



**Gerber Life
Insurance**

Agent Compliance Manual

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TABLE OF CONTENTS

WHY IS COMPLIANCE IMPORTANT?	3
ANTITRUST AND COMPETITION LAWS	3
INSURANCE FRAUD	3
ANTI-MONEY LAUNDERING.....	4
OBTAINING PROPER LICENSING AND APPOINTMENTS.....	5
ADVERTISING AND SALES MATERIALS	6
SOCIAL MEDIA POLICY.....	7
PROVIDING FULL DISCLOSURE.....	8
REPLACEMENTS.....	9
UNFAIR AND DECEPTIVE ACTS.....	10
CONFIDENTIAL COMPANY AND CLIENT INFORMATION.....	10
CUSTOMER FUNDS/PREMIUM HANDLING	11
CONDITIONAL RECEIPT/RECEIPT	12
PAYMENT CARD INDUSTRY – DATA SECURITY STANDARDS (PCI-DSS)	12
POLICY DELIVERY.....	12
KEEPING YOUR AGENT COMMISSION ACCOUNT IN GOOD STANDING	13
QUALITY ASSURANCE	13
DOCUMENT RETENTION.....	13
DO NOT CALL AND TELEMARKETING COMPLIANCE.....	14
COMPLAINTS.....	15
CLAIMS INVOLVEMENT	15
CERTIFICATIONS AND DESIGNATIONS	15
POWER OF ATTORNEY & GUARDIANSHIP.....	16
BREACH.....	16
SUBJECT TO CHANGE.....	16
DOMESTIC VIOLENCE AND ABUSE POLICY	16
FINANCIAL EXPLOITATION OF ELDERLY, DISABLED OR VULNERABLE ADULTS.....	17
CALIFORNIA SALES TO SENIORS (FACE TO FACE IN CUSTOMER’S HOME).....	16
NEW YORK SPECIFIC REGULATIONS.....	20
AGENT REQUIREMENTS IN PUERTO RICO.....	21
NOTICE PROVISION	22
COMPLIANCE POLICY STATEMENT OF UNDERSTANDING	23
APPENDIX A: CONFIDENTIAL COMMUNICATION REQUEST FORM	24
APPENDIX B: SUSPECTED FINANCIAL EXPLOTATION REFERRAL FORM.....	25
APPENDIX C: CALIFORNIA SALES DISCLOSURE TO SENIOR FORM	26

GERBER LIFE'S COMPLIANCE COMMITMENT

Gerber Life Insurance Company (hereinafter "Gerber Life" and/or "GLIC") is committed to fair and ethical sales practices for all its customers. Gerber Life is also committed to complying with applicable laws and regulations, as well as creating and implementing policies and procedures to reasonably establish compliance. Agents appointed by Gerber Life are expected to uphold these principles and follow the guidelines as set forth in this manual, as well as other agent communications from Gerber Life. A breach of these guidelines by an agent can result in disciplinary action up to and including termination of contract and appointment with Gerber Life.

WHY IS COMPLIANCE IMPORTANT?

To put it simply, Gerber Life expects that our agents will do the right thing. This means serving the client ethically and honestly, presenting products accurately, and following our rules as well as federal and state legal and regulatory requirements.

It is critically important for all agents to become familiar with federal and state regulations as well as Gerber Life's compliance requirements.

ANTITRUST AND COMPETITION LAWS

Antitrust and competition laws are designed to protect consumers by enforcing fair competition in the marketplace. To encourage competition, prices must be set honestly, independently, and without agreements between competitors that are not permitted by law.

In conducting company business, all agents must engage in fair competition. In particular, agents must only provide information that is factually accurate and must avoid withholding information that is clearly relevant to the client's decision to buy an insurance product.

INSURANCE FRAUD

Fraud occurs when someone misrepresents information or deceives someone in order to obtain a monetary benefit to which he or she is not entitled. It is critical that agents know their customers and their objectives, including verifying identity (i.e. driver's license, passport, state identification).

Gerber Life investigates all reports of suspected fraud. An agent must not, under any circumstances, attempt to resolve a report of suspected fraud on his/her own, but instead report any suspected fraud to Gerber Life.

Fraud can be committed in a number of ways and by a number of different people, including consumers, agents, employees, providers or other third parties. Everyone must do his or her part to prevent fraud and report any suspected fraudulent behavior to Gerber Life at:

USNINGlic-QACompliance@gerberlife.com

Examples of Fraud may include, but are not limited to:

- Theft or misdirection of Gerber Life or customer funds.
- Falsification or the intentional omission of information on a policy application or claim form.
- Deception of customers (e.g., about the benefits of, or premiums for Gerber Life's products).

ANTI-MONEY LAUNDERING

The USA PATRIOT Act was enacted to combat the financing of terrorism through the detection and prevention of money-laundering activities. Under the USA PATRIOT Act, financial institutions, including insurance companies, are required to implement and maintain anti-money laundering (AML) policies and procedures. Sections of 31 CFR 1025 of the Federal Register, and guidance on those sections that applies to insurers, provides additional confirmation of the requirement for AML training of appropriate employees, as well as of insurance agents and insurance brokers.

Definition: Money laundering involves taking criminal proceeds and disguising their illegal source in anticipation of ultimately using the criminal proceeds to perform legal and illegal activities. Simply put, money laundering is the process of making dirty money look clean. (Association of Certified Anti - Money Laundering Specialists)

AML laws prohibit both active and passive participation in money laundering schemes. Therefore, it is critical that agents know their customers and their objectives, including verifying identity. Agents that participate passively or actively in a money-laundering scheme may be fined, face criminal charges and regulatory penalties, as well as be subject to termination of contract and appointment by Gerber Life.

