



NATIONAL FINANCIAL PARTNERS

NFP Life Insurance Reference Manual 2009

Completing the Life Insurance Transaction with NFP



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Purpose

As part of the NFP family, you are entitled to the best possible services and support so that you and your firm can address the individualized financial needs of each client. This manual guides you through the NFP Insurance Marketing Services resources that you need to successfully complete all aspects of the life insurance transaction. In addition to exploring the NFP Insurance Services website, you'll learn about the wide range of tools, training programs and expert teams that are dedicated to helping you do better, faster and easier business.

Compiled by: Joanna Dossman, NFP Insurance Marketing Services, Training and Education

Date of last revision: August 2009

Internal use only. Reference material only, not all inclusive. Please note last date of revision. Intended for staff and producer audience.

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INTRODUCTION TO NATIONAL FINANCIAL PARTNERS

1



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I. Who is NFP?

National Financial Partners Corp. (NFP) is a national network of independent financial advisors consisting of over 170 owned firms and more than 330 member firms in 41 states and Puerto Rico, specializing in life insurance and wealth transfer, corporate and executive benefits, and financial planning and investment advisory services.

Founded in 1987 as The Partners Marketing Group by Bob Carter and Bruce Callahan, NFP quickly grew into a multidisciplined, publicly traded company of financial services professionals. The company was originally a life insurance producer group established to leverage size and selling power to negotiate better payout and service from life insurance carriers. In 1996, Partners Securities, Inc. was founded as a necessity to transact broker-dealer business. With the inception of NFP in 1999, Partners Securities evolved into what is now NFP Securities, Inc. Today, NFP Securities is a nationally ranked independent broker-dealer servicing hundreds of thousands of clients.*

NFP was formed with the financial backing of Apollo Management and was able to grow exponentially. In September 2003, NFP entered the public market with the ticker symbol “NFP” and an IPO at \$23. Since then, NFP has expanded in ways we never could have imagined and become “One Dynamic Company.”

* Top 10 independent broker-dealer by revenue and average production according to *Investment Advisor*, June 2009.

II. NFP Timeline

1987

May 1987, Bob Carter and Bruce Callahan shook hands over Bruce's kitchen table one night to form a little company called The Partners Marketing Group (PMG). Their goals, originally written on a paper napkin, were to market insurance in Texas and Oklahoma, and to eventually become a national producer group. By the end of 1987, PMG had three carriers and a total revenue of \$156,000, of which 91 percent came from the state of Texas.

1996

Partners Securities, Inc. was formed to facilitate the broker-dealer transactions of the growing producer group. Partners Securities later became NFP Securities, Inc., a full-service broker-dealer.

1997

Partners Benefits is formed so the producer group has a channel through which to offer employee and executive benefits to its clients. Partners Benefits later becomes NFP Benefits and NFP Benefits Partners.

1999

NFP is formed and bridges the widening gap between large financial product manufacturers and the increasingly fragmented independent financial services professionals specializing in life insurance and wealth transfer, corporate and executive benefits, and financial planning and investment advisory services.

2003

NFP goes public. The IPO raised \$239 million from 10.4 million shares at \$23 per share.

2005

NFP acquires Highland Capital Brokerage (HCB). To date, this is NFP's largest acquisition. HCB is a premier value added wholesaler of financial products and services that includes 14 principal-led offices, 26 sales offices and over 80 sales vice presidents across the United States.

2009

NFP owns 170 firms across the United States and Puerto Rico, and is affiliated with more than 300 others.



III. Executive Management and Management



Jessica M. Bibliowicz

Chairman, President and Chief Executive Officer

Ms. Bibliowicz has served as NFP's president and chief executive officer since April 1999, as a director since June 1999, and as chairman of the Board of Directors since June 2003. From June 1997 to April 1999, she served as president of John A. Levin & Co., a registered investment adviser. From January 1994 to June 1997, Ms. Bibliowicz served as executive vice president and head of Smith Barney Mutual Funds. Since May 2006, she has served as a director of The Asia Pacific Fund, Inc. Ms. Bibliowicz is also a member of the Board of Overseers of the Weill Medical College and Graduate School of Medical Sciences of Cornell University and serves on the Board of Directors of Riverdale Country School and John Jay College Foundation. She received an A.B. from Cornell University.



Douglas W. Hammond

Executive Vice President and Chief Operating Officer

Mr. Hammond joined NFP in November 1999 and has served as chief operating officer since April 2008. He served as NFP's executive vice president and general counsel from January 2004 to June 2008, and as NFP's executive vice president and deputy general counsel from December 2002 to January 2004. Prior to joining NFP, Mr. Hammond was an attorney with the law firm currently known as Dewey & LeBoeuf LLP, where he represented NFP's capital sponsor prior to NFP's formation. From 1995 to March 1998, he held various legal and business positions in the financial institutions division of Gulf Insurance Group, Inc., a specialty lines insurance company. Mr. Hammond serves on the Board of Directors of Institutional Life Services, LLC and on the Trustees Advisory Council to the Board of Trustees of Fairfield University. He received his B.A. from Fairfield University and his J.D. from St. John's University School of Law.



Donna J. Blank

Executive Vice President and Chief Financial Officer

Ms. Blank joined NFP in September 2008 as executive vice president and chief financial officer. She was most recently at Financial Guaranty Insurance Company (FGIC), where she was chief financial officer both before and subsequent to its sale by GE Capital Corporation to an investor group in late 2003. Ms. Blank joined FGIC in 1997 when it was a GE subsidiary, and, after serving in several financial roles, became CFO in 2003. She previously worked at GE Capital as manager of financial planning and analysis, Insurance Services. Prior to that, she was director of budget and planning for The Robert Plan Corporation. She also worked for both The Rand Corporation and the City of New York. Ms. Blank received a B.A. from the University of Michigan. She holds an M.B.A. in finance and a Master of International Affairs, both from Columbia University.



Stancil E. Barton

Executive Vice President, General Counsel and Chief Compliance Officer

Mr. Barton has served as NFP's executive vice president, general counsel and chief compliance officer since June 2008. Mr. Barton joined NFP as senior vice president and chief compliance officer in September 2005. In April 2008 he was appointed deputy general counsel in addition to his other responsibilities. Prior to joining NFP, Mr. Barton co-founded Baetz & Barton, LLP, a Texas-based law firm specializing in insurance regulatory matters. Previously, he was a partner with the law firm currently known as Dewey & LeBoeuf LLP. From October 1992 to July 1998, Mr. Barton served as associate general counsel at American General, where he was responsible for insurance holding company compliance and maintained regulatory relationships for various American General life insurers and broker-dealers. Mr. Barton received his B.A. from the University of Michigan and his J.D. from University of Notre Dame School of Law.



James R. Gelder

*Chief Executive Officer of NFP Insurance Services, Inc.
Executive Vice President, National Financial Partners Corp.*

Mr. Gelder joined NFP in July 2007 as chief executive officer of NFP Insurance Services, Inc. and executive vice president of NFP. From 2002 until prior to joining NFP, Mr. Gelder served as head of the life insurance business distribution organization for ING U.S. Financial Services, where he was responsible for all individual retail life insurance distribution. He joined ING as co-chief executive officer of Life Operations through its acquisition of ReliaStar in 2000. From 1995 through 2000, he held a variety of positions with increasing responsibility at ReliaStar, including head of Life Marketing and Life Operations and president and chief executive officer of Security-Connecticut Life, a ReliaStar subsidiary. Prior to that, Mr. Gelder was with ReliaStar's predecessor, Northwestern National Life. In 1983, he founded Northwest Marketing Resources, Inc. and ran its brokerage and high net worth retail life practice. Mr. Gelder began his career with Northwestern Life Insurance Company in 1973. He attended Southern California College and graduated from Dartmouth College's Tuck Executive Program. Mr. Gelder received his CLU from the American College.



Michael N. Goldman

Executive Vice President, Mergers and Acquisitions

Mr. Goldman joined NFP in March 2001 and has served as NFP's executive vice president of Mergers and Acquisitions since April 2008. Mr. Goldman served as senior vice president, head of Mergers and Acquisitions, from January 2005 to April 2008. He also served as NFP's senior vice president and associate general counsel from June 2004 to January 2005. Prior to joining NFP, he was associated with RSL COM U.S.A., Inc. from June 2000 to March 2001. From 1997 to 2000, Mr. Goldman was an associate in the Mergers & Acquisitions department of the law firm of Skadden, Arps, Slate, Meagher & Flom LLP. Mr. Goldman received his B.A. from Yale University and his J.D. from Columbia University School of Law.



James L. Poer

President, NFP Securities, Inc.

