Temporary Life Underwriting and New Business Updates

Updated October 10, 2022

Temporary underwriting and new business changes have been put in place to help ensure business continuity, sustain high service levels and support Penn Mutual's financial strength during these unprecedented times.

Please note that these changes supersede any conflicting rules in the following guide.

Temporarily suspended programs:

- Standard Fold In Program *(effective April 2, 2020)*
- Survivorship Whole Life rate class upgrade *(effective April 2, 2020)*

Updated temporary underwriting guidelines:

Age	Case Underwriting Amount at Issue	
	Cases up to Retention* $7.5 million individual $10 million survivorship	**Cases in excess of Retention* $7.5 million individual $10 million survivorship**
0 - 70	No temporary restrictions. Refer to the base underwriting guide.	
71 - 79	No temporary restrictions. Refer to the base underwriting guide.	Postpone coverage for individuals rated higher than Table 6 or with a Flat Extra premium higher than $15.
80 and over	Postpone coverage for individuals rated higher than Standard.	Postpone coverage for individuals rated higher than Standard.

*Less any inforce coverage with Penn Mutual. Retention may be reduced based on age and rate class.

New business updates to policy designs and premium limits:

- For Guaranteed Whole Life II and Survivorship Whole Life, the paid-up additions deposit multiple is 20 times the base annual unrated premium.
- First-year premium limits are $2M for all products *except* Protection Variable Universal Life (PVUL) and Diversified Advantage Variable Universal Life (DAVUL). PVUL and DAVUL have no premium limits, however, you must contact your field office for review of first year premiums greater than $5M. All limits apply per owner, per payor, or per household and include paid-up addition deposits, lump sums, regular premiums and internal and external exchanges.
- The limit for new funds is $10M for the Premium Deposit Fund (PDF) for life insurance policies issued and paid on or after May 1, 2022. First year premium limits still apply. For information on PDF and product availability please refer to the PDF section of Gateway.

Financial Professional Underwriting Guide

For financial professional use only.

As of 10/03/2022

We know underwriting.

It's true. We've always been committed to providing consistent and competitive underwriting decisions and timely service to our financial professionals, while meeting the mortality and financial assumptions established for our life products. And that hasn't changed.

It's important to us that you have a way to quickly and easily access key underwriting information in one place, so we've put together this guide for you. To make things even easier, we've inserted links throughout, so you can quickly jump to the information you're looking for.

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We think quicker and easier is better

Submit Cases through ACE (Accelerated Client Experience)

An industry leading and first-of-its-kind, end-to-end digital experience for buying life insurance, ACE delivers a seamless process from e-app to e-sign to e-pay to e-delivery. All cases for approved products may be submitted through ACE.

Submissions through ACE may also qualify for Accelerated/ Automated Underwriting if the proposed insured:

- Is age 0 – 65
- Has an initial assessment of Standard or better
- Is applying for an underwriting amount of $7,500,000 or less (including any Penn Mutual Company(s) inforce coverage).

For ACE submissions that are referred for traditional underwriting:

- A Physical Measurement Exam (also referred to as a Short Form Exam) will be used in place of the Paramedical Exam.
- The Physical Measurement Exam is completed by an approved paramedical vendor who obtains height, weight, blood pressure and pulse.
- Please note that the examiner will not re-question medical history already disclosed on the ACE application.

The routine age and amount requirements outlined on the following pages apply to all cases subject to traditional underwriting, including cases submitted through ACE. **Please note:** ACE is not currently available for our survivorship products and is not offered in New York.

To learn more, visit Gateway at www.PennMutualGateway.com/ACE or call ACE support at 1-866-ACE-PML1.

Routine Age & Amount Requirements

Applicable to fully underwritten term and permanent life insurance products, including survivorship. Includes total coverage applied for and placed inforce within the past 12 months.

Underwriting Amount (US $)	Ages *(age closest to birthday based on the date that Part One of the application was signed)*		
	0-19	**20-70**	**71+**
$50,000 - $1,500,000	Non-Medical	Paramed IRP	Paramed IRP Senior Supp
$1,500,001 and higher	Individual Consideration	Paramed IRP	Paramed IRP Senior Supp

For ages 60+ and individual coverage of $7,500,001 and higher or survivorship coverage of $10,000,001 and higher, if no personal MD or consultations in the past 5 years, an EKG may be required.

For **APS** ordering requirements, click here.

For **Financial Underwriting** guidelines (CFS and 3rd Party Financials), click here.

Definitions

Individual Consideration: Contact underwriting for consideration.

Electronic Inspection Report: Comprehensive public database search.

IRP (Insurance Risk Profile): Insurance Risk Profile – blood and urine specimens, including presence of HIV antibody for the AIDS virus and presence of various prescription and non-prescription drugs.

Non-Medical: No additional medical requirements outside of the completed application.

Paramed (Paramedical Examination): In-person interview with an examiner where medical history and physical measurements (i.e. height, weight, blood pressure, etc.) are recorded.

Senior Supp (Senior Supplement): Additional tests to assess mobility and cognitive ability.

Underwriting may request additional requirements (medical, non-medical, or financial) due to medical history, case circumstances, confidential information, or facultative reinsurance.

NT-proBNP added to Insurance Lab Specimen processing at all ages.

In addition, on all formal submissions, we obtain MIB (Medical Information Bureau) records and a pharmaceutical database search. For ages 20+, an Electronic Inspection Report will be ordered by the home office on amounts $5,000,000 and over.

Motor vehicle records will be obtained for ages 18-40 for amounts of $100,000 and up, ages 41-65 for amounts of $1,000,000 and up, and underwriter discretion will be used for ages 66 and up for amounts of $100,000 and up.