During the appointment process, an agent will be required to submit confirmation that he/she has successfully completed AML training during the past 24 months through the LIMRA program or another GLIC approved AML training program. If the prospective appointee completed an AML training course from another source, other than LIMRA, a certification must be submitted as to the content of that course, along with the application for appointment. All newly appointed agents for Gerber Life must receive anti-money laundering training prior to writing business and every 2 years thereafter. Training can be taken through LIMRA's Anti-Money Laundering Training at https://aml.limra.com/nailba_default.html.

Gerber Life is committed to detecting and preventing money laundering in connection with our business. It is important that everyone is aware of money laundering "red flags" and that our agents report any potential money laundering activities.

Some suspicious activities which indicate that a transaction may not reflect a legitimate business purpose include, but are not limited to:

- Purchases beyond a customer's apparent means
- Payment for contracts with a third-party check
- Payments made by checks or money orders from multiple bank accounts
- Lump sum payments with foreign currency or foreign wire transfer
- Purchases where the source of funds is unclear
- A customer who shows no concern for a product's performance, but much concern for the surrender or early cancellation of the contract

- Requesting cash loans from a single premium policy shortly after purchase
- Early cancellation of a single premium policy

Report suspected or verified money-laundering activities to Gerber Life at:

USNINGlic-QACompliance@gerberlife.com

OBTAINING PROPER LICENSING AND APPOINTMENTS

It is the agent's responsibility to secure and keep in effect any licenses, registrations, and designations required to represent Gerber Life. Since each state has its own licensing requirements, the agent must abide by the statutes and regulations in each state where they are licensed and appointed to do business. State laws require, at a minimum, all agents to be licensed, according to appropriate lines of authority in the state where the solicitation, sale, or negotiation of insurance products takes place. In addition to proper licensing and appointment, Gerber Life also requires that all agents have a signed contract with Gerber Life in order to sell our products.

Activities that require a license include, but are not limited to:

- Recommending a particular type of insurance policy;
- Collecting premium in any manner, in connection with a sale;
- Explaining coverages and benefits to prospects in a sales context;
- Quoting rates in connection with a sale;
- Taking an application for insurance;
- Selling insurance; and
- Conferring directly with or offering advice to a prospect regarding a particular policy, its benefits, terms, or conditions.

ADVERTISING AND SALES MATERIALS

Gerber Life is committed to ensuring that all advertising and sales materials used to promote or sell our products meet the criteria required by statute, regulation, and the Company's standards. Gerber Life is also committed to protecting its assets, which include service marks, trademarks, trade secrets and copyrights.

Compliance with Gerber Life's guidelines requires that all agents request Company review and APPROVAL BEFORE USE OF any advertising and sales materials that refer to Gerber Life or its products, or are used to sell Gerber Life products.

This includes, but is not limited to, any use of the following:

- Agent created websites and advertising materials
- Gerber Life's logo or Company information
- Product training materials
- Product/plan rates
- Print ads
- Brochures
- Sales emails
- Sales scripts
- Use of Rate Cards on Gerber Life products with Third Party Vendors
- Postings and comments on Social Media Accounts (e.g., Facebook, Twitter, LinkedIn and URLs) that make reference to or could be associated with Gerber Life

Advertising provided by Gerber Life has already been approved by the Company. Any change or modification to advertising materials supplied by Gerber Life must also be reviewed and APPROVED by Gerber Life BEFORE USE.

Note: Maintenance of third party websites is not Gerber Life's responsibility; it is the responsibility of the third party. An Agent website should not create any ambiguity or confusion with its or any third party's affiliation with Gerber Life or any Gerber Life website. For example:

- Third party/Agency websites should not be made to look as if it is a Gerber Life website. Websites should contain the name, logo (if any), and address of the Agency or third party that owns the website.
- The website should identify itself by providing the third party/Agency contact information, including an email address and preferably a toll-free number, for consumer/customer contact.
- Third party/agent websites **should not have** a registered URL with Gerber Life in the URL.
- Third parties/agents may not use Gerber Life registered trademarks or logos on their websites without prior permission (e.g., "We're with you every step of the way®").
- Third party/Agency websites should not contain links to Gerber Life's social media pages, such as Facebook or Twitter.
- Third party/Agency websites should not link to Gerber Life's websites for a Privacy Policy or Terms and Conditions. Third party websites should have their own Privacy Policy and Terms of Conditions.
- It is the responsibility of third party/Agency websites to ensure non-public personal financial information including, but not limited to, financial information ("NPI"), personal health information ("Protected Health Information" or "PHI"), and other confidential information is securely transferred, protected, and maintained.

All requests for review and **APPROVAL BEFORE USE** of advertising and sales materials should be sent to gerberlifeagencyales@gerberlife.com

Gerber Life's Definition of Advertising, based on state law:

"Advertisement" means material designed to create agent or public interest in insurance or annuities, or in an insurer or in an insurance agent; or to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace or retain a policy including:

- (a) Printed and published material, audiovisual material, and descriptive literature of an insurer or insurance agent used in direct mail, newspapers, magazines, radio and television scripts, billboards and similar displays, and the internet or any other mass communication media;
- (b) Descriptive literature and sales aids of all kinds, authored by the insurer, its insurance agents or third parties, issued, distributed or used by the insurer or insurance agent ; including but not limited to: all electronic communications, such as web chat, e-mail, social media, text messages, web pages; circulars, leaflets, booklets, depictions, illustrations and form letters;
- (c) Material used for the recruitment, training and education of an insurer's insurance agents which is designed to be used or is used to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace or retain a policy; and
- (d) Prepared sales talks, presentations and materials for use by insurance agents.

"Advertisement" shall not include:

- (a) Communications or materials used within an insurer's own organization and not intended for dissemination to the public;
- (b) Communications with policyholders, other than communications/material urging policyholders to purchase, increase, modify, reinstate or retain a policy; and
- (c) A general announcement from a group or blanket policyholder to eligible individuals on an employment or membership list that a policy or program has been written or arranged for that group or blanket policyholder, provided the announcement clearly indicates that it is preliminary to the issuance of a booklet explaining the proposed coverage.

