



**Gerber Life
Insurance Company**

Representative Compliance Manual

Revision Date: 10/01/2015

For Financial Professional Internal Use Only. Not to Be Used With or Distributed to the General Public.

Copyright ©2015 Gerber Life Insurance Company, White Plains, NY 10605.
A financially separate affiliate of the Gerber Products Company. All rights reserved.

AGT-COMPL (0515)

TABLE OF CONTENTS

WHY IS COMPLIANCE IMPORTANT?	1
ETHICAL PRINCIPLES	1
ANTITRUST AND COMPETITION LAWS	1
INSURANCE FRAUD	2
USA PATRIOT ACT	2
ANTI-MONEY LAUNDERING	2
OBTAINING PROPER LICENSING AND APPOINTMENTS	3
ADVERTISING AND SALES MATERIALS	3
PROVIDING FULL DISCLOSURE	5
REPLACEMENTS	5
UNFAIR AND DECEPTIVE ACTS	7
CONFIDENTIAL COMPANY AND CLIENT INFORMATION	7
CUSTOMER FUNDS/PREMIUM HANDLING	8
CONDITIONAL RECEIPT/RECEIPT	8
PAYMENT CARD INDUSTRY – DATA SECURITY STANDARDS (PCI-DSS)	9
POLICY DELIVERY	9
CLAIMS INVOLVEMENT	9
DOCUMENT RETENTION	9
DO NOT CALL AND TELEMARKETING COMPLIANCE	9
COMPLAINTS	10
CERTIFICATIONS AND DESIGNATIONS AND SENIOR SPECIFIC DESIGNATIONS USAGE	11
QUALITY ASSURANCE	11
FINANCIAL EXPLOITATION OF ELDERLY AND DISABLED ADULTS	11
CALIFORNIA SALES TO SENIORS (FACE TO FACE IN CUSTOMER’S HOME)	12
DOMESTIC VIOLENCE AND ABUSE POLICY	12
APPENDIX I – SALES IN PUERTO RICO & DO NOT CALL REQUESTS	13
FINANCIAL EXPLOITATION OF IMPAIRED ADULTS - APPENDIX A	14
SUSPECTED FINANCIAL EXPLOITATION REFERRAL FORM - APPENDIX B	16
COMPLIANCE POLICY STATEMENT OF UNDERSTANDING	18

GERBER LIFE'S COMPLIANCE COMMITMENT

Gerber Life is committed to fair and ethical sales practices for all its customers. Gerber Life is also committed to complying with applicable laws and regulations. Gerber Life will maintain and enforce policies and procedures to reasonably assure compliance, including systems for communicating all company requirements and monitoring sales practices. Agents appointed by Gerber Life are expected to uphold these principles and guidelines as set forth in the manual and other communications issued by Gerber Life. A violation of these guidelines by an agent will result in disciplinary action including, if appropriate, termination of the relationship with the company.

WHY IS COMPLIANCE IMPORTANT?

To put it simply, compliance means doing the right thing. It means serving the client ethically and honestly, presenting products accurately, and following our rules as well as federal and state requirements. The scrutiny being placed on both agents and insurance companies is intensifying in the wake of lawsuits that are being filed and multi-million dollar fines that are being imposed.

That is why it is critical for the agent to become familiar with federal and state regulations as well as the compliance requirements of Gerber Life.

ETHICAL PRINCIPLES

Gerber Life is committed to high standards of ethics and integrity, and Gerber Life will continue to hold itself to these standards every day.

Ethics – A set of principles of right conduct
Integrity – Adherence to a strict ethical code

ANTITRUST AND COMPETITION LAWS

Antitrust and competition laws are designed to protect consumers by preserving competition in the marketplace. To preserve competition, prices must be set honestly, independently, and without agreements between competitors.

In conducting company business, all agents must engage in fair competition. Fair competition means that the company and its agents will not use tactics that unfairly hurt competitors or consumers. In particular, agents must provide only information that is factually accurate and must avoid withholding information that is clearly relevant to the client's decision to buy an insurance product. To this end, agents must not engage in (i) making disparaging remarks about competitors; or (ii) anti-competitive or unfair or deceptive trade practices.

Gerber Life prides itself on selling its products based on their qualities, not by manipulating, concealing, or disparaging its competitors or their products or services. Our agents should not provide untrue, unsubstantiated, or non-public information about a competitor to any client or other party in order to gain a business advantage.