Medical Requirements for survivorship products are based on each individual's age and 50% of the face amount, unless one life is uninsurable then the amount will be based on 100% of the healthy life.

Routine Age & Amount Requirements (continued)

Approved Paramedical Facilities

Examination requirements must be arranged through one of the following vendors or facilities:

- APPS (American Para Professional Systems Inc./Portamedic)
- ExamOne/Superior Mobile Medics

Premium Financing

Premium Financing Guidelines can be found on Gateway. If you need help accessing this information, please contact your field office or call the Life Sales Desk at 1-800-818-8184, option 4. (Premium Financing is not available in New York.)

Guaranteed and Simplified Issue (GI and SI)

GI and SI Guidelines can be found on Gateway. If you need help accessing this information, please contact your field office or call the Life Sales Desk at 1-800-818-8184, option 4. (Simplified Issue is not available in New York.)

High-Net-Worth Foreign Nationals

Please contact your field office for availability.

APS (Attending Physician Statement) Ordering

An APS includes medical records from doctors, hospitals, clinics or other facilities that is requested by the Home Office Underwriter and ordered by the Field Office.

In addition to the Routine Age & Amount Requirements on page 4, an APS will be required based on the ages and amounts below:

Underwriting Amount (US $)	Ages				
	0-50	51-60	61-69	70-75	76+*
Less than $2,000,000	Underwriter discretion	Underwriter discretion	Seen by a physician within 5 years	All cases	
$2,000,000-$5,000,000		Seen by a physician within 2 years			
Over $5,000,000		Seen by a physician within 5 years			
All ages and amounts - If a physician has been consulted within 90 days, the underwriter will review the case and may require an APS for any amount depending on details of the visit.					

*Proposed insured must have consulted with a physician within the past 12 months.

Definitions

Within # of Years: An APS will be required if the proposed insured has been seen by a physician during this time frame.

Individual Underwriting Amounts: Higher of the face amount on the application or underwriting amount at issue on the illustration. Total amount of coverage inforce and applied is taken into consideration by the underwriter, who may request additional information to evaluate the total risk presented.

Survivorship Underwriting Amounts: Medical requirements are based on each individual's age and 50% of the underwriting amount, unless one life is uninsurable then the amount will be based on 100% of the healthy life.

Comprehensive physician exams completed within the past 12 months may be accepted in lieu of a current insurance exam. To qualify as a comprehensive exam, the visit needs to include a detailed review of current medical conditions, past medical history and any medications. The visit also needs to include current height, weight, blood pressure, pulse, full blood and urine testing.

PLEASE NOTE: Not all comprehensive exams will qualify as `substitute exam' and Underwriting reserves the right to request an exam and additional lab tests. A Senior Supplement will still be required over age 70.

Use of Other Carrier Exam Requirements

A medical examination from another carrier is acceptable if completed within the timeframe based on the chart.

In addition to the other carrier's medical examination, the Medical Section of the application must be completed.

Ages	Exam accepted within
70 or younger	12 months
71-80	6 months
81 and older	3 months

Preferred Underwriting Class Guidelines

Permanent Products	Preferred Plus	Preferred Plus	Preferred Non-Tobacco[1]
Term Products	**Preferred Plus**	**Preferred Non-Tobacco[1]**	**Select Non-Tobacco[1]**
No Tobacco Use	5 years[2]	3 years[2]	2 years[2]
Build	See height/weight chart		
Blood Pressure	Ages 20-60: 135/85 Ages 61+: 140/90 (treated & untreated)	Ages 20-60: 140/85 Ages 61+: 145/90 (treated & untreated)	Ages 20-60: 145/90 Ages 61+: 150/90 (treated & untreated)
Total Cholesterol & HDL Ratio	Ages 20-60: 220/4.5 Ages 61+: 230/5.0 (treated & untreated)	Ages 20-60: 260/5.5 Ages 61+: 270/6.0 (treated & untreated)	Ages 20-60: 280/6.0 Ages 61+: 290/6.5 (treated & untreated)
Serum Albumin (ages 71+)	4.2	4.0	4.0
Moving Violations	1 violation in 2 years	2 violations in 3 years	2 violations in 3 years
DUI, Reckless Driving, Suspension	None in past 10 years	None in past 5 years	None in past 3 years
Family History[3]	No family history of diagnosis or death from coronary artery disease, diabetes or cancer prior to age 60	No family history of coronary artery disease or cancer deaths prior to age 60	Family history of not more than one cardiovascular or cancer death prior to age 60
Criminal Activity	No history of felony		
Aviation	No participation in private aviation	No participation in private aviation unless IFR, ATP or commercial license	
Avocation	No participation in the past 24 months	Not ratable	Not ratable
Personal History	No history of coronary artery disease, diabetes, stroke or cancer[4]		
Drugs & Alcohol	No history of drug or alcohol abuse or treatment	No history of drug or alcohol abuse or treatment within the past 10 years	No history of drug or alcohol abuse or treatment within the past 7 years

Definitions

Non-Tobacco classes are available to proposed insureds who have not used tobacco or nicotine products (examples: cigarettes, e-cigarettes, vaping, cigars, pipes, hookah, chewing tobacco, nicotine gum or other substitutes) within the defined past time frame, and whose microurinalysis is negative for nicotine.

Preferred Tobacco (Permanent and Term products) criteria are the same as Preferred Non-Tobacco (Permanent)/Select Non-Tobacco (Term) except for tobacco/nicotine use.

Standard Non-Tobacco rates are available 12 months after discontinuation of tobacco and nicotine products.