SOCIAL MEDIA POLICY

Only officially, designated employees can use social media to speak on behalf of Gerber Life in an official capacity. Independent agents and agency staff are not authorized to speak or post on behalf of Gerber Life.

Posts on social media platforms reflecting on the Gerber or Gerber Life brand should demonstrate integrity, professionalism and standards of privacy.

Content such as racial, ethnic, sexual, religious, and physical disability slurs, threats, personal insults, libelous statements, obscenities, and other objectionable, inflammatory and unacceptable workplace conduct are not tolerated on any social media platform that may reflect on or be associated with the Gerber or Gerber Life brand.

Agents and agency staff are neither allowed to disclose client or consumer information that is financial, operational and legal in nature, nor any other information that pertains to clients and customers. The use of client names or other confidential or personally identifiable information is to be excluded from social media posts.

Agents and agency staff are not allowed to disclose Gerber Life financial information, sales trends, marketing and sales strategies, forecasts, promotional activities or other proprietary information on social media.

Agents and agency staff are not allowed to respond to any negative comments posted on social media platforms if those comments may or do reflect on the Gerber or Gerber Life brand. Any negative comments received or posted should be referred to Gerber Life for handling at usninglic-gctdigital@internal.gerberlife.com as soon as possible. Gerber Life authorized staff will then address the incident as deemed appropriate by the Company.

PROVIDING FULL DISCLOSURE

An agent appointed with Gerber Life is required to fully disclose, both to the consumer and to the Company, all information that may affect any coverage. Full disclosure also means disclosing that the agent is acting as an insurance agent on behalf of Gerber Life and clearly identifying that the products being offered are insurance products, including the benefits and limitations of the products (e.g. graded death benefit). It is critical that the agent ensures that the consumer understands the product(s) they are purchasing, including having the mental capacity and understanding the English language, before completing the transaction. Any question should be addressed to Gerber Life's Agency Department.

Gerber Life reserves the right to decline applications where the proposed owner or insured does not have the legal capacity to enter into a contract, does not understand the English language, or is not a United State citizen or permanent legal resident.

In addition, a number of states have enacted specific laws and impose strict guidelines on the use of "senior-specific" certifications or professional designations that may mislead a consumer.

It is the position of Gerber Life that no agent may use "senior-specific" certifications or professional designations in connection with the sale of Gerber Life's products without prior approval from Gerber Life. The terms "financial planner," "investment advisor," "financial consultant," "financial analyst," "financial counselor," or other similar terms may also not be used in connection with the sale of Gerber Life's insurance products where there is no recognized designation to support it or such term is used to imply that the agent's sales activity or compensation is unrelated to insurance sales or that the agent receives fee-for-service compensation. However, this will not preclude an agent who holds a formally

recognized financial planning or consultant designation from using his/her designation appropriately when selling insurance.

REPLACEMENTS

In certain circumstances, Gerber Life accepts applications for life insurance that involve replacements. Agents must make themselves aware of these circumstances before accepting an application that indicates it is a replacement.

Depending on circumstances, a replacement may or may not be in the best interest of a client. The agent is responsible for providing the client with all of the necessary facts to determine if the replacement is in the client's best interest. A replacement may be in the client's best interest if:

- The benefit amount can be increased for the same or similar premium;
- The contract can remain in force longer for the same or similar premium;
- The accumulation value will increase for the same or similar premium; and
- The customer can purchase the same benefits for a lower premium.

Comparisons between an existing product and a proposed product must accurately and fairly describe the contract's provisions and values. Agents should discuss the advantages and disadvantages of any potential replacement with their client. The following points should be addressed, as applicable:

- Any required evidence of insurability;
- The contestability and suicide provisions of each contract;
- The loan provisions and loan interest rate of each contract;
- Any surrender charges and/or expense fees associated with each contract;
- The premium requirements of the proposed contract;
- The present and future values of each contract; and
- The potential tax treatment of the replacement, such as whether the replacement can qualify as an Internal Revenue Code Section 1035 non-taxable exchange.

The definition of replacement goes beyond the surrender of one contract and subsequent purchase of another contract. All agents should be aware of all transactions that could be considered a replacement. For example, the following circumstances should be examined carefully:

- A replacement may occur when the existing contract has been or will be lapsed, forfeited, surrendered, or otherwise terminated in the near future;
- The law does not provide any specific time frame as to when an existing policy is lapsed or surrendered to put a new policy into a replacement situation; therefore, you are encouraged to ask the applicant whether he/she might have had any life insurance that was allowed to lapse or that was surrendered or will be allowed to lapse or be surrendered because of the applied for policy. If the answer is yes, then a replacement has occurred or will occur;
- An existing policy that is converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced in value by the use of non-forfeiture benefits;
- A policy that is pledged as collateral or subjected to borrowing where the aggregate loan exceeds a state-specified percentage of the loan value of the existing contract; and
- A policy that is modified by reducing or eliminating ancillary benefits, such as waiver of premium or accidental death benefits.

An internal replacement occurs when an existing contract is exchanged for a new contract from the same insurer. Gerber Life does not permit internal replacements. An external replacement occurs when a contract is replaced by another insurer. When a replacement is under consideration, be certain to use state required disclosure forms and submit all required related documents along with the application.

Note: Agents are not permitted to complete internal replacements (replacing an existing Gerber Life Insurance Policy with a different Gerber Life Insurance Policy).

UNFAIR AND DECEPTIVE ACTS

The following are considered unfair methods of competition and unfair and deceptive acts or practices in the business of insurance and are not permitted by Gerber Life.