INSURANCE FRAUD

Fraud occurs when someone misrepresents information or deceives someone in order to obtain a monetary benefit or harm another person.

Fraud can be committed in a number of ways and by a number of different people, including clients, employees, agents, or other third parties. Everyone must do their part to prevent fraud and report any suspected fraudulent behavior to the Gerber Life Compliance Department at: glic-compliance@us.nestle.com (Only use this email address as directed)

Examples of Fraud may include:

- Theft of Gerber Life or customer funds.
- Falsification or the intentional omission of information on a claim form or policy application.
- Deception of customers in connection with the sale of Gerber Life's products.

Gerber Life has made Anti-Fraud training available to agents on the portal.

USA PATRIOT ACT

The USA PATRIOT Act was enacted to combat terrorism financing and detect and prevent money-laundering activities. Under the USA PATRIOT Act, financial institutions, including life insurers, are required to establish anti-money laundering policies and procedures.

Some suspicious activities which indicate that a transaction may not reflect a legitimate business purpose include:

- The purchase of a single lump sum contract by a customer whose previous product experience is with smaller, regular payment products;
- Payment for contracts with a third-party check;
- A customer who shows no concern for the product performance, but much concern for the surrender or early cancellation of the contract;
- Payments by cash, when this type of business transaction would normally be handled by check or other payment instructions;
- Lump sum payments with foreign currency or foreign wire transfer;
- Purchases beyond customer's apparent means;
- Purchases where the source of funds is unclear;
- Borrowing from a single premium policy shortly after paying for the policy;
- Early cancellation of a single premium policy; or
- Payments made by checks or money orders from multiple bank accounts.

ANTI-MONEY LAUNDERING

Money laundering is the illegal practice of placing money gained from criminal activity through a series of apparently legitimate transactions in order to hide the criminal origin of the money and make the money appear to be from legitimate sources. Money laundering laws not only prohibit active participation, but also prohibit passive participation in a laundering scheme. Therefore, it is imperative that agents truly know their customers and their objectives. Agents that participate passively or actively in a money laundering scheme may be fined

and/or face criminal charges.

Gerber Life is committed to preventing money laundering when conducting our business. It is important that everyone is aware of money laundering “red flags” and that the agent reports any potential money laundering activities to Compliance.

All newly hired agents must receive anti-money laundering training within 90 days of the date of hire and annually thereafter.

OBTAINING PROPER LICENSING AND APPOINTMENTS

It is the agent’s responsibility to secure and keep in effect any licenses, registrations, and appointments 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 doing business. State laws require, at a minimum, all agents to be licensed and to have appropriate lines of authority in the state where the sale, solicitation, or negotiation takes place.

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

- Recommending a particular type of insurance policy or insurer;
- Collecting premium in any manner;
- Explaining coverages and benefits to prospects;
- Quoting rates;
- Taking an application for insurance from a prospect;
- Attempting to sell insurance;
- Conferring directly with or offering advice regarding a particular contract concerning benefits, terms, or conditions of the contract to a prospect.

ADVERTISING AND SALES MATERIALS

Gerber Life is committed to ensuring that all advertising materials used to promote our products meet the criteria required by statute, regulation, and the company’s internal 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 includes requesting a review and approval of agent-created websites and advertising materials that refer to or represent the Gerber Life products.
- Any use of Gerber Life’s logo, company information, product/plan rates on a website must be submitted to Gerber Life’s Legal/Compliance Department for review and approval before use.
- All Producer-created advertising materials must be submitted to Gerber Life’s Legal/Compliance Department for review and approval before use.
- All Gerber Life product training materials must be submitted to Gerber Life’s Legal/Compliance Department for review and approval before use.