[1] Not available with flat or table rating based on medical underwriting. May consider with non-medical flat extra.
[2] An occasional cigar and occasional chewing tobacco of 1-2 per month may qualify for preferred rates if the microurinalysis is negative for nicotine. Cigar usage is based on the following criteria:
Up to 12 cigars per year: Preferred Plus
Up to 24 cigars per year: Preferred Plus Non-Tobacco (permanent products), Preferred Non-Tobacco (term products)
Up to 52 cigars per year: Standard Non-Tobacco
[3] Discounted if insured age 60+; also applies only to natural parents.
[4] Except non-melanoma skin cancers.

Term and Permanent Life Rate Class Label Equivalents for Term Conversions

The table below shows the rate class labels for currently sold term life products and the equivalent risk class labels for permanent life products.

Please Note: The term life rate class labels and their equivalent permanent life rate class labels differ in name only. The name differences do not impact underwriting criteria or requirements.

Rate Class Label Equivalents

All Term Products Currently Available for Sale		All Permanent Products Currently Available for Sale
Preferred Plus Non-Tobacco	=	Preferred Plus Non-Tobacco
Preferred Non-Tobacco	=	Preferred Plus Non-Tobacco
Select Non-Tobacco	=	Preferred Non-Tobacco
Standard Non-Tobacco	=	Standard Non-Tobacco
Preferred Tobacco	=	Preferred Tobacco
Standard Tobacco	=	Standard Tobacco

This information is provided as a new business reference. For information about conversion, including rate class label information and other conversion details for current and retired term products, please refer to the Conversion Privileges at a Glance Flyer which can be found on Gateway. If you need help accessing this information, please contact your field office or call the Life Sales Desk at 1-800-818-8184, option 4.

Height and Weight Table

The following table lists maximum weights.

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

Consult with underwriting for proposed insureds under 4 ft. 8 in. or over 6 ft. 6 in.

Financial Underwriting Guide & Requirements

The financial guidelines are used by underwriting to determine the maximum amount of coverage that is to be considered based on the proposed insured's financial status.

Financial underwriting is necessary on all applications to screen for adverse selection and to determine if the amount of insurance is reasonable. Some cases may require additional financial information depending on the circumstances of the case.

If the total underwriting amount (all companies) falls outside of the guidelines, a cover letter from the financial professional explaining the purpose of the insurance and how the underwriting amount was determined will help to expedite the underwriting process.

Confidential Financial Statement and 3rd Party Financial Documentation

Underwriting Amount (US $)	Ages		
	20-69	70-80	81+
$1,000,000 - $4,999,999	N/A	N/A	CFS Part 1
$5,000,000	N/A	CFS Part 1	CFS Part 1
$5,000,001 - $9,999,999	N/A	CFS Part 1 3rd Party	CFS Part 1 3rd Party
$10,000,000	CFS Part 1	CFS Part 1 3rd Party	CFS Part 1 3rd Party
$10,000,001 and higher*	CFS Part 1 3rd Party	CFS Part 1 3rd Party	CFS Part 1 3rd Party

*For business coverage at or above $10 million, CFS Part 2 is also required for all ages.

Definitions

CFS Part 1 (Confidential Financial Statement): Form that captures personal coverage financial details for income, assets and liabilities.

CFS Part 2 (Confidential Financial Statement): Form that captures business coverage financial details for income, assets and liabilities.

3rd Party: 3rd Party Financial Documentation

3rd Party Financial Documentation

All Premium Financing cases require 3rd party financial documentation and may have additional information required for advanced case designs. (Premium Financing is not available in New York.)

Asset	Examples of 3rd Party Financial Documents		
Income	• W2s/Tax returns	• 1099s/K-1s	• CPA review letter
Business Interests	• Business financial statements (balance sheet and income statement)	• Tax returns	• 10-Ks
Cash Equivalents (checking, CDs, money markets)	• Bank statements	• CPA review letter	
Investments and Qualified Plans (stocks, bonds, IRAs, 401(k))	• Account or brokerage statements	• CPA review letter	
Real Estate	Property listing (including all addresses and ownership stake) accompanied by: • Appraisals, or • CPA review letter	• Property tax statements/assessments	

Personal coverage or business coverage? This is where we break it down for you.
Just click directly on the specific information you need.

Personal Coverage Guidelines
Income Replacement
Estate Liquidity Planning
Legacy Planning
Multigenerational Legacy Planning
Future Inheritance Planning
Creditor Debt Protection
Non-working Spouse/Domestic Partner
Charitable Giving
Juvenile

Business Coverage Guidelines
Replacement of Key Person
Buy-Sell and Stock Redemption
Deferred Compensation
Split Dollar
Executive Bonus

Personal Coverage Guidelines

The below outlines the requirements for personal coverage, however, additional information may be requested at Underwriting discretion.

Income Replacement

The following table represents the factor to be applied to the Proposed Insured's annual gross income to determine the maximum underwriting amount available:

Ages	Factor
18-40	30x
41-45	25x
46-55	20x
56-60	15x
61-70	10x
71+	Individual consideration

Estate Liquidity Planning

Estate Liquidity Planning involves individuals buying insurance on their lives to offset the projected impact of estate taxes on wealth distributed to their heirs. Formula: Net worth (x) Growth Factor (up to 7%) (-) Unified Credit(s) (x) tax rates (federal and state) (+) other final expenses.

Premiums must meet Premium Affordability Requirements. Higher growth rates are subject to individual consideration. See the table below for the maximum specified projection period. For survivorship cases, the age of the younger life is used. Substandard lives will lower the projection period.

