

AMERICAN-AMICABLE LIFE INSURANCE COMPANY OF TEXAS
OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
PIONEER AMERICAN INSURANCE COMPANY
PIONEER SECURITY LIFE INSURANCE COMPANY

ALL CHANGES OUTLINED BELOW
ARE APPLICABLE TO THE FINAL
EXPENSE PLANS
(UNLESS OTHERWISE NOTED)

- We now have a “no cost” confined care benefit provided on **all** final expense policies. This benefit provides a **fixed monthly payment** equal to 5% of the policy face amount if your client is confined to a Nursing Home.
- Check out our **Great Grandchild rider!!!** It works just like the Grandchild rider and provides **\$5,000 coverage on each great grandchild** issued ages 180 days to 15 years old with coverage through age 20. Plus, it is **convertible up to \$25,000 without evidence of insurability!!** All this for only **\$12.00 per year per great grandchild!!** And don't forget that it provides **paid up life insurance coverage** (on immediate and graded plans only) in the event of the primary insured's death.) *Great Grandchild rider is not available on the age 0-44 plan.*
- And don't forget about the **Children's Insurance Agreement (CIA)**, our very popular Children's rider! This rider provides **\$3000 per unit of level term insurance on each child (max 3 units/\$9000 on 0-44 plan, and max 2 units/\$6000 on 45-85 plan)** and is issued on children ages 15 days to 18 years old. *All children in the family are covered for one low premium!!* Plus the coverage is good through each child's age 25 and is **convertible up to \$45,000 on 0-44 plan, and \$30,000 on 45-85 plan without evidence of insurability.** All this for the low cost of only **\$8.50 annually per unit.**
- And last but certainly not least!!! Did you know that we do not consider the **“occasional cigar and pipe smoker”** as a tobacco risk? That's right!! Individuals that only occasionally smoke cigars or use a tobacco pipe are now considered non tobacco!!!

On behalf of all the staff at the Home Office we want to say **“THANK YOU”** for your final expense business. Last year was a record breaking year for issued and paid new business, and **final expense sales** represented the **largest percentage of new business!**

We want all of you to know that the Company is committed to the final expense market for the future. We feel that we have the best overall final expense package in the industry!! In recent months we have **“enhanced”** our current final expense portfolio.

Check it out! (shown left)

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Did you know??

We are **updating our current final expense application (form #9466)** to make it more Agent friendly. Once approved, our **revised final expense application** will:

- Allow you to add the children's rider on the final expense application (so you will no longer have to use a separate application)!!
- Include a section to add both grandchildren and great grandchildren for rider coverage!!
- Liberalize question 8 so that maintenance medications for stroke and heart attack are acceptable for immediate death benefit coverage!!

We are filing the new application and once your state has approved it, you can start using it immediately!!!

As part of our long term commitment to the final expense market, we also want to update you on two important underwriting issues.

Prescription Checks- The company began using a national database, as most other final expense companies have done, to automatically check for prescription medications (a process that we refer to as "prescription check") on all final expense applicants mid year 2007. This automated process allows the underwriters to quickly validate final expense applications against the prescription drug history.

We want to be sure that everyone is aware of the "prescription check" process so that we can work together in further streamlining the final expense underwriting process. It is important that both the Agent and Applicant realize that the prescription history will be accessed once the application reaches the Home Office.

The ultimate objective that we all have is to avoid underwriting delays resulting from inconsistencies between the health information on the application and the prescription drug information obtained from the data base. In many cases these discrepancies between the application medical history and the prescription history can only be resolved by obtaining medical records, a process that everyone wants to avoid!!

The company is currently considering further refinements of the underwriting process to help minimize these delays, and is committed to lowering the percentage of final expense applications that require medical records. Remember that the most effective method of avoiding underwriting delays is to make sure that the application health information is accurate and consistent with the prescription drug history.

It is important to note that 88% of all final expense applications received are issued as the immediate plan of insurance and processed within an average of 3 business days!!! The company is committed to handling new business promptly and efficiently and will continue to look for ways to improve our service to you.

Applications for ROP- The company no longer requires that all application health questions be answered when applying for the Return of Premium plan. When applying for ROP, you should complete the first three questions in the first section of the application AND the question or questions that will be answered "Yes" in the ROP section (questions 4 through 7). The remaining questions do not have to be completed.

In conjunction with this procedure, the company has provided EMSI with a shortened script for the telephone interview on ROP applications. The interviewer will only ask the first three questions for the ROP interview. However, it is essential that the agent specify that the ROP interview is desired.

Please refer any questions to your Manager or our Agent Hotline (800) 736-7311 Prompts 1,1,2

And once again, thanks for your business!!!