This includes, but is not limited, to any use of the following regarding Gerber Life products:

- Agent created websites
- Email and Scripts

- Use of Rate Cards with Third Party Vendors
- Postings on Social Media such as:
 - Facebook
 - Twitter
 - MySpace
 - LinkedIn
 - Any URLs

Please send the materials, links or screen shots you would like to use to Gerber Life Insurance Company for Compliance review and approval to:
gerberlifeagencysales@us.nestle.com *(Only use this email address as directed)*

Gerber Life’s Definition of Advertising:

- (1) "Advertisement" means material designed to create agent and public interest in life insurance or annuities or in an insurer, or in an insurance producer; 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 producer used in direct mail, newspapers, magazines, radio and television script, billboards and similar displays;
 - (b) Descriptive literature and sales aids of all kinds, authored by the insurer, its insurance producers, or third parties, issued, distributed or used by the insurer or insurance producer; including but not limited to: all electronic communications – web chat, e-mail, social media, text messages, circulars, leaflets, booklets, web pages, depictions, illustrations and form letters;
 - (c) Material used for the recruitment, training and education of an insurer's insurance producers 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;
 - (d) Prepared sales talks, presentations and materials for use by insurance producers.
- (2) "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 material urging policyholders to purchase, increase, modify, reinstate or retain a policy;
 - (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; provided the announcement clearly indicates that it is preliminary to the issuance of a booklet explaining the proposed coverage.

Advertising provided by Gerber Life is already approved by the company. Any change or modification to advertising supplied by Gerber Life must also be approved by Gerber Life’s Legal/Compliance Department.

PROVIDING FULL DISCLOSURE

The agent is required to fully disclose, both to the consumer and to the company, all information that may affect any coverage. Failure to provide full disclosure to the consumer may result not only in loss of benefits for the consumer, but cancellation or rescission of the contract. 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. It is critical that the agent makes sure that the consumer clearly understands the product they are purchasing.

In addition, a number of states have enacted specific laws and regulations prohibiting the use of “senior-specific” certifications or professional designations that indicate or imply in such a way as to mislead a consumer. No agent shall have special certification or training in advising or providing services to seniors in connection with the solicitation, sale, or purchase of life insurance or in the provision of advice as to the value of or the advisability of purchasing or selling a life insurance policy, either directly or indirectly, through publications or writings, or by issuing or creating reports related to a life insurance policy.

No agent may use the terms “financial planner”, “investment advisor”, “financial consultant”, “financial analyst”, “financial counselor”, or other similar terms to imply that the agent’s compensation is unrelated to insurance sales. However, this will not preclude an agent who holds a formally recognized financial planning or consultant designation from using their designation when selling insurance.

NY Only – 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 disclosures must include, but is not limited to: the agent’s role, who the agent will receive compensation from, 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 from the date of the disclosure for at least three years.

For complete information as to when the disclosures must be provided and the information each disclosure must contain please read New York Regulation 194.

REPLACEMENTS

Gerber Life accepts applications for life insurance replacements in certain circumstances. The agent must make themselves aware of these circumstances before accepting an application that indicates that it is a replacement.

Depending on circumstances, a replacement may or may not be in the best interest of a client. The Agent has the responsibility to make sure that the client has all of the necessary facts in order to determine if the replacement is in his or her 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;
- The premium payment period is shorter for the same or similar premium;
- 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 contracts' provisions and values. The agent should discuss the advantages and disadvantages of any potential replacement with their client. The following points should be addressed:

- Any required evidence of insurability;
- The contestability and suicide provisions of the existing and proposed contract;
- The loan provisions and loan interest rate of both contracts;
- Any surrender charges and/or expense fees associated with both contracts;
- The premium requirements of the proposed contract;
- The present and future values of both contracts;
- The current interest and mortality charges of both contracts;
- The potential tax treatment of the replacement and whether the replacement can qualify as an Internal Revenue Code Section 1035 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, a replacement may occur when a contract has been or is to be:

- Lapsed, forfeited, surrendered, or otherwise terminated;
 - 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.
 - 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 because of the applied for policy. If the answer is yes then a replacement has occurred.
- Converted to reduced paid-up insurance, continued as extended term insurance, or otherwise reduced by the use of non-forfeiture benefits;
- Reduced in value through a withdrawal or partial surrender;
- Reissued with a reduction in cash value;
- Pledged as collateral or subjected to borrowing where the aggregate loan exceeds a state specified percentage of the loan value of the existing contract;

Amended by reducing or eliminating ancillary benefits, such as waiver of premium or accidental death benefits a replacement can be internal or external. An internal replacement occurs when an existing contract is exchanged for a new contract from the same insurer. Gerber Life Insurance Company does not permit internal replacements. An external replacement occurs when a contract is replaced by another insurer. Only the agent and the client can decide if the replacement is suitable. When a replacement is appropriate, be certain to use appropriate disclosure forms.

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.