Mr. Poer joined NFP in 2003 and has served as president of NFP Securities, Inc. (NFPSI) since June 2008. He served as senior vice president of NFPSI's Advisory & Investment Services from January 2005 to June 2008, and as vice president, Advisory Services, from February 2003 to December 2004. Prior to joining NFP, Mr. Poer was director of Advisory Services for two of AIG's registered investment advisers. He held marketing and product creation roles for asset management companies Cummer/Moyers Capital Advisors from August 1997 to May 2000, and Green Investment Management from April 1990 to August 1997. Mr. Poer has more than a decade of experience in the fee-based money management business and is a certified investment management analyst. He holds a B.S. from Texas Christian University.



Emily Arean

Senior Vice President and Director of Human Resources

Ms. Arean joined NFP in June 2005 as senior vice president and director of Human Resources. She was previously employed by BrokerTec USA, LLC, where she served as chief of staff and as a managing director from June 2003 to May 2005, and as director of Human Resources from February 2002 until May 2003. From December 2000 to February 2002, Ms. Arean was senior vice president of Human Resources for StarMedia Network, Inc. She served in a variety of capacities, each of increasing responsibility, at Popular, Inc. from January 1993 to November 2000, including senior vice president and director of Human Resources. She received her B.B.A. in accounting from the Pontifical Catholic University of Puerto Rico, her J.D. from the Interamerican University of Puerto Rico, and her M.B.A. from the University of Chicago.



Elizabeth J. Weber

Senior Vice President, Firm Operations

Ms. Weber, senior vice president and head of Firm Operations, joined NFP in July 2008. From 2003 until joining NFP, she served as senior vice president – Advanced Markets for Crump, Inc. (formerly BISYS Group, Inc.), increasing sales revenue through the development and implementation of advanced markets concepts. Previously, as Mid-Atlantic partner-in-charge for KPMG LLP, she was responsible for a \$6 million multi-state compensation and benefits practice, and prepared the strategic business plan for the national compensation and benefits practice. She has also held positions that included Of Counsel in the ERISA practice of Greenberg Traurig, LLC and positions with the U.S. Department of Labor and the Internal Revenue Service. Ms. Weber received her B.A. in liberal arts from St. John's College in Annapolis, MD, and her J.D. from George Mason University in Virginia. She is a member of the Virginia State Bar and AALU, where she is a member of the Business Insurance and Estate Planning Committee.

IV. NFP Firms and Channels

NFP owns many life insurance, wealth transfer, benefits and financial advisory services firms. In addition, NFP has relationships with many member firms across the United States. All NFP-associated firms, whether owned or not, are distinguished by an entrepreneurial spirit and a culture of independence, excellence and service.

To better understand the NFP model, it is helpful to think of these firms as falling into three basic groups. The first group consists of individual retail firms owned by NFP. These elite firms are highly growth oriented and marked by their leadership and strong expertise in niche markets. All other firms access NFP through either an owned channel or a member channel. Each channel is a unique, specialized organization that offers its firms the advantage of collective strength, shared resources and collaboration.

NFP Owned Channels

- NFP Life Brokerage
- Highland Capital Brokerage

NFP Member Channels

- PartnersFinancial
- NFP Benefits Partners
- Fusion Advisor Network

More information on these owned and member channels can be found on the following pages.



NFP Life Brokerage

Mission

To deliver top-tier comprehensive insurance services to independent advisors through well-established carrier relationships, and to provide access to innovative and effective sales strategies along with industry-leading advanced sales expertise.

Vision

To help differentiate NFP's BGA producers in this highly competitive marketplace, and to set the highest standard for the way our industry does business.

History

NFP Life Brokerage consists of seven BGAs that were well-established prior to the creation of the platform: *ECA Marketing, Inc.*; *Gaines & Smith Financial Group*; *M&M Brokerage Services, Inc.*; *National Insurance Brokerage*; *Total Financial and Insurance Services, Inc.*; *Universal Insurance Services of Florida, Inc.*; and *Windsor Insurance Associates, Inc.* In 2008, NFP Life Brokerage was created to allow these firms to remain independent while providing them a platform to leverage common infrastructure and technology. As a result, the firms are able to increase efficiency through the sharing of resources and intellectual capital.

Core Services

Through NFP Life Brokerage, the BGAs have access to:

- Infrastructure and intellectual capital
- Negotiating power with carriers and vendors
- Leading experts in the industry, across many disciplines
- Multiple distribution channels
- Innovative services, tools and resources
- Boutique independent broker-dealer and registered investment adviser firm
- Long-term care, disability insurance and annuities

Value to Other NFP Firms

The NFP Life Brokerage BGAs are able to provide great value to other firms in the NFP family, including:

- Underwriting advocacy
- A broad selection of top-tier carriers
- Innovative and effective sales strategies
- Advanced market and industry expertise
- Competitive compensation
- Excellence in service
- Valuable, long-term relationships
- Nationwide presence

NFP Life Brokerage Leadership



Vicki Evans
President



Carrier Relations

NFP Life Brokerage has formal relationships with several high-quality carriers, referred to as “Select” carriers and access to many others. Select carriers are:

- American General
- AXA
- Aviva
- ING
- John Hancock
- Lincoln
- Principal
- Protective/West Coast Life
- Prudential
- Sun Life
- Transamerica

NFP Life Brokerage BGAs

ECA Marketing, Inc.

Operated by Bob Phillips and Joe Spillman

Founded in 1987, ECA Marketing is a national annuity and life marketing organization providing best-in-class services. In 2007, ECA Marketing produced over \$1 billion in fixed annuities and \$50 million in life premiums in 50 states, making ECA Marketing one of the top independent marketing organizations in the nation.

Eden Prairie, MN, 800-356-4189, www.ecamarketing.com

Gaines & Smith Financial Group

Operated by Mitchell K. Smith and Patrick Gaines

Gaines & Smith Financial Group is a service organization specializing in advanced planning and case design, premium financing strategies and marketing systems.

Boca Raton, FL, 888-742-4637, www.eliteadvisorsgroup-bga.com

M&M Brokerage Services, Inc.

Operated by Marvin Meyer

M&M Brokerage Services brings 42 years of experience in processing life business and managing relationships.

New York, NY, 212-767-7444, www.bsiinsurance.com

National Insurance Brokerage

Operated by Sean McNealy

National Insurance Brokerage is a nationwide full-service BGA that offers customized life insurance resources and innovative concepts. The company leverages relationships with NFP and other strategic alliances to provide exceptional brokerage services and compensation to qualifying independent agents, agencies, estate planners, financial advisors, CPAs, trust officers and attorneys.

Orlando, FL, 800-291-7985, www.nibliffe.com

**Total Financial and Insurance Services, Inc.**

Operated by Marty and Lisa Greenberg

Total Financial offers over 30 years of brokerage experience and success, and a variety of carriers from which to choose.

Los Angeles, CA, 800-989-7500, www.totalfinancial.com

Universal Insurance Services of Florida, Inc.

Operated by Jim McGilvray and Michael Sorensen

Universal Insurance Services of Florida prides itself in providing unique solutions to complex problems in the areas of wealth transfer planning, executive compensation/benefits and premium financing.

Deerfield Beach, FL, 800-878-8280, www.uiservices.com

Windsor Insurance Associates, Inc.

Operated by Hal Brooks, Marc Schwartz and DuWayne Kilbo

Windsor Insurance is a full service boutique offering life insurance brokerage services to the high end independent producer since 1977.

Woodland Hills, CA, 800-410-9890, www.windsorinsurance.com

HIGHLAND CAPITAL BROKERAGE

AN **NFP** COMPANY

Highland Capital Brokerage

Mission

To assist successful financial advisors and insurance professionals in growing their businesses with high net worth clients.

Vision

To create trusted relationships by delivering customized insurance solutions, personalized local services and support.

Number of Firms

Fourteen principal-led, full-service brokerage offices, 26 additional sales offices and over 90 sales vice presidents.

History

In April 2005, National Financial Partners Corp. made its largest acquisition to date by acquiring Highland Capital Brokerage and its member firms.

Core Services

Highland Capital Brokerage, a wholesaler of financial products and services, provides objective access to major insurance carriers, advanced planning support and expertise in risk underwriting. It also provides back office processing to insurance brokers, financial planners and various institutions, such as banks, wirehouses and CPA firms.