Ages	Factor
Up to age 55	30 years
56-65	20 years
66-75	15 years
76-80	7 years
Over age 80	Individual consideration

A cover letter is recommended explaining how the total underwriting amount was determined, description of existing estate plan and explanation of policy ownership. For more information, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Legacy Planning

Legacy Planning involves parents owning and funding the purchase of a permanent life insurance on their own life or lives to benefit their children and future generations. The parents should have minimum assets of $1,000,000 and maximum assets of $5,000,000 (single and/or married).

Total underwriting amount available is based upon 1x the parent's net worth to a maximum of $5,000,000. Premiums must meet Premium Affordability Requirements.

A cover letter is recommended providing financial information for the parents including income, net worth, and breakdown of liquid assets, current amount and purpose of life insurance in force on parents, the purpose of this sale and the financial objectives.

For more information, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Multigenerational Legacy Planning

Multigenerational Legacy Planning involves grandparents buying insurance on their adult children to benefit all three generations with a focus on grandchildren. Grandparents should have minimum assets of $1,000,000 and total assets cannot exceed $5,000,000 single or $10,000,000 married. Premiums must meet Premium Affordability Requirements. Total underwriting amount is based upon income replacement for adult children.

A cover letter is recommended providing details of the structure, the number of adult children, and income, net worth and current amount of life insurance inforce for both grandparents and adult children.

For specific case design needs and questions, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Future Inheritance Planning

Future Inheritance Planning involves an irrevocable trust buying insurance on adult children to offset the projected impact of estate taxes on wealth distributed from one generation to the next. Total underwriting amount per adult child is dependent upon parent's net worth, parent's life expectancy, the number of adult children and ages of adult children. Premiums must meet Premium Affordability Requirements.

Based upon the complexity of the structure and information required, please contact Advanced Markets at 1-800-818-8184, option 8.

Creditor Debt Protection

Maximum of 100% of the loan amount within income replacement parameters; otherwise, 90% of the loan amount. Loan duration must be a minimum of 5 years.

A cover letter is recommended providing the source and loan amount, duration, purpose, repayment schedule, interest rate and collateralization information or copy of the loan agreement.

Non-Working Spouse or Non-Working Domestic Partner

Consideration of the total underwriting amount of an equal amount on working spouse or domestic partner.

The total risk amount should be in line with household finances and estate planning objectives, and will be evaluated on an individual consideration basis.

A cover letter is recommended providing the amount of insurance on working spouse or domestic partner, total household income and net worth.

Charitable Giving

The proposed insured's personal insurance needs should be addressed before a charitable policy is considered. Insured should have a meaningful relationship with the charity and an established pattern of giving for at least 3 years. If the annual donation is increasing each of the past 3 years, an average will be used.

The total underwriting amount should be based on the following multiple of the annual gift amount.

Charitable contribution multiples:

Ages	Factor
18-40	30x
41-45	25x
46-55	20x
56-60	15x
61-70	10x or remaining LE
Age 71+	IC – consider LE

A cover letter is recommended providing details of the relationship between the charity and the proposed insured and premium payor, if different. Also include a letter from the charity that confirms the annual giving pattern of the proposed insured over the past 3 years (i.e. contribution record). Additional information may be requested at Underwriting discretion.

Juvenile

Total underwriting amount at issue up to 75% of coverage on the highest insured parent (or legal guardian) per juvenile. Total coverage on all juveniles should be in line with the family's financial situation and will be evaluated on an individual consideration basis.

All siblings should be insured for similar underwriting amounts or premium amounts. If not, an explanation is needed.

Certain states place specific restrictions on the maximum allowed for juveniles. Please consult with Underwriting for details.

A cover letter is recommended explaining the purpose of insurance, amount of coverage on parents and siblings and how the underwriting amount was determined. Additional information may be requested at Underwriting discretion.

Documentation to parent's income and net worth or, if a gift, financial statements of person making the gift may be requested at Underwriting discretion.

Submit an illustration reflective of case design and premium structure.

Business Coverage Guidelines

The below outlines the requirements for business coverage, however, additional information may be requested at Underwriting discretion.

Key Person

Businesses frequently purchase a policy on the life of a key employee to protect against a financial loss in the event of the key employee's death.

The total underwriting amount is based on a multiplier of 10x total compensation (salary plus bonus).

A cover letter is recommended providing role in organization, responsibilities, specialized skills and other value-added contributions.

Include information on other key persons and amounts of coverage on each.

Buy-Sell and Stock Redemption

Buy-sell arrangements are frequently utilized to facilitate the transfer of a business interest to another individual(s) in the event of retirement, disability or death. Buy-sell agreements are generally in the form of a redemption agreement (i.e., entity purchase) or a cross purchase agreement.

The total underwriting amount available is based on the fair market value of the business with a reasonable growth rate substantiated by the business model and an individual's share of business ownership.

A cover letter is recommended providing background information on the company involved, how long the company has been in business, what valuation method was used and company website information.

For more information, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Deferred Compensation

A non-qualified deferred compensation plan provides highly compensated employees with a beneficial tax-deferred retirement savings vehicle provided by an employer. The total underwriting amount is a formula multiple of income not to exceed 25x income per plan participant. Please note, the employee is the insured. The employer/business is the owner and beneficiary of the policy.

A cover letter is recommended providing a description of the business entity, name and title of each covered key employee, their amount of individual coverage, criteria used in selecting the group of key employees and explanation of the plan benefits outlined in the plan documents. A copy of the deferred compensation agreement is required.

For more information, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Split Dollar

Split dollar is an arrangement between two parties (the owner and the non-owner) to share the costs and benefits of a permanent life insurance policy.

If the purpose is to provide income to employee, follow Executive Bonus guidelines.

If the purpose is to provide for estate planning needs, follow Estate Liquidity guidelines.