(1) **Twisting.** Knowingly making any misleading representations or incomplete or fraudulent comparisons or fraudulent material omissions of or with respect to any insurance policies or insurers for the purpose of inducing, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on, or convert any insurance policy or to take out a policy of insurance in another insurer.

(2) **Churning.** Taking or using policy values in an existing life insurance policy or annuity contract, including, but not limited to, cash, loan values, or dividend values, and in any riders to that policy or contract, are directly or indirectly used to purchase another insurance policy or annuity contract with that same insurer for the purpose of earning additional premiums, fees, commissions, or other compensation:

- (i) Without an objectively reasonable basis for believing that the replacement or extraction will result in an actual and demonstrable benefit to the policyholder; or
- (ii) In a fashion that is fraudulent, deceptive, or otherwise misleading or that involves a deceptive omission; or
- (iii) When the applicant is not informed that the policy values, including cash values, dividends, and other assets of the existing policy or contract will be reduced, forfeited, or used in the purchase of the replacing or additional policy or contract; or
- (iv) Without informing the applicant that the replacing or additional policy or contract will not be a paid-up policy or that additional premiums will be due or that a new contestable period will apply and explaining the impact of these differences.

Note: Agents are not permitted to do internal replacements (replacing Gerber Life Insurance Policy with a Gerber Life Insurance Policy).

CONFIDENTIAL COMPANY AND CLIENT INFORMATION

Gerber Life, its associates and agents, must always properly handle and use confidential information. Confidential information includes all non-public information that might be of use to competitors or harmful to Gerber Life, its customers, or its employees, if improperly accessed, used, or disclosed. This includes Gerber Life's proprietary information, as well as certain information about its customers and employees. Gerber Life will not use confidential information that was improperly obtained from the owner of the information or a third party.

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 non-public personally identifiable information, protected health information, and financial information. When handling confidential information, the agent must make sure that it secures it, does not leave it unattended, does not discuss it in public, and transmits it using a secure method.



Examples of non-public personally identifiable information include:

- First and last name
- Social security number
- E-mail address
- Bank Account number

Examples of protected health information include:

- Information about an individual’s health condition
- Information about an individual’s health care

Examples of proprietary information include:

- Pricing information
- Customer lists

If the agent stores confidential information electronically on personally-owned equipment or media, it is recommended that this information be protected by use of encryption software. At a minimum, confidential information should be password protected and firewalls used as appropriate.

CUSTOMER FUNDS/PREMIUM HANDLING

The agent is responsible for submitting premiums promptly to Gerber Life. Gerber Life prohibits agents from accepting cash payments from consumers and also prohibits commingling of funds. Any premium collected from a customer must be kept separate from any personal or business account and must be immediately submitted to Gerber Life. 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 their own. Agents cannot purchase money orders for their customers. 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 immediately.

CONDITIONAL RECEIPT/RECEIPT

If payment is provided at 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. This does not apply to Automated Clearing House or credit cards, it only applies to check or money order payments.

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

In order to comply with regulations relating to Payment Card Industry, (PCI) Gerber Life strongly urges everyone when handling credit card or banking information to:

- (1) Use Gerber Life’s Agency Portal to submit the information when applying for life insurance coverage; and
- (2) If credit card or bank account information is being written on paper it should be destroyed as soon as it has been submitted to Gerber Life.

If you would like to learn more about PCI compliance please consult with 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. If a consumer does not accept the policy as issued, the agent must return the original policy to the company as soon as possible. Gerber Life mails most policies directly to policy owner. If an agent delivers the policy they are required to submit a Delivery Receipt to Gerber Life.

CLAIMS INVOLVEMENT

Gerber Life prohibits agents from involvement in any client’s claim. All inquiries from clients or beneficiaries should be referred to the company’s Life Claims Department at 1-800-700-6439.

DOCUMENT RETENTION

State laws require agents to maintain records of all transactions under their license at their place of business. Experience indicates that records agents keep will be the best (or only) method to establish care and professionalism exercised when dealing with a particular client. Carefully maintained files also provide the best protection against inappropriate or wrongful complaints or legal claims in the future.

The appropriate time to build such files is when a particular transaction is in process. It can be difficult or impossible to reconstruct the file months or years later when questions or issues arise. State regulations vary regarding the amount of time that client files are to be maintained. However, a general rule of thumb is to maintain all active client files indefinitely 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 relating to clients confidential unless permitted by law and available for inspection by Gerber Life upon request.