Highland Capital Brokerage has extensive knowledge in the following markets:

- Insurance planning
- Wealth transfer
- Estate planning
- Life settlements
- Premium financing
- COLI/BOLI
- Business succession
- Executive compensation
- Retirement planning
- Impaired risk

Carrier Relations

Highland Capital Brokerage has formal relationships with several high-quality carriers referred to as “Highlighted” carriers and access to many others. Highlighted carriers are:

- American General
- ING
- John Hancock
- Lincoln Financial Group
- MetLife
- Principal
- Protective/West Coast Life
- Prudential
- Sun Life
- Transamerica

Website

www.highlandbrokerage.com

Highland Capital Brokerage **Leadership**



Rebecca Wingate
President

HIGHLAND CAPITAL B R O K E R A G E

AN **NFP** COMPANY

Highland Capital Brokerage Business

HCB Full-Service Locations

- Atlanta, GA
- Chicago, IL
- Charlotte, NC
- Heartland (Indianapolis, IN)
- Knoxville, TN
- Los Angeles, CA
- Milwaukee, WI
- New England (Farmington, CT)
- New York Metro (Cranford, NJ)
- Northwest (Seattle, WA)
- Philadelphia (King of Prussia, PA)
- San Diego, CA
- South Florida (Boca Raton, FL)
- Southwest (Phoenix, AZ)

Institutional Accounts

Institutional accounts, which Highland Capital Brokerage defines as banks, wirehouses, regional broker-dealers and CPA networks, are an important part of the company's overall distribution plan. The Highland Capital Brokerage institutional account business model includes back office processing, point of sale expertise and standardization across markets and geographic coverage.

The Highland Capital Brokerage institutional account strategy focuses on the top national accounts that make up over 90 percent of total institutional account production. The core values the company has adopted include: objectivity and integrity, coverage, consistency and preferred access to carriers and products. The most important core value is the mantra that the institution owns the client and is quarterback for the end client relationship, while Highland Capital Brokerage's client is the institution and has the goal to create a win-win-win for the client, the institution and Highland Capital Brokerage.

HighCap Financial®

HighCap Financial is a national program available to select, high-end independent producers on an invitation-only basis. Membership is reserved for those individuals committed to professional excellence and those with the ability to produce at meaningful levels.

With access to exclusive sales technology platforms, advanced planning resources and a concierge level of service, HighCap Financial members are offered a comprehensive sales support program unrivaled in the industry today. At the heart of HighCap Financial is the members' ability to share intellectual capital and network with other HighCap members.

Independent Sources

In addition to institutional and HighCap customers, Highland Capital Brokerage also serves a general brokerage audience of retail insurance producers, CPAs, attorneys and other financial services professionals.



PartnersFinancial

Mission

PartnersFinancial is a client-focused community of select, independent life insurance-based firms with significant benefit and investment advisory components. Our unique culture encourages sharing, innovation, leverage and objectivity. We are dedicated to growing our firms and building a strong organization to support mutual success.

Number of Firms

PartnersFinancial is made up of more than 225 firms across the country.

History

Founded in 1987 with the goal of becoming a national producer group, **PartnersFinancial** grew steadily, forming its own broker-dealer in 1996. In 1999, **PartnersFinancial** became an integral part of the newly formed company, National Financial Partners Corp. (NFP).

Core Services

PartnersFinancial was founded on the belief that independent insurance firms are stronger when they join a cooperative of highly experienced producers. Only firms committed to growing their business, exchanging knowledge and providing the highest standards to high net worth clients are selected as members.

Member firms benefit from:

- Preferred access to the industry's leading carriers
- Access to integrated technology
- Shared intellectual capital
- Firm growth resources
- Exclusive NFP platforms, including an insurance-focused broker-dealer, advisory and investment services and corporate benefits
- A recognizable and respected institutional identity

Carrier Relationships

PartnersFinancial has formal relationships with several high-quality carriers referred to as "Core" carriers and access to many others. Core carriers are:

- | | |
|--------------------|----------------------|
| ➤ American General | ➤ MetLife |
| ➤ AXA | ➤ Pacific Life |
| ➤ ING | ➤ Sun Life Financial |
| ➤ John Hancock | |

Website

www.pfinancial.com

PartnersFinancial Leadership



John Irvin
President



Membership Benefits

In addition to a strong institutional identity that gives strength to local, independent firms, PartnersFinancial provides a wide range of exceptional benefits to members:

Preferred Access

PartnersFinancial is a key distribution partner for its Core carriers, bringing members:

- **Dedicated Resource Units.** Core carriers have underwriting and service teams dedicated to serving Partners members.
- **Product Development.** PartnersFinancial participates in each Core carrier's product development process, helping to ensure the organization's overall product portfolio supports member marketing needs.
- **Compensation.** The Partners platform provides members with a combination of high compensation as well as bonus and revenue sharing.
- **Life Bonus Plan.** Members participate in a multimillion dollar life bonus plan that aggregates all Core carrier production. This means members can place business with the company and products most appropriate for their clients.

Integrated Technology

Advanced tools help members save time and money:

- **SmartOffice.** A web-based client data management system built for insurance professionals.
- **Online Illustration System.** Enter a case once and run compliant illustration and comparisons for multiple carriers.
- **UConnect.** An NFP proprietary online system for submitting business electronically to carriers.
- **Policy Comparison System.** Enables members to prepare analysis of an in-force illustration, a competitor's illustration or a new case.

Intellectual Capital

PartnersFinancial harnesses the ideas and best practices of highly qualified professionals in the industry through: affinity groups made up of peers in specific markets; conferences and conventions; study groups and more.

Firm Growth

Each firm has a team focused on helping it identify growth opportunities and take advantage of available resources. The Case Advocacy and Advanced Sales teams help give firms a competitive advantage in the marketplace by assisting with underwriting, case consultation, case design and strategic business building efforts. The Professional Partnerships program helps members form revenue-sharing alliances.



Exclusive Platforms

PartnersFinancial members have access to exclusive NFP platforms:

- **NFP Securities, Inc.** An independent broker-dealer that specializes in serving insurance firms with business that includes investment and asset management for high net worth individuals.
- **Advisory and Investment Services.** Provides access to leading products, strategies, technology and marketing resources for asset management, financial planning, alternative investments, annuities and mutual funds.
- **NFP Benefits.** Gives firms a competitive edge in the small to midsize corporate market by providing leading-edge benefits strategies, products and services in health and welfare, voluntary benefits and retirement services.
- **Corporate and Bank Services.** This area provides comprehensive sales, marketing, design, product and administration support for a corporate or bank purchase of an executive benefit, COLI or BOLI plan. Business supported includes: executive compensation consulting, nonqualified plans and executive carve-out plans.



NFP Benefits Partners

Mission

To create a dynamic network of the most successful and forward-thinking benefits firms that empowers each member to create greater value for their business by developing, implementing and maintaining innovative employee benefit solutions for clients of all sizes and their employees.

Vision

Ensure NFP Benefits Partners member firms successfully grow and manage their businesses in an ever-changing corporate benefits environment by providing preferred carrier relationships, best-of-breed products, advanced benchmarking and analysis tools, and comprehensive decision and implementation support services that cannot be found anywhere else.

Number of Firms

NFP Benefits Partners is made up of more than 165 firms across the country, with more than 1,600 benefits professionals that represent over 40,000 corporate clients of all sizes throughout every industry.

History

Created in 2006 by National Financial Partners Corp. to serve as a national corporate benefits producer group.

Core Services

Member firms have access to:

- Knowledge-sharing
- Disability insurance
- Long-term care
- Conferences and workshops
- Health and welfare
- Voluntary benefits
- Retirement services
- Executive benefits
- Property and casualty
- Business centers focused on product lines and services

NFP Benefits Partners Leadership



Ed O'Malley
*Senior Vice President,
Corporate Benefits*



Carrier Relations

NFP Benefits Partners has relationships with a number of medical, group ancillary (dental, life, vision, disability, etc.) stop loss, voluntary benefits, disability, retirement services and executive benefits carriers, including:

- > Allstate
- > Ameritas Group
- > Humana Specialty Benefits
- > ING
- > MassMutual Financial Group
- > MetLife
- > Nationwide Financial
- > Principal Financial Group
- > Reliance Standard
- > Securian
- > Sun Life Financial
- > The Standard
- > Transamerica
- > UnitedHealthcare
- > Unum

Website

www.nfpbenefitspartners.com

NFP Benefits Partners Offerings

Intellectual Exchange

Knowledge-sharing resources, such as study group resources and webinars, tap into the collective experience and capabilities of our members. A knowledge network allows firms to search for intellectual exchange prospects by reaching out to member firms, and national conferences, strategic growth workshops, training seminars and incentive trips provide additional learning and networking opportunities.

Products and Services

Preferred access to comprehensive benefit offerings from leading carriers and to various service vendors:

- > **Health and Welfare.** Practice provides innovative solutions and expertise that address health care, pharmacy, dental and other group employee benefits.
- > **Retirement Services.** Practice offers the benchmarking, analysis and reporting tools firms need to help clients address employee retirement goals.
- > **Voluntary Benefits.** Practice offerings include plan design, communication, enrollment, administration and product comparison and analysis.
- > **Disability.** Offers carrier and product information, Multi-life Disability Sales Center, income analyzer, marketing programs and a request for proposals system.
- > **Long-term Care.** Access to carrier and product information, cost-of-care calculators, illustration tools, pre-underwriting screening, and training and education materials.
- > **Executive Benefits.** Practice helps firms make sure clients' top-performing employees feel their benefits plans address their needs.