A cover letter is recommended providing background information on purpose of the coverage (income or estate), company involved, description of the plan design, name and title of covered employee(s) and individual amount of coverage for each covered employee.

For more information, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Executive Bonus

An Executive Bonus Plan, also known as a Section 162 plan, is a non-qualified employee benefit plan in which the business pays all or part of the premiums on a life insurance policy for the key employee as a “bonus.” The key employee is the insured and the owner of the policy.

The total underwriting amount is based on total key employee compensation and follows the Personal Coverage, Income Replacement Guidelines.

A cover letter is recommended providing plan design, name and title of the covered key employee(s) and individual amount of coverage for each employee.

For more information, please contact your field office or Advanced Markets at 1-800-818-8184, option 8.

Premium Affordability Requirements

The determination of an acceptable premium-to-income ratio depends on a variety of factors, including:

- The needs and objectives of the applicant
- The current income and net worth composition
- The source of the funds used to pay premiums

Premium affordability should be demonstrated for the total premium of all policies pending and inforce. The higher the disposable income, the higher the premium-to-income ratio allowed; generally not to exceed 25% of gross income. On cases where the source of the premium is other than income, details regarding the specific source of funding will be needed along with an explanation regarding why this source is being used. If using net worth as the source of premium, the **total** premium of all policies should not exceed 25% of the client's existing liquid assets.

Cases that exceed the guidelines will require a detailed cover letter and may be escalated for a suitability review.

Bankruptcy

Single Bankruptcy:

- Chapter 7: Bankruptcy must be discharged to consider
- Chapter 11, 13: Will consider 6 months from the date of bankruptcy petition subject to full details of the bankruptcy, income, employment, repayment plan, and ability to pay premium

Multiple Bankruptcies, all types:

- Postpone 2 years from discharge
- After 2 years from discharge, we will consider subject to full details of the bankruptcy, income, employment, repayment plan, and ability to pay premium

Insurable Interest/Financial Loss Requirements

Financial underwriting includes a review for insurable interest. We consider insurable interest to exist when the beneficiary benefits financially from the continued life of the proposed insured and would suffer a measurable financial loss upon the death of the proposed insured.

The Importance of Cover Letters

A detailed cover letter provides Underwriting with a clear and thorough picture of the case from the beginning and sends a message that you are committed to securing the best possible offer for the client. It can also help eliminate the back and forth with underwriting to help speed up the process.

What is typically included in a cover letter:

- Background information on how the sale developed
- Explanation of any unique design
- Premium expectations and purpose/need for coverage
- Details on applications submitted to other companies
- Total amount of coverage inforce and pending from all companies
- Amount of any coverage being replaced and reason for replacement

Retention, Automatic and Jumbo Limits

Internal Maximum Retention - Individual Policies

Rating	Ages				
	0-60	61-65	66-70	71-80	81-85
Standard	$7,500,000	$7,500,000	$7,500,000	$7,500,000	$7,500,000
Tables 1-5	$7,500,000	$6,000,000	$5,250,000	$4,500,000	$3,000,000
Tables 6-10	$6,000,000	$4,500,000	$3,750,000	$2,250,000	$1,500,000
Tables 11-16	$4,500,000	$3,750,000	$3,000,000	$1,500,000	$750,000

Internal Maximum Retention - Survivorship Policies

Rating	Ages				
	0-60	61-65	66-70	71-80	81-85
Standard	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Tables 1-5	$10,000,000	$8,000,000	$7,000,000	$6,000,000	$4,000,000
Tables 6-10	$8,000,000	$6,000,000	$5,000,000	$3,000,000	$2,000,000
Tables 11-16	$6,000,000	$5,000,000	$4,000,000	$2,000,000	$1,000,000

Autobind Limits (maximum automatic reinsurance available)

Rating	Ages				
	0-60	61-65	66-70	71-80	81-85
Standard	$55,000,000	$55,000,000	$55,000,000	$31,800,000	$15,900,000
Tables 1-5	$55,000,000	$44,000,000	$38,500,000	$18,950,000	$2,000,000
Tables 6-10	$44,000,000	$33,000,000	$27,500,000	$9,800,000	$1,000,000
Tables 11-16	$33,000,000	$27,500,000	$22,000,000	$6,750,000	$500,000

Jumbo Limits

Ages 0-80: $65 million **Ages 81-85:** $50 million (Standard or better risk class only)

Inforce and applied for coverage including replacements (excluding internal replacement and/or a 1035 Exchange of permanent coverage with like ownership) with Penn Mutual and its subsidiaries.

Trust-Owned Policies

In addition to the Routine Age & Amount Underwriting Requirements on page 4 of this guide, the Trust Certificate is required for all trust-owned policies. Please visit RR Donnelley Custom Point and search for PM6389.

A copy of the fully executed trust is required to be submitted with the application if:

- Insured is over age 70
- Insured is not an immediate family member of the Grantor of the trust
- Trust is not the sole policy owner
- Case involves premium financing (along with all other required supporting documents)

Underwriting has the discretion to obtain a copy of the fully executed trust outside of the above parameters based upon case review.

Medical Conditions

For medical conditions, it is helpful for the financial professional to obtain dates of onset, treatments, diagnoses, doctors seen (names and addresses), and details of all testing, medical consultations, and treatments, including response to treatment.

The medical condition underwriting information you need is just a click away.

For some conditions, additional helpful information is listed in the following charts.