- **Twisting:** Knowingly inducing a policy owner to replace an existing insurance policy with another by using misrepresentations, false information, or incomplete comparisons of the advantages and disadvantages of the two policies.
- **Churning:** Taking or using policy values in an existing life insurance policy or annuity contract to purchase another insurance policy or annuity contract with that same insurer for the purpose of earning additional fees, commissions, or other compensation.
- **Sliding:** Selling additional coverage that is not known or agreed to by including it in a combined policy package. The insured is unaware of the additional cost since the extra charges are hidden in the total premium of the combined policy package.
- **Cold-Lead Advertising:** Failing to disclose, in a conspicuous manner, the purpose of an ad is to market insurance products.
- **Coercion or High Pressure Sale Tactics:** Applying a mental, emotional or physical force, or threats to persuade someone to purchase insurance.
- **Unfair Comparisons:** Providing any untrue, unsubstantiated, or unfair arguments about the benefits and limitations of insurance products. All comparisons should be balanced. If rates are discussed, benefits should also be discussed. Any restrictions and limitations should also be disclosed.
- **Disparagement:** Making unfair, unsubstantiated or malicious statements about a competitor, their products, representatives, or sales methods.

CONFIDENTIAL COMPANY AND CLIENT INFORMATION

Gerber Life, its associates and agents, almost always handle and use confidential information. Confidential information includes all non-public personal and health information (NPPI) that might be harmful to Gerber Life, its customers, its employees, its agents, or be of use to competitors, if improperly accessed, used, or disclosed. Gerber Life will not use confidential information that was improperly obtained by its agents.

It is important that everyone does their part to safeguard confidential information. All confidential information is sensitive, but certain types of information require special care in handling, including NPI, PHI, and financial information. Confidential information must be secured, not be left unattended, not discussed in public, and always transmitted using a secure method.



Examples of non-public personally identifiable information include:

- An individual's social security number
- An individual's e-mail address
- An individual's bank account number
- First and last name when used in conjunction with any of the above

Examples of protected health information include:

- Information about an individual's health condition
- Information about an individual's health care
- Information about an individual's health insurance and payments
- Information about an individual's health claims

Examples of proprietary information include:

- Pricing information
- Customer lists

If an agent electronically stores confidential information, this information must be protected as required by law. At a minimum, confidential information should be password-protected, and encryption and firewalls should be used as appropriate.

CUSTOMER FUNDS/PREMIUM HANDLING

The agent is responsible for promptly submitting premiums to Gerber Life. Gerber Life prohibits agents from accepting cash payments from consumers and also prohibits commingling of funds. An agent must not pay premiums for a customer out of any of his/her own business or personal account. Any premium collected must be kept, in a fiduciary manner, separate from the agent's own accounts, and it must be submitted to Gerber Life as soon as possible. All checks from a consumer or prospective customer received by the agent must be made payable to "Gerber Life Insurance Company."

Agents are not authorized to accept checks made payable to the agent, "cash" or "bearer" and are prohibited from accepting two-party checks. If a money order is remitted, the customer must obtain the money order on his/her own. In the event a customer tenders an unacceptable form of payment, the agent must explain what forms of payment are acceptable and return the unacceptable payment as soon as possible.

CONDITIONAL RECEIPT/RECEIPT

If a premium is paid by check or money order at the time of application, a Conditional Receipt (form CRUW-2011 for underwritten products) or a Receipt (form CRGI-2011 for guaranteed-issue products) must be provided to the customer. A Conditional Receipt or Receipt is given to policy owners when they pay a premium at time of application. Such receipts bind the insurance Company if the risk is approved as applied for, subject to any other conditions specified on the receipt. The Conditional Receipt or Receipt is not required for authorizations of payment by automated clearing house (ACH) or credit card payments, except as noted below for Kansas.

In Kansas, a Conditional Receipt or Temporary Insurance Receipt must be provided upon receipt of any checks, money orders or authorizations for payment by ACH or credit card. The Temporary Insurance Receipt shall only be used in the State of Kansas, during a face-to-face transaction when an application is taken and the Agent receives the initial premium payment by check, money order, or authorization for an automatic premium payment.

The Conditional Receipt and Temporary Insurance Receipt forms can be found on the agent portal.

PAYMENT CARD INDUSTRY – DATA SECURITY STANDARDS (PCI-DSS)

In order to comply with regulations relating to the Payment Card Industry, (PCI), Gerber Life strongly urges all agents and authorized third parties and their staffs, when handling credit card or banking information, to:

Use Gerber Life's Agency Portal at <https://gerberlifeagency.com> to submit that data in conjunction with life insurance applications; and

- If credit card or bank account information is written on paper, securely destroy such account information, immediately after submission; and
- If credit card, bank information or NPPI are stored electronically, safeguard as described above.

To learn more about PCI compliance, review the PCI Security Standards Council website, on the web at: www.pcisecuritystandards.org.

POLICY DELIVERY

Policies must be delivered in a timely fashion to clients. Gerber Life delivers most policies directly to the policy owner. If an agent delivers the policy, after receipt from Gerber Life, the agent is required to complete and submit a Policy Delivery Receipt (PDR) to Gerber Life. If a consumer/customer does not accept the policy as issued, the agent must return the original policy to Gerber Life as soon as possible.

The following steps are required to be followed when the agent delivers the policy to the policy owner (including when policies are mailed directly to the agency/up-line for delivery by the agent):

- PDR must be completed in the presence of the policy owner;
- PDR must be signed and dated by the writing agent and policy owner;
- PDR must be returned within 10 business days after delivery of the policy; and
- PDR must be mailed or faxed to Gerber Life at:

Gerber Life Insurance Company
Attn: Policy Administration
445 State Street, Fremont, Michigan 49413
Fax: 1-877-608-4634; (This fax is for restricted use, as indicated)

Note: Commissions are not paid until the first premium has been applied to the policy and the signed PDR has been received.

KEEPING YOUR AGENT COMMISSION ACCOUNT IN GOOD STANDING

Gerber Life may set reasonable sales goals and expectations on a cross-field or agent basis. If the agent is unable or unwilling to meet goals or expectations, including total lack of production for eighteen (18) months, the agent's appointment with Gerber Life may be terminated.