- **Property and Casualty.** Access to the insurance expertise, market access and servicing capabilities needed to optimize this source of recurring revenue.
- **Business Centers.** Designed around specific product lines or services to equip member firms with information and resources needed to sell a product line or address a service need.
- **NFP-acquired Platforms.** Partners that meet unique niche market needs not met by large carriers.

Tools and Resources

Sophisticated tools and resources to help firms service clients more efficiently and effectively:

- **Marketing.** Sample documents; brandable materials including brochures and newsletters, Online Print Center and more.
- **Agency Management.** Agency Ware, a Web-enabled benefits-based client management system, enables firms to implement and manage prospects and clients through each sales process phase.
- **Benefits Enrollment and HR Administration.** Bswift, a web-enabled application, allows members to deliver exceptional benefits and HR administration.
- **Benefits Communications.** Dynamic tools such as Web-based MyBenefitsView, an advanced benefits and health management information system.
- **HR Resources.** Powerful tools like MyHRView, an online resources and reference center, the HRFocus Call Series and the HR and Compliance Client Web Portal.
- **Analysis Tools.** A wide range of tools to monitor the ongoing well-being and effectiveness of clients' plans.

Member Firm Support

A wide array of support services, including practice management and the development of revenue-sharing strategic partnerships, are provided. Firms are also guided through ever-changing compliance and regulatory requirements and have access to training material for all NFP Benefits Partners business lines.



Fusion Advisor Network

About

Fusion Advisor Network is a network of successful, independent advisors brought together by the desire to build a more profitable and valuable business by utilizing industry-leading practice management, accessing some of the best industry resources and engaging in a culture of shared expertise and experience. Through Fusion, advisors have access to NFP Securities Inc. (NFPSI), a top independent broker-dealer.*

Number of Representatives

Fusion Advisor Network has 120 firms with over 250 registered representatives in 28 states across the country.

History

The Fusion Advisor Network, as well as the NFPSI partnership, began in 2003 to provide some of the country's leading financial planning professionals with the services, resources and tools to be entrepreneurial and independent.

Core Services

In addition to having access to NFPSI, Fusion provides the following services and support to its advisors:

- Business management
- Advice and support in hiring/compensating staff
- Marketing consulting
- Expertise in forming alliances/joint ventures with referral partners
- Merger and acquisition consulting
- Technology
- Business succession planning
- Employee benefits
- Transition support
- Conferences and events

Fusion Advisor Network **Leadership**

Stuart Silverman
CEO and Founder

Philip Palaveev
President

*Top 10 independent broker-dealer by revenue and average production according to *Investment Advisor*, June 2009.



Carriers and Products

Fusion believes that true independence means no hidden profit centers, an open product shelf and a broad array of product resources — no proprietary products. Belonging to the Fusion Advisor Network means advisors have resources from which to choose a wide range of products for their clients, including:

- An industry-leading advisory platform (Advisor Enterprise) giving advisors a wide array of investment advisory services (advisor as manager, separately managed accounts, UMA and fee-based planning)**
- Mutual funds**
- Fixed and variable life insurance**
- Fixed and variable annuities**
- Stocks and bonds**
- Group and corporate benefits
- Qualified plans
- Long-term care
- Disability insurance
- Alternative investments**
- Hedge funds
- Funds of funds
- Limited partnerships (REITS, oil and gas, royalties, etc.)

Website:

www.fusionadvisornetwork.com

Fusion Advisor Network Offerings

Practice Management

Advisors are offered in-house practice management on:

- Maximizing the bottom line and increasing profitability
- Maximizing the value of a practice
- Creating recurring revenue to stabilize cash flow while helping to create a valuable asset
- Using technology to maximize efficiency
- Sharing ideas with other producer group members
- Time/management skills

**Investment-related products and services offered by representatives of NFPSI.



Human Capital

Fusion actively works with advisors to maximize the use of their human capital by:

- Reviewing and optimizing organizational design
- Creating and changing compensation plans
- Screening candidates for employment
- Developing career tracks for employees

Business Succession Planning

The Fusion Advisor Network helps firms prepare for the future by:

- **Creating Value and Revenue** — The Fusion team works with its advisors to package their businesses over time with the goal of having actual worth to someone else. The team helps advisors develop a business strategy for turning their practice into a true financial asset that has real value to them and their clients by creating recurring revenue.
- **Providing a Unique Selling Opportunity** — Fusion's relationship with NFP allows an advisor to consider selling their practice for a high multiple based on the value of ongoing revenues and cash flow (subject to NFP's due diligence process). The advisor gets value for their practice while still being able to manage it or transition clients to a successor.

Marketing

The Fusion Advisor Network marketing platform offers:

- Basic marketing consulting
- Dedicated advisor marketing website
- Customized branding programs
- Lead generation programs
- An array of marketing programs for clients and prospects
- Referral programs and target marketing
- Unique seminars
- Turnkey program for professional partnerships
- Private, ongoing consulting

Technology

Advisors have access to state-of-the-art technology, including:

- LaserFiche, a document imaging and management system that effectively digitizes paper files
- PartnerView Reporting, a Web-based portfolio accounting and performance reporting system
- Online tracking of commissions, licensing and broker-dealer continuing education credits
- Discounted planning tools and software solutions
- Online search engines
- Online transactions with NFS
- Customized advisor websites
- Tech support

Additional Benefits

Fusion Advisor Network participants also have access to a group benefits package, transition support and a wide selection of meetings and workshops to help them improve business.

V. NFP Resources

NFP Insurance Marketing Services

This department assists NFP member and owned firms with all aspects of the life insurance sale. NFP has multiple teams of experts that provide support in areas such as advanced strategies, product and case design, tax and legal, underwriting, premium financing and life settlements. Other experts work closely with associates to help them make the most out of the technology, product, carrier and education resources available to them.

Advisory and Investment Services

Advisory & Investment Services provides access to leading products, strategies, technology and marketing resources for asset management, financial planning, alternative investments, annuities and mutual funds. This division focuses on solutions to assist clients in the management, protection and distribution of wealth. In addition to its ability to leverage strong relationships with some of the largest, most well-respected companies in the industry, the Advisory and Investment Services in-house sales support team is dedicated to helping representatives find the investment solutions that best fit the needs of their clients.

Broker-Dealer

NFP Securities, Inc. (NFPSI) is an independent, full-service boutique broker-dealer and federally registered investment adviser dedicated to NFP's owned and member firms. NFPSI is not affiliated with any manufacturer, which allows advisors a whole array of options from which to make what they feel are the very best choices for their clients. Dedication to developing and delivering customized industry tools, leading technology, and practice management support provides independent professionals an open architecture environment that supports their ability to serve clients and achieve profitable growth.

Benefits

This division is dedicated to providing NFP firms with resources and tools to sell employee benefits and executive benefits to small- to mid-market clients. NFP has internal associates to assist in point of sale presentations, quotes and illustrations, as well as a vast array of resources and references available online and through the Benefits team.

VI. Learn More

To learn more about NFP, its business model and how Jessica Bibliowicz, chairman, president and CEO of the company, views the future of the company, read "Reason to Believe," a January 2009 article in *Best's Review*. (See Appendix A)

For information on NFP stock, investor relations and other corporate information, visit the NFP website, www.nfp.com.

For NFP Austin employee contact information, see Appendix B.

For NFP New York employee contact information, see Appendix C.

LIFE INSURANCE BASICS

| 2



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I. Understanding Life Insurance

Along with the NFP Insurance Services website (<http://internal.nfp.com/insurance>), the American Council of Life Insurers (ACLI) website (www.acli.com),* the National Association of Independent Life Brokerage Agencies website (www.nailba.org)* and individual carrier websites are all great resources for additional information on life insurance products and sales, and the industry as a whole.

In addition, ACLI developed “What You Should Know About Buying Life Insurance,” a concise and easy-to-understand overview of life insurance. Although the brochure is client-facing, the information is useful as an introduction to life insurance for staff and new producers. (See Appendix D)

II. Product and Case Design Basics

Carriers offer many products to fit what they perceive to be the demands of the market. In most cases, one of the hundreds of products offered by various carriers will fit a client’s needs as is, without a lot of manipulation or additional design. However, this is not always the case.

Sometimes a client will require strategic design and layering of policies to meet specific goals. Other times trusts and other financial instruments will need to be used to accomplish a financial plan. These processes are called “product design” and “case design.” Some firms have spent years specializing in product and case design, while others are just beginning to explore what is possible in these areas.