<table>
<tr><td>Alcohol</td><td>Atrial Fibrillation</td><td>Coronary Artery Disease
(Heart Attack)</td><td>Diabetes</td><td>Heart Valve Disease</td><td>Peripheral Artery/Vascular Disease</td></tr>
<tr><td>Anemia</td><td colspan="3" rowspan="3">Cancer:
General Comments
Abnormal PAP Tests
Breast, Ovarian
Prostate
Prostate High Grade Prostatic Intraepithelial Neoplasia (PIN) Prostatic
Solid Organ
Others
Skin Malignant (Melanoma)
Skin Borderline Malignancy</td><td>Hepatitis B and C</td><td></td></tr>
<tr><td>Aneurysm</td><td>Marijuana Use
Medical
Recreational</td><td>Pulmonary Embolism</td></tr>
<tr><td>Anxiety</td><td>Pacemaker</td><td>Rheumatoid (and Psoriatic) Arthritis</td></tr>
<tr><td>Arteriosclerosis</td><td></td><td>Crohn's Disease or Ulcerative Colitis</td><td>Epilepsy/Seizure Disorder</td><td>Parkinson's Disease</td><td>Sleep Apnea</td></tr>
<tr><td>Asthma</td><td>COPD and Emphysema</td><td>Depression and Bipolar</td><td>Gastric Surgery for Obesity</td><td></td><td>Stroke or Transient Ischemic Attack (TIA)</td></tr>
</table>

Rate Class Abbreviations

STD = Standard class (Some Standard risks may be eligible for Preferred)

T = Table rating

Mild substandard: Table 2 – Table 4

Moderate substandard: Table 5 – Table 6

High substandard: > Table 6

Alcohol

Typical Information Needed	Likely Underwriting Assessment
APS documenting alcohol use and any related medical problems Alcohol Questionnaire Motor Vehicle Report	*Ratings depend primarily on applicant's age, time since last use and any co-morbid factors* **Alcoholism:** **Favorable features:** Over age 30 and >6 years since last consumption – STD **Unfavorable features:** Continued consumption; alcohol-related medical problems – Decline **Excess Alcohol Use:** **Favorable features:** No criticism in APS, no interference with work/lifestyle – STD **Unfavorable features:** Criticism in APS, interference with work/lifestyle – Mild substandard to decline

Anemia

Typical Information Needed	Likely Underwriting Assessment
APS documenting cause of anemia and treatment performed	**Favorable features:** Cause determined and treated – STD **Unfavorable features:** No anemia evaluation – Postpone until evaluated

Aneurysm

Typical Information Needed	Likely Underwriting Assessment
APS documenting location and treatment of the aneurysm	*If operated, can consider 6-12 months post-op depending on type of aneurysm* **Favorable features:** Operated or stable on serial studies – STD to mild substandard **Unfavorable features:** Unoperated, bleeding or enlarging aneurysm – Postpone pending surgery or stable studies

Anxiety (PTSD, Generalized Anxiety Disorder)

Typical Information Needed	Likely Underwriting Assessment
APS documenting prior history, including suicide attempts, current treatment and functional status	**Favorable features:** Single or infrequent episode, no hospitalizations and low dose maintenance medication – STD (possible preferred) **Unfavorable features:** More frequent episodes, episodes of depression, hospitalizations – Mild substandard to decline

Arteriosclerosis - Refer to Coronary Artery Disease

Asthma

Typical Information Needed	Likely Underwriting Assessment
APS documenting severity, including medications and hospitalizations	**Favorable features:** Excellent control, minimal symptoms – Preferred to mild substandard **Unfavorable features:** Multiple medications (including steroids) and hospitalizations – Moderate substandard to decline

Atrial Fibrillation

Typical Information Needed	Likely Underwriting Assessment
APS documenting severity, including medications and hospitalizations	**New finding on insurance exam:** Postpone until cardiac work-up **Favorable features:** Paroxysmal Atrial Fibrillation, Chronic Atrial Fibrillation: Infrequent episodes or controlled with medication – STD to moderate substandard **Unfavorable features:** Any cardiac disease or defibrillator implantation – Moderate substandard to decline

Cancer: General Comments

Typical Information Needed	Likely Underwriting Assessment
APS from Oncologist with pathology report and details to recent follow-up	**Not eligible for preferred** ***For all forms of cancer:*** *Consideration for insurance begins once treatment has been completed, assuming the client is well followed*

Cancer: Abnormal PAP Tests

Typical Information Needed	Likely Underwriting Assessment
APS including all pathology reports, current and prior treatments	**Favorable features:** Normal results on follow-up – Preferred available **Unfavorable features:** Lack of follow-up may require postponement for evaluation and treatment

Cancer: Breast, Ovarian

Typical Information Needed	Likely Underwriting Assessment
APS from Oncologist with pathology report, treatment, and details of recent follow-up	*Varies by type/stage/grade of cancer and types and dates of treatment* **Favorable features:** For certain types of breast cancer; low-grade or in-situ disease – Possible STD **Unfavorable features:** Nodal, metastatic or recurrent disease – Moderate substandard/flat extras to decline

Cancer: Prostate

Typical Information Needed	Likely Underwriting Assessment
APS including current age, tumor stage, type of treatment and serial PSA levels	**Favorable features:** Low-grade tumor, surgical treatment, excellent follow-up – Standard after period of postponement **Unfavorable features:** High-grade tumor, observation as only clinical treatment, unstable PSA levels – Postpone to decline

Cancer: Prostate High-Grade Prostatic Intraepithelial Neoplasia (PIN)

Typical Information Needed	Likely Underwriting Assessment
APS including current age, biopsy history and current PSA levels	**Favorable features:** PSA <10 – Possible STD or low substandard **Unfavorable features:** PSA >10, abnormal exam or radiology findings – Postpone for next biopsy

Cancer: Solid Organ (Example: Colon, Gastric, Hepatic, Pancreatic)

Typical Information Needed	Likely Underwriting Assessment
APS documenting type of cancer and extent of disease, treatment and follow-up	*Cancer treatment is evolving and fluid with new protocols, genetic testing and radical breakthroughs that can change the course or outlook of disease.* *All current records are vital to a positive decision.* **Favorable features:** Localized disease treated surgically, long duration of follow-up – Possible STD **Unfavorable features:** Extensive disease, short duration of follow-up, recurrence – Variable duration flat-extras to decline

Cancer: Other (Hodgkins Disease, Leukemia, etc.)