Gerber Life may withhold compensation otherwise owed to an agent to offset any previously paid unearned commissions not repaid to Gerber Life in accordance with the Agent Agreement. Any unearned commissions that remain unpaid may also accrue interest at the legal rate. Any outstanding debt balance may be reported to Vector One® and Gerber Life reserves all rights to seek repayment of an agent's debit balance, including pursuing repayment internally or using a collection agency. Please note, the agent will be responsible for all reasonable expenses and attorneys' fees incurred by Gerber Life to collect any outstanding debit balance.

QUALITY ASSURANCE

Gerber Life reserves the right to implement any quality assurance, monitoring and control processes that it determines to be reasonably necessary. Those processes may include, but are not limited to:

- Internet searches to find websites using Gerber Life product information, logos or other protected material without permission;
- Social Media searches to confirm that appointed agents are following the guidelines set out by Gerber Life;
- Trending and analysis of complaints, replacements and lapses;
- Written warnings in agent files, and agent terminations, including terminations for cause, as appropriate; and
- Review of recorded calls to ensure compliance with required disclosures and language.

DOCUMENT RETENTION

State laws require that agents maintain records of all transactions under their license at their place of business. Gerber Life's experience indicates that an agent's records is the best source for establishing that care and professionalism have been exercised when dealing with each client. Carefully maintained

files also help provide protection against inappropriate or wrongful complaints or legal claims in the future.

The appropriate time to build such documentary files is when a transaction is in process. It can be difficult or impossible to reconstruct the proper file months or years later when questions or issues might arise. State regulations vary regarding the amount of time that client files must be maintained. However, a general guideline is to maintain all active client files and all non-active files for seven years after the policy ceases to be in force.

Agents should familiarize themselves with the specific requirements of each jurisdiction in which the agent is licensed. In maintaining these records, agents must keep all information and documentation, as required by law, and have it available for inspection by Gerber Life upon request.

After the established retention period, files can and should generally be disposed of, securely, unless there is anticipated or ongoing litigation involving the client.

DO NOT CALL AND TELEMARKETING COMPLIANCE

Federal and state telemarketing laws prohibit telephone calls to consumers who have placed their telephone numbers on a federal, state or internal “Do Not Call” list, except for certain exempt “existing business relationships.” The prohibition also applies to unsolicited calls (e.g., “cold calls”) to set up appointments or generate leads. The penalties for noncompliance can be significant. Under the federal Telemarketing Sales Rule (TSR) and the Telephone Consumer Protection Act (TCPA), violators can incur significant fines per violation (per call). States may impose separate and similar penalties.

The telemarketing activities of agents may require compliance with telemarketing rules such as federal/state registrations, prior consent, holiday and calling time restrictions, caller ID display, and use of automated dialing technology, among other requirements. Telemarketing rules also address calls to reassigned phone numbers, call consent revocation, and liability for texting, among other topics. More information on these restrictions can be found at

https://www.ftc.gov/system/files/documents/federal_register_notices/2015/12/151214tsr_fnr.pdf and <https://www.fcc.gov/sites/default/files/tcpa-rules.pdf>

Other than calls dialed manually by individual agents, before initiating sales calls, prerecorded messages or texts, using a technology that may be construed to be an automatic dialing system, for the purpose of encouraging the purchase of any Gerber Life products (exclusively or where several insurer’s products are being offered), agents must have Gerber Life’s authorization to telemarket and must comply with Gerber Life’s Telemarketing Compliance Vendor Monitoring Program. Such Program may include additional requirements for training, reporting, document retention and script review.

It is the agent’s responsibility to comply with Do Not Call and telemarketing, TSR and TCPA laws. If, however, a Do Not Call related request or complaint is received by the agent/agency that involves Gerber Life, it is the agent’s responsibility to notify Gerber Life as soon as possible. Failure to report can result in disciplinary action, including termination of an agent’s Gerber Life appointment.

Agents should report telemarketing activities to the Gerber Life Compliance Department at USNINGlic-QACompliance@gerberlife.com.

COMPLAINTS

Working earnestly to resolve customer dissatisfaction strengthens relationships with existing customers and helps enhance the Company's and the agent's reputation for responsive service. In addition, prompt and fair responses to complaints and the maintenance of complaint records are required by law.

Complaints are written or otherwise documented communications that primarily express a grievance with a specific person, entity or process. Complaints may come from consumers, policy owners, certificate holders, beneficiaries, insured persons, agencies and agents, persons representing complainant, subscribers, claimants, or regulatory entities.

All complaints – as defined above - received by the agent, must be promptly forwarded to Gerber Life. The agent must not, under any circumstances, attempt to resolve a complaint on his/her own without prior approval from the Gerber Life Legal Department. While an agent's input may be solicited in connection with an investigation, Gerber Life retains the absolute and unilateral right to settle and resolve any complaint, in its sole discretion. Gerber Life also reserves the right to reverse commission payments pursuant to the terms of the Agent Agreement.

Report All Complaints to: USNINGlic-QACompliance@gerberlife.com (This email address is for restricted use, as indicated)

If Gerber Life receives a complaint or concern regarding a policy written by an agent or about the agent's activities or actions, the agent may be contacted for a written response. The response must address all concerns stated in the complaint, should include copies of any documentation referenced in the response and must be provided to Gerber Life within three (3) business days. Carefully updated and maintained agent records are vital to fulfilling these requirements.

Resolving a customer's complaint in a timely manner is important to Gerber Life and required by state insurance departments and other organizations (e.g., the Better Business Bureau). Gerber Life's internal standard for complaint resolution is 15 business days. Therefore, a timely response is necessary. In an effort to keep the investigative process objective, Gerber Life shall not assist in formulating an agent's response.