Product Design

Life insurance products can do much more than one might imagine. Products can stretch and bend to fit your clients’ needs in a variety of ways. When illustrating life insurance, think beyond the traditional advertised use of the product: Can we adjust the premium in the early years? Can we shorten the guarantee period? Can the client skip some premiums when his kids are headed to college? What about the face amount? Should it increase, decrease or stay the same?

Information Gathering

When designing products to fit a client’s needs, consider the following:

The Client’s Goals

- What the client is most interested in: cash value, death benefit, internal rate of return, distributions, etc.

Premiums

- Amount able to pay now
- Amount able to pay in the future
- Other places that money could be going

* These organizations are not affiliated with NFP, its subsidiaries or divisions.

Death Benefit Need

- Current need
- Future events that may impact the death benefit need
- Business needs
- Estate tax needs
- Legacy planning
- Charitable giving continuation

Insurability

- Medical underwriting and financial underwriting
- Financial qualifications/justification

Many firms develop a client fact-gathering sheet or questionnaire they give to all of their clients so that the information above, and other information that helps in the life insurance transaction, can be gathered. For assistance in developing a fact-gathering sheet, contact your NFP liaison.*

Selecting a Product

Once you have the information you need, it's time to look at products in the market. Which ones would work best for your client's scenario? The NFP Product Management team (information located under the Product Resources section of the NFP Insurance Services website (<http://internal.nfp.com/insurance>) and the Advanced Sales team (information located under the Advanced Sales Resources section of the NFP Insurance Services website) can help you determine which products might work or help you design the products to fit a client's needs.

Some questions to consider when choosing a product:

- What kind of product works best for this scenario? Term, permanent, single life, second to die, etc.?
- Will one product work or will more than one be necessary to meet the client's needs?
- Which carriers might work best?
- Management of future premium: carrier, firm, advisor or client?
- What is the client's risk tolerance and understanding of the proposal?
- Is the client adequately diversified?**

Remember that products and pricing are ever-changing. Check for updates and current product offerings frequently on the NFP Insurance Services website (<http://internal.nfp.com/insurance>) under "Announcements" or "Product Management."

* If used by a registered representative, sheet subject to review and approved by their analyst.

** Diversification does not guarantee against loss of principal.

Case Design

When we talk about case design, we are venturing past making a product work for the life insurance needs of the client. Now we're talking about how life insurance fits into the overall financial plan of the client and what goals life insurance could accomplish within the client's overall plan. We want to think about the client portfolio and tax, income and legal considerations as a whole, and how life insurance may fit into the picture.

Consider the client's:

- Net worth
- Current balance sheet (assessing liquidity in assets)
- Current life insurance coverage
- Investments
- Real estate and other asset holdings
- Expenses
- Business obligations
- Estate considerations/tax
- Gifting – current and future
- Financing of premiums
- Future expectations in personal and professional life
- Future expectations of investments, liquidity and holdings
- Current taxes/future expectations of taxes
- General risk tolerance
- Trusts – current and future use
- Existing advisors, attorneys and other planning professionals

For more information on case design, visit the NFP Insurance Services website at <http://internal.nfp.com/insurance>.

If life insurance makes sense for your client, the NFP Advanced Sales Resources team can help you determine how to accomplish the client's goal by evaluating potential legal, regulatory and future implications of your proposed plan. Call 1-800-880-0080 or e-mail lifesolutionssupport@nfp.com.

III. Underwriting Basics

Life insurance underwriting is the gathering and evaluating of medical and non-medical information for the purpose of pricing life insurance.

Each life insurance company has its own extensive policy and procedure manuals used to determine whether or not to issue a life insurance policy and how to price that policy. An insurer's underwriters typically use a combination of factors that experience shows correlates with the risk of death (and premature death) known as "mortality experience." Carriers use questionnaires, medical records, general information searches and the Medical Information Bureau to assess an applicant's insurability or expected mortality.

Underwriting requirements vary by carrier, client age, amount of death benefit applied for, term vs. permanent coverage, and an array of other factors. Consult the Underwriting/New Business section of the NFP Insurance Services website (<http://internal.nfp.com/insurance>) or review carrier documents for an itemized list of all requirements for underwriting per case profile.

Underwriting is broken into medical and non-medical underwriting. Medical underwriting looks at the family and personal health history of your client. Non-medical underwriting examines occupation, financial need and other non-medical factors of the underwriting process.

Information Gathering: Medical and Non-medical

Your client may be asked for the following general information, in addition to questions specific to an individual carrier, during the underwriting process:

- Age
- Sex (except in several states that require unisex rates, even though actuarial data shows women live longer than men)
- Height and weight
- Health history (and often family health history, e.g., parents and siblings)
- Purpose of the insurance (e.g., estate planning, business, family protection)
- Marital status and number of children
- Amount of insurance the applicant already has and any additional insurance the applicant proposes to buy (as people with far more life insurance than they need tend to be poor insurance risks)
- Occupation (some are hazardous and increase the risk of death)
- Income (to help determine suitability)
- Smoking or tobacco use (an important factor as, on average, smokers have shorter lives)
- Alcohol (excessive drinking seriously impacts life expectancy)
- Certain hobbies (e.g., race car driving, hang gliding, piloting non-commercial aircraft)
- Foreign travel (amount of travel, time in foreign country and purpose of trip)

In addition to these basic questions, your client will be asked about the doctors that they visit, any hospital stays and weight gain/loss. Each of these questions may lead to additional inquiries and will give the underwriter a better understanding of the health of your client.

See Appendix E for a helpful glossary of medical abbreviations.

Non-medical Underwriting: Financial Consideration

Part of non-medical underwriting, financial underwriting is the process of evaluating the finances of a case and determining why the client has applied for the amount requested. Is it justifiable given the stated purpose of the insurance and the insurable interest of the policy owner to the insured?

When considering financial underwriting, your client may be asked to provide any or all of the following:

- Bank statements
- Balance sheets
- Tax returns
- Brokerage account statements
- Estate or property value statements
- Trust documents
- Corporate or entity agreements
- Letter of credit

Underwriting Requirements

Each life insurance company requires certain documentation for the underwriting process. NFP has gathered the life insurance requirements for underwriting from each of our carriers. This information can be found on the Life Carriers section of the NFP Insurance Services website (<http://internal.nfp.com/insurance>). Information about the use of the Life Insurance Requirements for Underwriting tool, an NFP Insurance Marketing Services tool for identifying carrier specific underwriting requirements, can be found in the “Tools and Resources” area in Section 3 of this manual.

Each carrier has its own requirements for underwriting based on age of the applicant and the face amount of coverage the client is applying for. Some common underwriting requirements include:

Attending Physician Statement

This is the primary underwriting tool used by life insurance carriers. With a client release or authorization, you, or a company on your behalf, can contact the client’s primary care physician or specialist for these records. Please note that you must have a signed client release form before any physician will release these records.

Paramedical Exam

This is a medical exam performed for the purpose of securing life insurance. This must be done by an approved vendor or, in some instances, can be done by the client’s personal physician. Your client should be prepared for the exam. Visit the Underwriting/New Business section of the NFP Insurance Services website (<http://internal.nfp.com/insurance>) to get exam preparation tips.

Inspection Report

This is a telephone interview the carrier gives to the client. The client will be asked an array of questions confirming the information found on the application, exam and the other supporting documents submitted. This interview can take anywhere from 10 minutes to 45 minutes.

Older Age Mini-medical Exam

Clients over the age of 70 may be asked to take an extended exam to determine more about their health, memory and mobility.

Offers

Based on all of the information collected and evaluated by a professional underwriter, the carrier will make an offer on the case. Each insurer sets its own underwriting standards of what it considers to be acceptable, insurable risks. Then each application for insurance is reviewed to determine if the individual meets those standards. Here are six common categories or risk classifications:

- **Preferred:** Better than average risk (i.e., in good health with no dangerous hobbies or history of health problems).
- **Standard:** Considered an average or typical risk.
- **Substandard Rated:** Above-average risk (perhaps the client has high blood pressure, smokes cigarettes or engages in skydiving every weekend). Classified as an increased risk and charged a higher premium.
- **Declined:** Rated as uninsurable (perhaps due to a serious illness). May be denied coverage entirely.
- **Postpone:** If the underwriter cannot properly assess mortality today based on a recent medical condition or anomaly, the offering on the case may be postponed for a set period of time.
- **Flat Extra:** An additional amount charged for a set period in addition to the rate offered (e.g., \$2.50 per \$1,000 of coverage applied for the next 10 years). This is typically used for high risk occupations, hobbies or medical conditions that only add additional mortality risk for a limited amount of time.

Substandard Underwriting Offer

You can receive a substandard offer back in a variety of different formats. The below chart can help you translate the offers and translate them back to an alpha numeric table.