Typical Information Needed	Likely Underwriting Assessment
APS documenting type of cancer and extent of disease, treatment and follow-up	**Favorable features:** Disease in remission, long-duration follow-up – STD to mild substandard **Unfavorable features:** Recent diagnosis, disease uncontrolled or recurrent – Likely postpone to decline

Cancer: Skin Malignant (Melanoma)

Typical Information Needed	Likely Underwriting Assessment
APS including risk factors such as family history or dysplastic nevi, date of diagnosis and treatment, extent of tumor and follow-up	**Favorable features:** In-situ or early stage – STD **Unfavorable features:** Multiple melanomas or dysplastic nevus syndrome – Likely postpone to decline

Cancer: Skin Borderline Malignancy (Bowen's Disease, Dysplasic Nevus, Lentigo Maligna, Hutchinson's Melanotic Freckle)

Typical Information Needed	Likely Underwriting Assessment
APS documenting type of skin lesion, treatment and follow-up	*Varies by type, stage, grade of cancer and types and dates of treatment* **Favorable features:** Single lesion, good follow-up – STD to preferred **Unfavorable features:** Multiple or recurrent lesions, limited follow-up – Mild substandard to postpone pending follow-up

Chronic Obstructive Pulmonary Disease (COPD) and Emphysema

Typical Information Needed	Likely Underwriting Assessment
APS documenting severity by pulmonary function testing and history of hospitalizations, treatment and concurrent impairments Any tobacco use	*The younger the applicant, the higher the rating.* **Favorable features:** Mild disease, no concurrent impairments – STD to mild substandard **Unfavorable features:** Severe disease, tobacco use, oxygen required – Usually decline

Coronary Artery Disease (CAD) (including Angina, Angioplasty, Stent, Bypass Surgery, Heart Attack or Myocardial Infarction)

Typical Information Needed	Likely Underwriting Assessment
APS documenting severity, follow-up cardiac studies, treatment, current symptoms and tobacco use	***Not eligible for preferred*** **Favorable features:** Older age, mild disease, negative recent cardiac studies – STD to mild substandard **Unfavorable features:** Younger age, extensive disease, no recent follow-up – Moderate substandard to decline

Crohn's Disease or Ulcerative Colitis

Typical Information Needed	Likely Underwriting Assessment
APS documenting diagnosis, treatment, complications and follow-up	**Favorable features:** Limited disease (surgical treatment in ulcerative colitis), no steroids, asymptomatic/stable on follow-up – STD to mild substandard **Unfavorable features:** Recent major episode, multiple medications including steroids, extra-colonic complications – Moderate substandard to decline

Depression and Bipolar Disorder

Typical Information Needed	Likely Underwriting Assessment
APS documenting frequency and severity of episodes, treatment and follow-up	**Favorable features:** Mild, infrequent episodes, no or minimal medication – STD to mild substandard **Unfavorable features:** Frequent, severe episodes including suicide ideation or attempts, poor response to medication – Moderate substandard to decline.

Diabetes

Typical Information Needed	Likely Underwriting Assessment
APS documenting type and duration of diabetes, treatment, complications and follow-up	***Not eligible for preferred*** **Favorable features:** Controlled with diet or medications, good control of lipids and blood pressure, no kidney or cardiac disease, adult onset, short duration – STD to mild substandard **Unfavorable features:** Poor diabetes and lipids control, severe obesity, cardiac or renal disease – Moderate/high substandard to decline

Epilepsy/ Seizure Disorder

Typical Information Needed	Likely Underwriting Assessment
APS documenting type and frequency of seizures, treatment and follow-up	***Preferred consideration:*** *Remote seizures, off medication or mild suppressive therapy* **Favorable features:** Infrequent episodes, good response to treatment, no other neurologic impairment – STD to mild substandard **Unfavorable features:** Frequent seizures, poor response to medication, other neurologic impairments – Moderate substandard to decline

Gastric Surgery for Obesity

Typical Information Needed	Likely Underwriting Assessment
APS documenting pre-operative and current weight, type of surgery, history of diabetes or cardiac disease and follow-up	**Favorable features:** Surgery performed >2 years before with stable post-operative weight, no diabetes or cardiac disease – STD to mild substandard **Unfavorable features:** Recent surgery, weight gain after initial weight loss, cardiac disease or diabetes – Moderate to high substandard

Heart Attack - Refer to Coronary Artery Disease

Heart Valve Disease

Typical Information Needed	Likely Underwriting Assessment
APS documenting affected valve, treatment including surgery and ongoing follow-up	**Favorable features:** Stable heart function on recent echocardiogram, older age – STD to mild substandard **Unfavorable features:** Younger age, evidence of progressive valve disease or left ventricular dysfunction – Moderate/high substandard to decline

Hepatitis B and C

Typical Information Needed	Likely Underwriting Assessment
APS documenting type of hepatitis, duration of disease, treatment, and follow-up including current and former alcohol consumption	**Favorable features:** Evidence of cure with anti-virals, no or limited liver damage – STD to mild substandard **Unfavorable features:** Ongoing hepatitis, significant liver damage or cirrhosis – Moderate/high substandard to decline