CLAIMS INVOLVEMENT

All notifications and inquiries regarding claims should be referred to Gerber's Life Claims Department at 1-800-700-6439.

CERTIFICATIONS AND DESIGNATIONS

Insurance specific certifications and professional designations are an important validation for agents when dealing with the public. Such certifications and designations signify a degree of accomplishment that can impress a consumer and instill a sense of confidence when dealing with important and complex subjects like insurance and financial planning. No agent should use, advertise, or imply that they have any professional certification, designation, or training that they have not actually earned and maintained.

POWER OF ATTORNEY & GUARDIANSHIP

Gerber Life will not issue insurance for any proposed insured when a Power of Attorney or Guardianship is used to apply for the proposed owner or insured, except for verified legal Guardians of children.

Gerber Life reserves the right to decline applications where the proposed owner or insured does not have the legal capacity to enter into a contract.

BREACH

Breach of any provision of this manual may be grounds for termination of the contract with Gerber Life.

SUBJECT TO CHANGE

The information in this manual is subject to change without prior notice. If at any time changes are made to the manual, the agent will be notified of said change.

DOMESTIC VIOLENCE AND ABUSE POLICY

Gerber Life has established procedures to limit access to certain insurance policy and claim related information associated with a victim of domestic violence or abuse, as required by state law.

If an individual associated with a Gerber Life application or policy informs you that he or she is a victim of domestic violence or abuse, he or she can provide alternate contact information and request confidential treatment of certain information, by faxing or mailing a **Confidential Communication Request Form (CCRF) (See Appendix A) to:**

Gerber Life Insurance Company
Attn: Policy Administration
445 State Street, Fremont, Michigan 49413
Fax: (231) 928-3045

You can inform your customer that he or she can also call Gerber Life at 1-800-704-2180 to request a CCRF, or for additional information, including instructions on how to revoke a request for confidentiality.

Once we process all required documentation, Gerber Life will not disclose the following information to the policyholder or another insured covered under the policy, without the express consent of the alleged victim, unless required by warrant, subpoena, or court order:

- the address, telephone number, or any other personally identifying information of the adult or child identified in the CCRF;
- the nature of the health care services provided;
- the name or address of the provider of the covered services; and
- any other information from which there is a reasonable basis to believe the foregoing information could be obtained.

The individual agent who has been put on notice of alleged domestic violence or abuse, is bound by the same obligations as Gerber Life.

For additional information about resources available to victims of domestic violence or abuse, please refer the alleged victim of abuse to the:

*Family & Youth Services Bureau
National Domestic Violence Hotline:
1-800-787-3224*

New York State Domestic and Sexual Violence Hotline:
1-800-942-6906

Illinois Domestic Violence Helpline:
1-877-TO END DV or 1-877-863-6338 (Voice) or 1-877-863-6339 (TTY)

FINANCIAL EXPLOITATION OF ELDERLY, DISABLED OR VULNERABLE ADULTS

Note: Financial Exploitation is the illegal or improper use of property or funds belonging to an elderly, disabled or otherwise vulnerable adult in order for someone else to receive undeserved or unlawful profit or advantage.

Financial exploitation most often targets vulnerable adults who are:

- Socially isolated
- Physically or financially dependent
- Afraid or embarrassed to report suspected exploitation
- Suffering with cognitive impairment
- Undergoing life event changes

You are a first line of defense for your clients and potential clients, and you can help prevent financial exploitation by observing and reporting suspected exploitation or suspicious activities. **Applications from individuals who are legally incompetent or unable to understand the product should not be submitted.**

Be alert to signs that indicate a vulnerable adult may be the victim of financial exploitation, including:

- A Vulnerable adult report that someone is misusing his/her money.
- Vulnerable adult does not remember requesting insurance or does not have knowledge of or demonstrates concern or confusion about transactions or claims associated with the insurance policy.
- Vulnerable adult offers contradictory or questionable explanations to justify any insurance transaction.
- Vulnerable adult manifests being afraid of being evicted or confined in an institution if he or she does not appoint as beneficiary his or her guardian, attorney-in-fact, representative, or any caretaker, even if related.
- Someone seeks information as to insurance benefits for the vulnerable adult, without the latter's written consent.

- More than one person alleges to be the guardian or attorney-in-fact of the vulnerable adult.
- Someone alleges guardianship or Power of Attorney but refuses to show evidence of his or her authority.
- Someone requests a change in the residential or mailing address from the one previously provided by the policy owner or insured.
- Vulnerable adult appears physically abandoned or unattended.
- Vulnerable adult seems dazed, nervous, or afraid.
- Signatures on checks, wills, powers of attorney or other documents look different from previous signatures, appear forged, unusual or suspicious.
- Someone shows excessive interest in the vulnerable adult's finances or assets, does not allow the vulnerable adult to speak for himself, or is reluctant to leave the vulnerable adult's side during conversations.
- Gerber Life or its representative is unable to speak directly with the vulnerable adult, despite repeated attempts to contact him or her.

If you suspect exploitation, complete a Financial Exploitation Referral Form (Form FER 7/11) (See Appendix B) to document suspected cases of exploitation. The report should include:

- The time and date of the report;
- The name, email address, agent number and work number of the person reporting;
- The time, date, and location of the incident(s);
- The names of all persons involved, including the alleged victim, alleged exploiter, and any potential witnesses;
- The reason given for the insurance meeting or interaction with the agent;
- Documentation presented or authorization of the suspected exploiter to conduct the transaction (Guardianship/Power of Attorney); and
- Relationship of the suspected exploiter to the vulnerable adult.

Send the Financial Exploitation Referral Form to Gerber Life Legal Department at USNINGlic-QACompliance@gerberlife.com as soon as possible for review and investigation.