Substandard Underwriting Offer Conversion Grid*

Table	Mortality Debits	Total Mortality
A or 1	+25	125%
B or 2	+50	150%
C or 3	+75	175%
D or 4	+100	200%
E or 5	+125	225%
F or 6	+150	250%
G or 7	+175	275%
H or 8	+200	300%
I or 9	+225	325%
J or 10	+250	350%

*Please note that some carriers work with a range and this chart may be slightly modified by a carrier at any point in the future. Please confirm your conversion with the carrier before illustrating and issuing the policy.

Uninsurable/Declination

The following is a list of examples of conditions or events that will typically yield an underwriting offer of uninsurable or declination of coverage for life insurance.

- Acquired immune deficiency syndrome (AIDS)
- Alzheimer's disease
- Amyotrophic lateral sclerosis (ALS) (also known as Lou Gehrig's Disease)
- Cystic fibrosis
- Dementia, senile
- Dialysis, currently
- Huntington's disease (personal history or current)
- Muscular dystrophy
- Implantable defibrillator
- Currently imprisoned
- Bankruptcy or criminal felony charges within one year

If you notice any of the above in a client's file, please take note of the possibility of uninsurable status and reach out to NFP or your field underwriter for additional support.

For More Information

For more information on the underwriting process, please visit the Underwriting/New Business section of the NFP Insurance Services website (<http://internal.nfp.com/insurance>) or contact an NFP underwriter by calling 800-880-0080.

IV. New Business Processing

When processing life insurance applications for coverage you can either do so formally or informally. In this section we'll discuss the steps required to process a case from start to finish both in an informal situation for "shopping" purposes or formally for securing coverage.

Note: Producer must be appointed prior to submitting an application. In addition to the procedures outlined below, registered representatives should follow their broker-dealer's guidelines for submission, review and approval of all variable life insurance business.

Informal Case Submission

Informal case submission is used for the purpose of securing an informal medical and financial underwriting offer from one or more carriers prior to formal case submission. This process removes the risk of reporting declination and table rating details to the Medical Information Bureau and allows the client to choose from a variety of life carriers based on product performance, potential offer and price.

Informal Submission Process

1. **Authorization** — Begin by completing an Informal Inquiry Application (which gives you access to pertinent client information), the NFP Authorization and/or a carrier specific HIPAA Compliant Authorization. Authorization forms allow carriers, NFP and our brokerage general agencies to review client medical and financial information.

A copy of the NFP Authorization can be found on the NFP Insurance services website (<http://internal.nfp.com/insurance>) under the Underwriting/New Business section, under “Forms and Helpful Links.” Carrier HIPAA and authorization forms can be found on the carrier’s website or under the Life Carriers section on the NFP Insurance Services website. Simply select the carrier and then the “Forms” section.

Tip: Make sure forms are fully complete, signed and dated prior to submission.

2. **Necessary Requirements** — Obtain the necessary requirements to accompany the informal application and authorizations. This includes, but is not limited to, Attending Physician Statements, a paramedical or medical exam, lab results (if available), EKG (if applicable), financial documentation (third-party financials from CPA or inspection company, or a completed financial questionnaire).

To find out which requirements need to be gathered for your case, see the Underwriting/New Business section of the NFP Insurance Services website. Select “Life Insurance Requirements for Underwriting” under the “Tools (UW/NB)” section. Carriers also provide this information on their websites and in their field underwriting guides.

3. **Cover Letter** — Prepare a cover letter to explain the purpose of insurance and provide any pertinent client lifestyle information (activities, hobbies, exercise routine details, etc.). This helps to paint a clear picture of the client and his or her needs.

NFP offers examples of cover letters on the NFP Insurance Services website under the “Reference Library” in the Underwriting/New Business section.

Tip: Remember, underwriters will not have an opportunity to meet the client. They rely on the information you provide. Try to answer any questions they may have in your cover letter.

4. **UConnect** — Create a file in UConnect, NFP’s proprietary case submission system, by entering client information into the specified fields. UConnect will allow you to electronically submit business to NFP Life carriers or NFP BGAs.

Next, scan obtained medical and financial documents. Attach these documents to the client file in UConnect.

*Note: For more information on UConnect, visit the Underwriting and New Business Tools area in Section 3, of this manual.**

5. **Submission** — Submit only fully packaged cases to the carriers of your choice using UConnect or by mailing the documents to the carrier.
6. **Follow Up** — Follow up with carriers three to seven days after submission for a client assessment and underwriting offer.

* Submission to UConnect alone does not satisfy the supervisory review submission guidelines for the approval of variable life business for registered representatives of NFP Securities, Inc. Please consult your sales supervisor for more information.

Formal Case Submission

Formal case submission is used for the purpose of applying for a life insurance policy. Before you begin:

Proactive Case Management — Build a client file by attaching examination paperwork, medical records, necessary financial information and a detailed cover letter whenever possible. Submitting a complete package ensures faster processing and decreased cycle times.

Prior to submission — All application questions should be answered correctly and thoroughly. Details to any questions answered “yes” should be provided. Application and forms must be signed and dated. We do not recommend submitting incomplete or incorrect information with the intent to correct or complete it later. This will cause processing delays and may cause the carrier to request additional information that would not have initially been needed.

Formal Submission Process

1. Provide carrier-specific HIPAA or NFP authorization forms, and a full application. A copy of the NFP Authorization can be found on the NFP Insurance Services website (<http://internal.nfp.com/insurance>) under the “Forms and Helpful Links” area of the Underwriting/New Business section. All carrier forms can be found on the carrier’s website or under the Life Carriers section on the NFP Insurance Services website. Simply select the carrier and then the “Forms” section.
2. Include a signed illustration for all permanent products. Carriers require the signed illustration for placement of coverage. This will become part of the contract. Illustrations can be obtained from the carrier, from NFP or you can run them yourself either on the carrier stand-alone software or in WinFlex Web, an online system that allows you to run permanent life insurance illustrations for multiple carriers.
3. Include a cover sheet referencing the informal file number, informal offer and the name of the underwriter who reviewed the original file.

NFP offers examples of cover letters on the NFP Insurance Services website under the “Reference Library” in the Underwriting/New Business section.

4. If applicable, payment and/or transfer instructions should be submitted with the application.
5. Have the client retain a copy of the completed application packet for his or her file. In addition to the copy for your file, make sure the client retains a copy of the final illustration and application as well.
6. Order examination requirements if these have not already been completed. Notify the client that an examiner will be contacting them to schedule completion.

INTRODUCTION TO NFP

Discover Just How Easy Life Can Be ...

Informal to Formal Submission Process

If you have begun the case informally and have underwriting offers, follow the below steps to complete the formal process to secure coverage.

1. Have the client complete and sign the final formal application for life insurance based upon the informal results from the carriers.
2. All carrier forms can be found on the carrier's website or under the Life Carriers section of the NFP Insurance Services website (<http://internal.nfp.com/insurance>). Simply select the carrier and then the "Forms" section.

Tip: Packets should consist of Application Part I and Part II, and any state required documents.

3. Review the underwriter's offer and note any missing requirements for underwriting and begin gathering these.

Tip: Prepare client for an inspection report, motor vehicle report and other carrier requirements.

4. Change the status of the case from "informal" to "formal" in UConnect. Scan the formal application and requirements and submit to the carrier(s).
5. Submit formal application for approval via UConnect.
6. At this point the carrier will issue the policy to your office or to the client for final approval.
7. Collect any delivery requirements and final signatures to put the coverage in force.

If you have any questions regarding new business submission and processing, please contact your NFP liaison for assistance.

LIFE INSURANCE WITH NFP

| 3



SECTION 3

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I. The NFP Difference

How is NFP different from other companies?

NFP allows your firm to remain independent in sales and client services while giving you the backing of a national company. Do as little or as much of the administration you want and use NFP resources for the rest.

What do you mean?

You can join NFP as an acquisition and use NFP for all of your office management needs and production assistance. Or, join one of our membership organizations and take advantage of the power of networking and idea sharing with your professional peers. Many of our firms choose to do some combination of both. You can lean on your membership for preferred carrier relationships, attractive compensation agreements, bonuses, conferences and much more. You can also tie into one of our brokerage general agency (BGA) firms and use them for the life transaction and nothing more. Any combination of these options is okay with us and each option provides a great deal of value.

How should I think of NFP?

Think of NFP as a distribution company with three distinct business lines: 1) Life Insurance 2) Employee and Executive Benefits and 3) Broker-Dealer and Advisory Services. The Life Insurance unit supports the sale of life insurance in each of our firms by building tools and resources, providing support, researching carriers for our firms and providing individual case design, underwriting and consultation assistance. Employee and Executive Benefits support all benefits transactions within a firm. Broker-Dealer and Advisory Services provides broker-dealer transactions to each firm and advisory services products and support.