DO NOT CALL AND TELEMARKETING COMPLIANCE

Federal and state laws prohibit telephone solicitations to consumers who have placed their telephone numbers on a federal, state or internal “Do-Not-Call” list. This includes activities by agents who make unsolicited calls to set up appointments or generate leads. The penalties for

noncompliance can be significant. Violators can incur fines up to \$25,000 per violation. Callers can be sued and may have to pay damages to the people they called whose telephone number is on a “Do Not Call” list.

It is the agent’s responsibility to comply with Do Not Call and telemarketing laws. If a Do Not Call related request or complaint is received, it is the agent’s responsibility to notify Gerber Life immediately.

Other telemarketing laws such as registrations, consent, calling time restrictions, caller ID, etc. may also apply to the telemarketing activities of agents.

In addition, each agent who makes telephone solicitation calls on Gerber Life’s products (exclusively or as part of several insurer’s products being offered) must comply with the Telemarketing Compliance Monitoring Program, which may include additional requirements for training, reporting, document retention and script review.

Before Initiating a phone call or message for the purpose of encouraging the purchase of any Gerber Life products, agents must have Gerber Life authorization to telemarket. Agents should contact the Gerber Life Compliance Department at glic-compliance@us.nestle.com (Only use this email address as directed).

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 communications expressing any grievance with the company, its services, practices, products, employees or agents. Differentiating an actual complaint from a misunderstanding or an inquiry requires judgment. A communication from a customer is probably a complaint if the customer claims (i) he or she has not received expected benefits or service; (ii) the company or an agent has made a mistake or has acted in a way prejudicial to the customer; or (iii) he or she is displeased with the company or its agents.

All complaints received by the Agent must immediately be forwarded to Gerber Life Compliance Department. The Agent must not, under any circumstances, attempt to resolve a complaint on his/her own or offer to make any payments to a client from the Agent’s personal funds to resolve a complaint without prior approval from the Gerber Life Compliance Department.

It is inappropriate and unacceptable for any Gerber Life agent to initiate any discussion of a settlement of any complaint. While your input may be solicited, 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 charge back commissions pursuant to the terms of the Agent contract.

Report All Complaints Immediately to: glic-compliance@us.nestle.com (Only use this email address as directed.)

If Gerber Life receives a complaint or concern regarding a policy written by an agent, 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 within a 48 hour period.

It is important to Gerber Life and required by state insurance departments and other organizations (e.g., the Better Business Bureau) to resolve a customer's complaint in a timely manner. Gerber Life's internal standard for compliant 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.

CERTIFICATIONS AND DESIGNATIONS AND SENIOR SPECIFIC DESIGNATIONS USAGE

Insurance specific certifications and professional designations are an important resource 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 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.

New York requires that agents, who use Senior Specific designations in advertisements or any other media, provide a disclosure at the initial meeting 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 one. For example, if the agent emailed a communication to a customer, the disclosure of the agents' designation should be sent in an email as well.

QUALITY ASSURANCE

Gerber Life reserves the right to implement any quality assurance processes that it determines to be reasonably necessary to ensure the agent's compliance with the terms of this Representative Compliance Manual.

FINANCIAL EXPLOITATION OF ELDERLY AND DISABLED ADULTS

Senior Protection legislation has been adopted in many states. Along with suitability, replacement and consumer protection laws, this legislation generally provides broad protection to seniors. Gerber Life agents are expected to be familiar with the applicable laws of the states in which they conduct business and comply with all applicable regulations.

Financial Exploitation is the illegal or improper use of property or funds belonging to an Elderly Individual or Disabled Adult for the profit or advantage of someone else. Gerber Life is committed to the prevention and detection of Financial Exploitation in our insurance business.

CALIFORNIA SALES TO SENIORS (FACE TO FACE IN CUSTOMER'S HOME)

California Agents are required to provide a sales disclosure notice before meeting with California residents age 65 and older in their home to offer, sell, or generate leads for the sale of life insurance. If the applicant is age 65 and older, a completed California Sales Disclosure to Senior form must be provided in writing at least 24 hours but not more than 14 days before the meeting in most instances. The California Sales Disclosure to Senior form with instructions can be accessed on the Agency Portal and Forms iPipeline. Agent/Agencies should retain a copy of the form in their records, do not send to Gerber Life.