CALIFORNIA SALES TO SENIOR CONSUMERS (FACE TO FACE IN CUSTOMER'S HOME)

California agents appointed to do business with Gerber Life are required to provide a completed California Sales Disclosure to Senior Form (DISC-SRCA (1012)) (See Appendix C) in writing, at least 24 hours but not more than 14 days, before meeting with California residents age 65 and older in their home. California regulators prohibit insurers and their agents from generating leads or offering or selling insurance products without this disclosure in place (see CIC §789.10).

If an agent has a previous business relationship with a consumer and the consumer requests a same-day meeting in their home, this disclosure form must be provided at the beginning of the meeting. An agent is only allowed to speak about the insurance product addressed in the disclosure form.

See Appendix C for the approved California Sales Disclosure to Senior Form This form can also be accessed on the Gerber Life Agency Portal and Forms iPipeline.

Instructions:

- This form should be provided within the time frame specified above.
- You must provide your contact information (name, address, license number and phone number) exactly as it appears on your California Insurance License.
- A copy should be kept on file. (Do not send to Gerber Life unless requested.)

Important Reminders:

When contacting a California senior in person or by phone, before making any statement other than a greeting, or asking any other questions, you must

- State that the purpose of the visit or all is to talk about insurance products or to gather information for a follow-up visit to sell insurance; and
- State the name and titles of all persons arriving for the appointment; and
- Provide the name of the insurer; and
- Present a business card or other written identification to the senior.

NEW YORK SPECIFIC REGULATIONS

(This is not intended to be a complete list of applicable regulations.)

Regulation 194 – Producer Compensation Disclosure

New York requires agents to provide a compensation disclosure to the person purchasing an insurance policy. This disclosure is required to be made at or prior to the time of application and may be required at a later date as well. The disclosure must include but is not limited to the agent's role, from whom the agent will receive compensation, the factors which may cause the compensation to vary and the nature, amount and source of the compensation.

If the compensation was not known at the time of disclosure, then the agent selling the policy must provide a disclosure regarding circumstances that may determine the compensation and an estimate of the potential compensation.

The agent must not make any contradictory statements regarding the compensation disclosures or any statements regarding the sale that the agent knows are not accurate.

The agent is required to retain a copy of any written compensation disclosures provided to a customer for at least three (3) years from the date of the disclosure.

For complete information as to when the disclosures must be provided and the information each disclosure must contain, please read New York Regulation 194, 11 NYCRR part 30. This regulation, and a number of Frequently Asked Questions about it, can be found on the Insurance Department website at www.dfs.ny.gov.

Regulation 225.2 - Senior Specific Designations

New York requires that agents who use Senior Specific designations in advertisements, or any other media, provide a disclosure at the initial meeting, communication or consultation with a prospective client. The disclosure must provide the basis or source of the designation, including if it was created by the person or the business. The disclosure of the designation must be made through the same means as the communication to the customer. If the communication to the customer was provided in only one type of media (i.e., writing, oral, visual, etc.), then the disclosure must be made in the same media type. For example, if the agent emailed a communication to a customer, the disclosure of the agent's designation should be sent in an email as well.

It is the position of Gerber Life that no agent may use "senior-specific" certifications or professional designations in connection with the sale of Gerber Life's products without prior approval from GLIC Agency Services. The terms "financial planner," "investment advisor," "financial consultant," "financial analyst," "financial counselor," or other similar terms may also not be used in connection with the sale of Gerber Life's insurance products where used to imply that the agent's activity or compensation is unrelated to insurance sales or that the agent receives fee-for-service compensation. However, this will not preclude an agent who holds a formally recognized financial planning or consultant designation from using their designation when selling insurance.

New York Regulation 187 – Life Suitability

As of February 1, 2020, New York Department of Financial Services (“NYDFS”) Insurance Regulation 187 (“Reg. 187”), requires that New York licensed producers retain certain documentation relating to recommendations made to a client regarding life products and such documentation must be made available upon request by GLIC or the NYDFS.

GLIC has developed a Producer Guide (“Guide”) with the intention of assisting a producer in identifying, documenting, and maintaining all relevant factors and disclosures necessary to make a best interest recommendation. All disclosures, both written and verbal, provided to a client at the time of a recommendation should be appropriately documented and preserved in the client file. The Guide is available on the Agent Portal (www.gerberlifeagency.com).

New York Regulation 187 Training

Prior to recommending a life insurance transaction, you must complete a Reg. 187 Suitability/Best Interest course, as well as any required Gerber Life product training.

Reg. 187 requires life licensed producers doing business in New York to complete Reg 187 specific training. The producer must complete this training *prior* to recommending life products to New York residents or submitting new life business to GLIC effective February 1, 2020.

GLIC will accept Reg 187 training provided by a NYDFS approved vendor. In addition, the GLIC product training is available on our Agent Portal (www.gerberlifeagency.com).

You will need to provide and maintain certifications of completion.

AGENT REQUIREMENTS IN PUERTO RICO

Agent

An agent under the laws of Puerto Rico is referred to as an authorized representative.

Also see “PROVIDING FULL DISCLOSURE” section.

Display of License

If the Commissioner issues a certificate as evidence of the license granted:

- (1) The agent must exhibit the certificate in a visible place of his/her place of business; and
- (2) The agent must carry and show proof of licensure while conducting insurance business on behalf of Gerber Life, and show the card every time he/she is asked.

NOTICE PROVISION

Agents shall be responsible for viewing Company notifications, including updates to the Compliance Manual, on the Agent Portal (<http://gerberlifeagency.com>). Agents are responsible for ensuring that GLIC has a current email address for Agent Portal notifications.

COMPLIANCE POLICY STATEMENT OF UNDERSTANDING

AGENT COMPLIANCE MANUAL CERTIFICATION FORM

I certify that I have received, read and understand the contents of the Gerber Life Insurance Company Agent Compliance Manual (the "Compliance Manual"), and understand that if I, as the Master General Agent or its sub-agent, as the General Agent or its sub-agent, or as an agent, (collectively referred to as "Agents") do not fully comply with the Compliance Manual's requirements, it will be deemed a breach of my contract and may result in, without limitation, the termination of my contract with Gerber Life Insurance Company.