II. The NFP Open Architecture Model

NFP has an open selling architecture when it comes to life insurance sales. That means NFP allows and encourages each of our agents to be independent and sell whichever financial products they feel best fit their clients' needs no matter the provider or carrier.

The Differences Between Retail and Wholesale

NFP has associations with retail sales, or personal production firms, and wholesale BGAs. In this section we will explore the differences in personal production firms and wholesale or BGA operations.

Retail/Personal Production/Independent Sales

These firms sell insurance products for one or more life insurance carriers. They do all of the new business processing themselves (or via a third party) and submit new applications directly to the carrier, follow to issue and place with a client. You may also identify your firm as a general agency (GA), professional producer general agency (PPGA) or managing general agency (MGA). Most PartnersFinancial and NFP retail owned firms work in this capacity.

Although most carriers allow an independent relationship as such to sell their products, some require that a BGA be used to transact their business for a variety of reasons. On occasion a typically independent retail firm will use a BGA to offer these products to their clients.

Wholesale/Brokerage General Agency

Firms operating as a wholesale firm or BGA transact business on behalf of many brokers or agents. The BGA will take the case from the agent for processing. The BGA will order the underwriting requirements, complete the application and other documentation for the carrier, submit the business to the carrier, follow the process and issue the contract back to the broker or agent of record. For this, the BGA will receive an override or margin of compensation on all policies issued through its office. In addition to new account processing, the BGA can facilitate licensing and compensation for the agents that do business with it and offer sales support.

BGAs may also offer products through a national institution to their clients via an internal representative. This facilitates the sale in person, with all of the back office processing going through the BGA.

III. The Basics of NFP Life Production

What are a few ways NFP can help increase my life insurance productivity?

The due diligence NFP completes on each product is second to none. The NFP product management team breaks down each product to evaluate its effectiveness and economic benefit to the client. Our building blocks are:

- **Dedicated carrier relationships.** NFP maintains and builds relationships with some of the top life insurance providers in the industry. This ensures you always have a name and a number to call at each carrier to get done what you need done.
- **Training.** Have you ever hired someone and spent days – if not weeks – training them to help your firm grow? NFP offers an abundance of training opportunities for you and your staff to grow and improve efficiencies in your office.
- **UConnect.** This proprietary case submission tool is used to directly image your application into a carrier's back office system, expediting your turn-around time.*
- **People.** NFP hires from the best carriers, firms and professional organizations to give you the “people advantage.” Our teams in New York and Austin are dedicated to your firm and your professional growth.
- **Compensation.** Being part of a producer group gives you the opportunity to make a larger percentage of compensation. And because of your increased production, a larger amount.
- **Underwriting solutions.** Do you ever wish you had an underwriter in your firm? With NFP, you can. Any time, any case.

How can I learn more?

Take the time to attend the NFP Austin Academy (<http://internal.nfp.com/AustinAcademy>), an enterprise-wide training program (Life, Benefits and Securities) for NFP firms. All courses and training events are taught by instructors and are offered both online and in person, giving you seamless access to the best tools, resources and expertise that NFP has to offer. (See Appendix F for more information on the Academy.) Or, schedule a one-on-one visit to our offices.

* UConnect allows the submission of fixed and variable policies. Please follow the guidelines established by your compliance department for the submission and review of variable business.

IV. NFP Insurance Services Website

The comprehensive NFP Insurances Services website (<http://internal.nfp.com/insurance>) is dedicated to providing you a wide range of up-to-date information and high quality resources to assist you with all aspects of the life insurance sale.

Visit the follow sections on the site:

Insurance Home

The NFP Insurance Services home page highlights important announcements and news events related to life insurance sales and changes, as well as updates from life insurance carriers. In addition, you'll find a calendar of events and announcements from NFP.

Fixed Annuity/SPIA

In this area you have access to fixed annuity products and single premium immediate annuity (SPIA) information and resources, including:

- **NFP Fixed Annuity Sales Desk** — A one-stop resource for your fixed annuity needs, provided by ECA Marketing, a fixed annuity specialist.
- **Single Premium Immediate Annuity (SPIA)** — Total Financial, one of the nation's leading annuities experts, provides support, quotes and advanced planning with SPIAs and related strategies.
- **Customized Retirement Income Model (CRI)** — An annuity platform resource provided by NFP to help you turn your clients' assets into a durable inflation income stream.

Life Carriers

This section is dedicated to providing you carrier-specific information and contact information for each of the NFP Core, Highlighted and Select carriers. Timely, industry-specific announcements regarding carrier viability, stability and news help keep you ahead of the curve.

- **Core Carriers** — Our Core carriers represent the primary carrier relationships for the **PartnersFinancial** channel and acquired firms doing direct business.
- **Highlighted Carriers** — Our Highlighted carriers represent the primary carrier relationships for Highland Capital Brokerage.
- **Select Carriers** — Our Select carriers represent the primary carrier relationships for NFP Life Brokerage.

Product Resources

The Product Resources area has been specifically designed to help you save time and effort by providing valuable life insurance product analysis. We have developed several tools and resources to help your firm drive revenue and stay up-to-date with trends in the life insurance industry.

Each component of the Product Resources area has been developed to give you the competitive edge in determining the right product for the right situation. Components include:

- **Meet the Product Resources Team** — A web area that provides contact information for subject matter experts within product resources.
- **ProductExpert** — An interactive tool that allows you to access a vast amount of product information including rate comparisons, riders and features.
- **Product Marketing Information** — Includes product studies, unique articles and advanced marketing materials focused on current topics of interest and trends in the life insurance industry.
- **WinFlex Web** — A web-based, multicarrier life insurance illustration system.
- **VitalSales Suite** — Includes Vital Term (quick term quote comparisons and product information for a wide range of life insurance carriers); Vital Signs (carrier financials and ratings for 500 insurance companies) and Vital LTC (long-term care quotes and feature comparisons for a wide range of long-term care carriers).

Carrier Due Diligence Reports

This section includes in-depth reports that analyze financial, investment and operational risk for a wide range of insurance carriers based on information gathered through ALIRT Insurance Research, an objective third-party focused on insurance industry research.

Life Settlements

This section gives you easy access to information about life settlements. Contact information for providers and firms that can assist in the life settlement process is also provided.

Underwriting/New Business

Here you'll find everything you need to evaluate multiple carriers, research medical situations, shop your case for the most appropriate offer, confirm your case requirements and manage your pending business. The information and tools in this area will help you do better, faster and easier business with our NFP life carriers. Visit the following areas:

- **UW/NB Reference Library** — Before you begin to shop your case, visit this area for tips, guidelines and other useful resources on a wide range of topics including cover letters, examination preparation, medical evidence, risk class equivalency and much more.
- **Underwriting Requirements** — Provides carrier underwriting requirements based on insured's age and policy face amount, risk class definitions and criteria, and height/ weight charts.
- **New Business Processing** — Get supplemental carrier information and forms to submit and process premium finance and older age cases, and find out how to get attending physician statement (APS) reimbursements or send money via wire transfer.
- **Forms and Helpful Links (UW/NB)** — Get forms that should be referenced prior to submitting an informal or formal case.
- **Tools (UW/NB)** — Easy access to tools that can assist you during the underwriting and new business process.
- **Vendors (UW/NB)** — Lists paramedical and APS vendors commonly used in the NFP/carrier community, including ordering guidelines and contact information.

Advanced Sales Resources

Advanced Sales Resources is a team of talented professionals who are available to help you maneuver through the complexities of case design and to help you close business. This area contains contact information for the team, which takes a holistic approach when assisting you with a case and provides perspective on how different factors will affect the outcome for your client. Premium finance information and resources are also available.

Team services include:

- › Premium finance
- › Niche product selection
- › Tax and legal
- › Advanced illustration support
- › Life solutions support

Life Solutions

NFP Life Solutions™ is our comprehensive, integrated suite of marketing tools and resources designed to provide you with more options when working with your clients. The suite contains all of the resources and tools offered by the Advanced Sales Resources team including:

- › **Presentation Solutions** — Our online tool that allows you to generate customized client presentations and branded marketing materials.
- › **Client Solutions Suite** — Gives you access to valuable information related to sales strategies and concepts.
- › **Insights Articles** — These articles provide in-depth risk analysis of legal and tax issues related to advanced sales concepts.
- › **Broadcast Solutions** — A sales and marketing media portal where you can find our archived call series, audio podcasts and more.

Training and Education

NFP is dedicated to training and educating the staff, producers and principals of our firms. This section gives you access to:

- › **Training On Demand** — A centralized virtual learning environment that gives you unlimited, on-demand access to training material – including interactive self-paced modules, videos, WebEx presentations and supporting documents – for all NFP business lines.
- › **NFP Austin Academy** — Provide a holistic and scalable training schedule for all of our NFP firms. All courses and training events are taught by instructors and are offered both online and in person, giving you seamless access to the best tools, resources and expertise that NFP has to offer. (See **Appendix F** for more information.)
- › **Industry training opportunities** — Links to additional training resources within the life insurance and financial services industry.