DOMESTIC VIOLENCE AND ABUSE POLICY

Gerber Life Insurance Company has established procedures to limit access to certain 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 policy or application informs you that he or she is a victim of domestic violence or abuse, he or she can provide alternative contact information and request the confidential treatment of certain information by faxing or mailing a **Personal Protection Order of Confidential Communication Request Form (CCRF)** 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, in addition to our normal confidentiality protocols, 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.

As the Individual agent, who has been put on notice of alleged domestic violence or abuse, are 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:

New York State Domestic and Sexual Violence Hotline: 1-800-942-6906
Spanish Language Assistance: 1-800-942-6908

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

APPENDIX I – SALES IN PUERTO RICO

Agent

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

Providing Full Disclosure (also see page 5 of this manual)

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.

DO NOT CALL REQUESTS AND TRAINING (ALSO SEE PAGE 9 OF THIS MANUAL)

In addition to the Do-Not Call U.S. federal laws which also apply in Puerto Rico, telemarketing calls outside the timeframe of 9:00 AM and 9:00 PM local time are also prohibited. For full details please see the Telemarketing Fraud Prevention Act, as enacted by Puerto Rico.

HOW YOU CAN HELP PREVENT FINANCIAL EXPLOITATION

APPENDIX A

BE VIGILANT!

Be alert to signs that indicate an Impaired Adult may be the victim of Financial Exploitation, including:

- Impaired Adult reports that someone is misusing their money.
- Impaired Adult does not remember requesting insurance, or does not have knowledge of transactions or claims associated with the insurance policy and demonstrates concern or confusion in connection therewith.
- Impaired Adult offers contradictory or questionable explanations to justify any insurance transaction.
- Impaired 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, representative, or any person who is in charge of his or her care.
- Someone seeks information as to insurance benefits for the Impaired Adult, without the latter's consent.
- More than one person alleges to be the guardian of the Impaired Adult.
- Someone alleges guardianship, 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.
- Impaired Adult appears abandoned or unattended.
- Impaired Adult seems dazed, nervous, or afraid.
- Signatures on checks, wills, powers of attorney or other documents that look forged, unusual or suspicious.
- Someone shows excessive interest in the Impaired Adult's finances or assets, does not allow the Impaired Adult to speak for himself, or is reluctant to leave the Impaired Adult's side during conversations.
- Gerber Life is unable to speak directly with the Impaired Adult, despite repeated attempts to contact him or her.

TAKE ACTION

Use a Financial Exploitation Referral Form (Form FER 7/11) to document suspected cases of exploitation. The report should include:

- The time and date of the report;
- The name, address 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 for the insurance transaction;
- Authorization of the suspected exploiter to conduct the transaction (guardianship/POA) ;
and
- Relationship of the suspected exploiter to the Impaired Adult

FOLLOW THROUGH

Immediately send the Financial Exploitation Referral Form to Compliance-SIU for review and investigation.

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

Your Name (please print)

Work Address and Telephone Number

Signature

SEND FORM TO COMPLIANCE – SIU

glic-compliance@us.nestle.com

COMPLIANCE POLICY STATEMENT OF UNDERSTANDING

REPRESENTATIVE COMPLIANCE MANUAL

I acknowledge receipt of the Gerber Life Insurance Company Representative Compliance Manual. I acknowledge that I have read and understand the contents of the Compliance Manual and further understand that if I, as the Master General Agent or its sub-agents, General Agent or its sub-agents, or as an agent, 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 section only applies to vendors performing 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. 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 and in compliance with the Vendor Guidelines. Do Not Call training shall be reviewed within 90 days of the date of initial contracting with Gerber Life and annually thereafter to all sub-agents.
- (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 and other training requirements. I agree that it is my responsibility to take Anti-Money Laundering training and/or provide Anti-Money Laundering training to my sub-agents, if any, within 90 days of the date of initial contracting 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 by myself and/or my sub-agents, if any.
- (4) It is my responsibility to ensure that I and/or my sub-agents, if any, 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) Agent signatures are ONLY required at initial contract and thereafter will be signed by the agent's General Agent. It is my responsibility to read and comply with the Representative Compliance Manual and all updates even though the General Agent will be signing this Statement of Understanding annually on my behalf, if applicable.
- (6) I certify that I and/or my sub-agents, if any, will comply with New York Regulation 194 Producer Compensation Disclosure.

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