- (1) I understand and acknowledge the need for strict compliance with all applicable federal and state laws and regulations regarding the solicitation, negotiation and sale of insurance by myself and/or my sub-agents, as applicable.
- (2) **Note: This paragraph applies to any agent or vendor performing or facilitating telemarketing activities.**
I understand that Gerber Life requires strict adherence to federal and state telemarketing rules and I and/or my sub-agents, if any, are to comply with the Gerber Life's Telemarketing Compliance Monitoring Program. In addition to confirming legal compliance with all applicable telemarketing laws, my signature below certifies the following: completion of the Do Not Call training, required Do Not Call record retention and that all applicable telemarketing registrations are current. Do Not Call training shall be taken/received within 90 days of the date of initial contracting with Gerber Life, and annually thereafter.
- (3) I certify that I and/or my sub-agents, if any, will remain in compliance with Gerber Life's Compliance Training Program requirements, which includes Anti-Money Laundering Training and other training requirements. I agree that it is my responsibility to take Anti-Money Laundering training and provide Anti-Money Laundering training to my sub-agents, if any, prior to writing life business with Gerber Life (unless taken directly through another represented insurance company or a competent third party, within the past twelve months), and annually thereafter. In addition, when requested, I agree to provide Gerber Life evidence of completion of the required training.
- (4) It is my responsibility to ensure that my sub-agents, if any, and I are aware of, and abide by, the laws and regulations in their state of licensure dealing with the use of professional certifications and designations, particularly when used with seniors.
- (5) I certify that my sub-agents, if any and I will comply with New York Regulation 194 Producer Compensation Disclosure.
- (6) I certify that I and/or my sub-agents, if any, are aware of the requirement that notices by Gerber Life may be given via the Agent Portal and I am aware it is my responsibility to view same

Signature	Date
(Print Name)	Title
Agency Name	Email Address

PLEASE RETURN A SIGNED COPY OF THIS DOCUMENT:
Fax: 877-608-4634 Mail: 445 State Street, Fremont, MI 49412 Attn: New Business



APPENDIX A

CONFIDENTIAL COMMUNICATION REQUEST FORM

This form is for use by a person who is covered by insurance and wishes to make a reasonable request to receive communications of insurance policy or claim-related information from Gerber Life Insurance Company by alternate means or at alternate locations if disclosing the information could endanger the person.

SECTION A: Covered individual requesting confidential communication:

Name: _____ Policy Number: _____

Birth Date: _____ Relationship to Primary Insured or Policy owner: _____

Current Address: _____

SECTION B: To the covered individual – please read the following and complete the information requested.

You have the right to make a reasonable request that you receive communications of insurance policy or claim-related information from us by alternate means or at alternate locations if disclosing the insurance policy or claim-related information could endanger you. "Claim-related information" means all claim or billing information relating specifically to you, including your name, address, any services received, and the name and address of the provider of any services (such as your doctor). Your request will remain in effect until you revoke the request.

I, the covered individual, request that Gerber Life Insurance Company send communications of insurance policy or claim-related information to me by the following alternate means, or at the following alternate locations, because disclosing the information could endanger me:

In care of: _____

(If you are using someone else's address, then enter his or her name here.)

Alternate Address: _____

Alternate Phone Number: _____ Alternate Email Address: _____

Signature: _____ Date: _____

SECTION C: Parents, Guardians, or Legal Representatives

If the covered individual is a child younger than 18-years-old and the person making this request is the child's parent or guardian, then please provide:

Parent or Guardian's Name: _____ Relationship to Covered Individual: _____

If a legal representative, such as an attorney, is making this request on behalf of the covered individual, please provide:

Legal Representative's Name: _____ Relationship to Covered Individual: _____

Organization or Firm Name: _____

Business Address: _____

Business Phone Number: _____ Business E-mail Address: _____

Mail or Fax to: Gerber Life Insurance Company, Attn: Compliance, 445 State Street, Fremont, Michigan 49413

Fax: (231) 928-3045.

APPENDIX B

SUSPECTED FINANCIAL EXPLOITATION REFERRAL FORM

Referral Date & Time: _____

Referrer's Name, email
address, agent number and
work number _____

Incident Date(s) & Time(s): _____

Name of Elderly, Disabled or
Vulnerable Adult: _____

Policy Type and Number, if
applicable _____

Type of transaction: _____

DETAILS: Please list the reasons why this case should be investigated for possible Financial Exploitation below. Please include the names of all other persons involved, including the suspected exploiter and any individuals/witnesses who can confirm information in this report. Please list the relationship of the suspected exploiter to the suspected victim, and note any documentation or authorization shown by the suspected exploiter as to their official capacity.

Other pertinent information, if any:

This section to be completed by the referring Agent or Associate:

Your Name and Agency (please print)

Work Address and Telephone Number

Signature

SEND FORM TO: USNINGlic-QACompliance@gerberlife.com

Appendix C

California Sales Disclosure to Senior Form (DISC-SRCA (1012))

California Sales Disclosure to Seniors

Agent Name: _____

License #: _____

Address: _____

Telephone: _____

I am a licensed insurance agent. My purpose for coming to your home is to sell, discuss, and/or deliver one of the following [indicate all that apply]:

- Life insurance, including annuities
- Other insurance products [specify]: _____

You have the right to have other persons present at the meeting, including family members, financial advisors or attorneys.

You have the right to end the meeting at any time.

You have the right to contact the Department of Insurance for information, or to file a complaint.

California Consumer Communication Bureau:

800-927-4357

TDD: 800-482-4833

The following individuals will be coming to your home: [list all attendees and insurance license information, if applicable].

Name: _____ **Name:** _____

Address: _____ **Address:** _____

Phone: _____ **Phone:** _____

License #: _____ **License #:** _____