Marijuana (Medical and CBD)

Typical Information Needed	Likely Underwriting Assessment
APS, medical marijuana card or valid prescription, Substance Use Questionnaire	Rating, if needed, will be for the underlying medical impairment Preferred classes available in most favorable cases Frequently smoked (>2/week) - Tobacco rates; otherwise non-tobacco rates **CBD:** If details favorable preferred classes may be available

Marijuana (Recreational)

Typical Information Needed	Likely Underwriting Assessment
Details of drug use, frequency and mode of use, Substance Use Questionnaire APS at underwriter discretion	**Age <= 20:** Individual consideration **Over age 20:** STD to mild substandard depending on frequency of use, medical history, and current social/occupation environment Preferred classes available in most favorable cases Tobacco rates if smoked or vaped greater than 2 times per week

Pacemaker

Typical Information Needed	Likely Underwriting Assessment
APS documenting age at implantation, co-existing cardiac disease, medical follow-up	**Favorable features:** No significant cardiac disease – Mild substandard to STD **Unfavorable features:** Co-existing cardiac disease, defibrillator implantation – Moderate substandard to decline

Parkinson's Disease

Typical Information Needed	Likely Underwriting Assessment
APS documenting date of diagnosis, treatment, extent of disability including cognitive function	**Favorable features:** Mild disease, good functional status – Mild substandard **Unfavorable features:** Progressive disease, significant disability – Moderate substandard to decline

Peripheral Artery/ Vascular Disease (Examples: Circulation trouble, blocked arteries in legs)

Typical Information Needed	Likely Underwriting Assessment
APS documenting date of diagnosis, extent of disease, smoking status, treatment and follow-up	**Favorable features:** Mild disease, no tobacco, active lifestyle – Mild substandard **Unfavorable features:** Extensive disease, co-morbid diabetes or CAD – Moderate/high substandard to decline

Pulmonary Embolism

Typical Information Needed	Likely Underwriting Assessment
APS documenting cause, associated cardiac disease, frequency of events, treatment and follow-up	**Favorable features:** Single episode, no cardiac impairment – STD **Unfavorable features:** Multiple events, cardiac impairment – Moderate/high substandard

Rheumatoid (and Psoriatic) Arthritis

Typical Information Needed	Likely Underwriting Assessment
APS documenting severity, treatment and functional status	**Favorable features:** Mild disease, fully functional – STD to Preferred **Unfavorable features:** Extensive disease, reduced function/ambulation, immunosuppresants – Mild/moderate substandard

Sleep Apnea

Typical Information Needed	Likely Underwriting Assessment
APS documenting age, tobacco use, results of sleep studies, treatment and presence of any associated cardiac disease	**Favorable features:** Fully compliant with treatment, no cardiac impairment – STD **Unfavorable features:** Severe disease, non-compliant with treatment, associated cardiac disease – Mild/moderate substandard

Stroke or Transient Ischemic Attack (TIA)

Typical Information Needed	Likely Underwriting Assessment
APS documenting date of diagnosis, tobacco use, extent of neurologic deficit, any history of diabetes or cardiac disease, treatment and follow-up	***Not eligible for preferred*** **Favorable features:** Single TIA, no significant residuals – Mild substandard to STD; Single stroke, no significant residuals – Mild/moderate substandard **Unfavorable features:** Multiple strokes, significant disability, co-morbid cardiac disease – Moderate/high substandard to decline

Non-Medical Activities

Certain activities may be accepted, but additional information may be required.
Click on each of the activities below to learn more.

Private Aviation
Climbing and Mountaineering
Motor Vehicle
Motor Vehicle Racing
Scuba Diving

Private Aviation

Information Needed	Likely Underwriting Assessment
Aviation Questionnaire Motor Vehicle Report	**Favorable features** – Possible Standard: >26 years old <65 years old >100 solo hours <200 hours annually IFR, ATP or commercial license **Unfavorable features:**– Likely flat extra premium: <26 years old <100 solo hours Student pilot International flying Adverse driving record ***Aviation Exclusion Rider is available on individual life policies***

Climbing and Mountaineering

Information Needed	Likely Underwriting Assessment
Mountaineering questionnaire Foreign Travel questionnaire, if applicable	**Favorable features** – Standard to possible preferred: Hiking United States climbing Lower altitudes **Unfavorable features** – Flat extra premium to decline: Technical or aid climbing Higher altitudes Outside United States Ice or cave climbing ***Hazardous Sport Exclusion Rider available if state approved***

Motor Vehicle

Information Needed	Likely Underwriting Assessment
Motor Vehicle Report	**Best case:** Preferred for 2 or fewer violations in 3 years **Multiple violations:** Flat extra $2.50 - 10.00/1000 **Single incident DUI:** Over age 25 and DUI is over 2 years - STD; All other risks - Postpone or flat extra premium **Worst case:** Decline

Motor Vehicle Racing

Information Needed	Likely Underwriting Assessment
Hazardous Sports Questionnaire Foreign Travel Questionnaire (if applicable) Motor Vehicle Report	**Favorable Features** – Standard to possible preferred: Stock Car (Non-NASCAR) Vintage or Auto Cross Rally ***Individual consideration for other racing based on the type, speed, engine displacement, frequency, sanctioning body and driving history***

Scuba Diving

Typical Information Needed	Likely Underwriting Assessment
Scuba Diving Questionnaire Foreign Travel Questionnaire (if applicable)	**Favorable features** – Standard to possible preferred plus: Formal Training PADI Certified <130 foot dives Accompanied dives **Unfavorable features** – Individual consideration: >130 foot dives Wreck, cave, free, night, rescue, ice, or solo diving No formal training

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