if you buy a new policy.

- Ask your tax advisor if dropping your policy could affect your income taxes.
- If you are older or your health has changed, premiums for the new policy often will be higher. You will not be able to buy a new policy if you are not insurable.
- You may have valuable rights and benefits in the policy you now have that are not in the new one.
- If the policy you have now no longer meets your needs, you may not have to replace it. You might be able to change your policy or add to it to get the coverage or benefits you now want.
- At least in the beginning, a policy may pay no benefits for some causes of death covered in the policy you have now.

In all cases, if you are thinking of buying a new policy, check with the insurance producer or company that issued you the one you have now. When you bought your old policy, you may have seen an illustration of the benefits of your policy. Before replacing your policy, ask your insurance producer or company for an updated illustration. Check to see how the policy has performed and what you might expect in the future, based on the amounts the company is paying now.

How Much Do You Need?

Here are some questions to ask yourself:

- How much of the family income do I provide? If I were to die early, how would my survivors, especially my children, get by? Does anyone else depend on me financially, such as a parent, grandparent, brother or sister?
- Do I have children for whom I'd like to set aside money to finish their education in the event of my death?
- How will my family pay final expenses and repay debts after my death?
- Do I have family members or organizations to whom I would like to leave money?
- Will there be estate taxes to pay after my death?
- How will inflation affect future needs?

As you figure out what you have to meet these needs, count the life insurance you have now, including any group insurance where you work or veteran's insurance. Don't forget Social Security and pension plan survivor's benefits. Add other assets you have: savings, investments, real estate, and personal property. Which assets would your family sell or cash in to pay expenses after your death?

What Is the Right Kind of Life Insurance?

All policies are not the same. Some give coverage for your lifetime and others cover you for a specific number of years. Some build up cash values and others do not. Some policies combine different kinds of insurance, and others let you change from one kind of insurance to another. Some policies may offer other benefits while you are still living. Your choice should be based on your needs and what you can afford.

There are two basic types of life insurance: term insurance and cash value insurance. Term insurance generally has lower premiums in the early years, but does not build up cash values that you can use in the future. You may combine cash value life insurance with term insurance for the period of your greatest need for life insurance to replace income.

Term Insurance covers you for a term of one or more years. It pays a death benefit only if you die in that term. Term insurance generally offers the largest insurance protection for your premium dollar. It generally does not build up cash value.

You can renew most term insurance policies for one or more terms even if your health has changed. Each time you renew the policy for a new term, premiums may be higher. Ask what the premiums will be if you continue to renew the policy. Also, ask if you will lose the right to renew the policy at some age. For a higher premium, some companies will give you the right to keep the policy in force for a guaranteed period at the same price each year. At the end of that time, you may need to pass a physical examination to continue coverage, and premiums may increase.

You may be able to trade many term insurance policies for a cash value policy during a conversion period – even if you are not in good health. Premiums for the new policy will be higher than you have been paying for the term insurance.

Cash Value Life Insurance is a type of insurance where the premiums charged are higher at the beginning than they would be for the same amount of term insurance. The part of the premium that is not used for the cost of insurance is invested by the company and builds up a cash value that may be used in a variety of ways. You may borrow against a policy's cash value by taking a policy loan. If you don't pay back the loan and the interest on it, the amount you owe will be subtracted from the benefits when you die, or from the cash value if you stop paying premiums and take out the remaining cash value. You also can use your cash value to keep insurance protection for a limited time or to buy a reduced amount without having to pay more premiums. You also can use the cash value to increase your income retirement or to help pay for needs such as a child's tuition without canceling the policy. However, to build up this cash value, you must pay higher premiums in the earlier years of the policy. Cash value life insurance may be one of several types; whole life, universal life, and variable life are all types of cash value insurance.

Whole Life Insurance covers you for as long as you live if your premiums are paid. You generally pay the same amount in premiums for as long as you live. When you first take out the policy, premiums can be several times higher than you would pay initially for the same amount of term insurance. But they are smaller than the premiums you would eventually pay if you were to keep renewing a term policy until your later years.

Some whole life policies let you pay premiums for a shorter period such as 20 years, or until age 65. Premiums for these policies are higher since the premium payments are made during a shorter period.

Universal Life Insurance is a kind of flexible policy that lets you vary your premium payments. You can also adjust the face amount of your coverage. Increases may require proof that you qualify for the new death benefit. The premiums you pay (less expense charges) go into a policy account that earns interest. Charges are deducted from the account. If your yearly premium payment plus the interest your account earns is less than the charges, your account value will become lower. If it keeps dropping, eventually your coverage will end. To prevent that, you may need to start making premium payments, or increase your premium payment, or lower your death benefits. Even if there is enough in your account to pay the premiums, continuing to pay premiums yourself means that you build up more cash value.

Variable Life Insurance is a kind of insurance where the death benefit and cash values depend on the investment performance of one or more separate accounts, which may be invested in mutual funds or other investments allowed under the policy. Be sure to get the prospectus from the company when buying this kind of policy and study it carefully. You will have higher death benefits and cash value if the underlying investments do well. Your benefits and cash value will be lower or may disappear if the investments you chose didn't do as well as you expected. You may pay an extra premium for a guaranteed death benefit.

Life Insurance Illustrations

You may be thinking of buying a policy where cash values, death benefits, dividends or premiums may vary based on events or situations the company does not guarantee (such as interest rates). If so, you may get an illustration from the insurance producer or company that helps explain how the policy works. The illustration will show how the benefits that are not guaranteed will change as interest rates and other factors change. The illustration will show you what the company guarantees. It will also show you what could happen in the future. You should be ready to adjust your financial plans if the cash value doesn't increase as quickly as shown in the illustration. You will be asked to sign a statement that says you understand that some of the numbers in the illustration are not guaranteed.

Finding a Good Value in Life Insurance

After you have decided which kind of life insurance is best for you, compare similar policies from different companies to find which one is likely to give you the best value for your money. A simple comparison of the premiums is not enough. There are other things to consider. For example:

- Do premiums or benefits vary from year to year?
- How much do the benefits build up in the policy?
- What part of the premiums or benefits is not guaranteed?
- What is the effect of interest on money paid and received at different times on the policy?

Remember that no one company offers the lowest cost at all ages for all kinds and amounts of insurance. You also should consider other factors:

- How quickly does the cash value grow? Some policies have low cash values in the early years that build quickly later on. Other policies have a more level cash value buildup. A year-by-year display of values and benefits can be helpful. (The producer or company will give you a policy summary or an illustration that will show benefits and premiums for selected years.)
- Are there special policy features that particularly suit your needs?
- How are nonguaranteed values calculated? For example, interest rates are important in determining policy returns. In some companies increases reflect the average interest earnings on all of that company's policies regardless of when issued. In others, the return for policies issued in a recent year, or a group of years, reflects the interest earnings on that group of policies; in this case, amount paid are likely to change more rapidly when interest rates change.

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