Firm Development

In this section of the NFP website, you'll find several tools that have been designed to help you improve your firm's operation and to assist you in better serving the needs of your clients:

- **Business Infrastructure Technologies** — This resource provides effective technology strategies and services to our firms, assisting them with their security, disaster recovery, cost-saving, e-mail/Web, infrastructural and policy/procedural needs.
- **Practice Management** — A resource that provides NFP firms with the tools they need to make better business decisions, enabling them to build more profitable and valuable businesses.
- **Professional Partnerships** — Provides a powerful set of tools for NFP financial professionals looking to grow business through revenue-sharing partnerships with CPA firms, financial institutions, property and casualty brokers, and other centers of influence.
- **Wealth & Income Planning** — Provides tools to help NFP producers enrich and protect the retirement lifestyles of their clients by delivering industry-leading income planning, wealth management, wealth transfer and benefits strategies.
- **NFP Online Print Center** — The center can fulfill all of your print needs, including letterhead, envelopes, business cards and co-branded marketing materials.

Staff Directory

Turn to this section for NFP Insurance Marketing Services staff contact information, including departments, titles, e-mail addresses and phone numbers.

V. Tools and Resources

NFP Insurance Marketing Services offers an array of tools and resources to aid in the sale of life insurance. It is important to note that while some of these tools are for Rep. use only, several are intended for use with clients. Please adhere to proper submission guidelines when using client-focused materials. Some of the most commonly used tools are:

Product Selection and Illustration Tools

- Due Diligence Reports
- Product Expert
- Product Marketing Information
- WinFlex Web
- VitalSales Suite
- Presentation Solutions

Underwriting and New Business Tools

- Life Insurance Requirements for Underwriting
- Risk Tutor
- Risk Class Wizard™
- Tobacco Guidelines
- UConnect

Training and Education Resources

- Training On Demand
- NFP Austin Academy

Visit the NFP Insurance Services website (<http://internal.nfp.com/insurance>) for the most up-to-date information available on each tool and resource. Basic instructions on how to access and get started using the above tools follow.

Product Selection and Illustration Tools

Due Diligence Reports

Due Diligence Reports are in-depth reports that analyze financial, investment and operational risk for a wide range of life insurance carriers. They are created using information gathered from ALIRT Insurance Research, an objective third-party company. The reports, which are updated quarterly, provide a good overview of carriers' overall stability and strength.

How to Access and Use Due Diligence Reports

From the NFP Insurance Services website homepage, click on the Carrier Due Diligence Reports section located on the left-hand side of the screen.

Click on the carrier you would like to see a report for and a new window will open up with a detailed report based on your selection.

ProductExpert

NFP designed a new, cutting-edge product selection tool named ProductExpert. The website resources formerly referred to as benchmarks, product features (FAQ's) and product wizard have been combined into this one-stop, super-charged tool. In addition to all the benefits previously offered by these resources, ProductExpert is full of extra features that make product and carrier selection a breeze.

How to Access and Use Product Expert

From the NFP Insurance Services website homepage, click on the Product Resources section on the left-hand side of the screen. Then select "ProductExpert."

From within ProductExpert you are able to obtain ranking information, product features, carrier ALIRT reports and much more. The benchmark section allows you to quickly and easily rank products by various solves such as premium, target premium, cash value and distribution amount. You also have the ability to research a vast amount of product features by product or by feature.

In addition, you have access to our benchmark ranking summaries, which provide an overview of how an individual product ranks against other competitive like-kind products. Most notably, you will be able to look at this information specifically for Core, Highlighted, Select or all carriers.

ProductExpert simplifies the product selection process, allowing you to spend less time finding the right product and more time selling it! For more information on how to use the ProductExpert tool, please contact your NFP liaison. Or, contact the NFP Product Management team by visiting the "Meet the Team" web area, also located under the Product Resources section.

Product Marketing Information

NFP Insurance Marketing Services provides product studies, unique articles and advanced marketing materials focused on current topics of interest and trends in the life insurance industry. The Product Marketing section is focused on information that looks at products from a different and typically more advanced perspective.

You'll find information on how to position products, how to choose a product, new sales strategies, unique riders and current topics of interest in the life insurance industry. This section also includes a listing of NFP articles, product type information, and tips on unique illustration software capabilities.

How to Access and Use Product Marketing Information

From the NFP Insurance Services website homepage, click on the Product Resources section on the left-hand side of the page. Then select "Product Marketing Information."

Find your topic of interest and click on it. Next, click on the document you would like to see and a new window will open with the selected document.

WinFlex Web

WinFlex Web allows you to run permanent life insurance illustrations for multiple carriers online.

How to Access and Use WinFlex Web

From the NFP Insurance Services website homepage, select Product Resources on the left-hand side of the page. Next, select "WinFlex Web." To access this tool, you must have your unique username and password, which was provided to you when you joined NFP. If you do not have your username or password, contact your NFP liaison.

The following information from the WinFlex website (www.winflexweb.com) will help you get started using WinFlex Web when you first log in.

Getting Started

1. Review the WinFlex Web system requirements on the WinFlex Website to verify minimum computer operating requirements. You will need:
 - > Latest version of your browser (Internet Explorer or FireFox)
 - > Java™ Plug-In (minimum version required is v1.4.2)
 - > Latest version of Adobe Acrobat Reader
 - > Plenty of RAM (we recommend 128MB of RAM)
2. Get approval from a participating carrier or agency. For a list of participating carriers see the Carrier Releases page. Normally, the carrier or agency will notify you via e-mail that you are an approved WinFlex Web user.

On the WinFlex Web Login page, enter your user name and password and click the login button.
3. First-time users will be detected and the Java™ plug-in needed for WinFlex Web will download automatically*. This one-time step will take anywhere from five to 40 minutes depending on the speed of your Internet connection.

**To download and install the plug-in manually, go to our plug-in download page.* The WinFlex Web application will also download automatically and will start up once finished. All approved companies will show on your company list. This step will take approximately 5 minutes depending on the speed of your Internet Connection.

WinFlex Web is provided to NFP firms; however it is not a proprietary system. For more information on WinFlex web, contact your NFP liaison. For technical assistance contact TechFirmServices@nfp.com.

VitalSales Suite

VitalSales Suite allows you to run term quotes, long-term care quotes and carrier vital signs reports. The suite is provided to NFP firms; however it is not a proprietary system.

How to Access and Use VitalSales Suite

From the NFP Insurance Services website homepage (<http://internal.nfp.com/insurance>), click on the Product Resources section on the left-hand side of the page. Next, select “VitalSales Suite.”

For more information on VitalSales Suite, contact your NFP liaison. For technical assistance contact TechFirmServices@nfp.com.

Presentation Solutions

Presentation Solutions is a proprietary, web-based, client presentation solution suite. This unique application provides you with a single point of entry to create customizable, advanced sales presentations that can be used with your clients.

Presentation Solutions is completely independent of any single carrier product or offering. This allows you to focus on your clients’ goals and objectives, keeping their best interests in mind as you develop fully customized solutions.

How to Access and Use VitalSales Suite

From the NFP Insurance Services website homepage, click on the Life Solutions section on the left-hand side of the page. Next, select “Presentation Solutions.”

The following concepts are available under the “Concepts” section, along with a fact finder and sample for each. These concepts are available for you to run a fully customizable, compliance-approved presentation for your client for any carrier, in any scenario, with your staff from your office.

- Credit Shelter Trusts
- Estate Maximization
- Gifting Strategies
- Income Maximization Plan
- Internal Rate of Return
- Life Insurance as an Asset
- New Product Comparison
- Policy Review
- Stretch IRA

The following resources under the “Tools and Calculators” section are also available for your internal due diligence:

- Economics of Gifting
- Estate Needs
- Loan Refinancing Calculator
- Premium vs. Traditional Financing
- RMD Distributions
- Self Financing
- Traditional vs. Traditional Financing

For more information or assistance, contact LifeSolutionsSupport@NFP.com.

Underwriting and New Business Tools

Life Insurance Requirements for Underwriting

Each carrier provides NFP and producing firms a consolidated version of their underwriting requirements. This information is posted to the Insurance Services website as soon as it is updated. To underwrite life insurance, documentation on your clients' medical and lifestyle choices must be provided to the life carrier. These requirements are listed in an easy to understand format by each carrier in a requirements guide.

The Life Insurance Requirements for Underwriting (LIRU) tool was created to make access to these life insurance requirements for underwriting as easy as possible. The program asks the age and amount of coverage desired for the case and then populates the underwriting requirements per carrier.

How to Access and Use the LIRU Tool

From the NFP Insurance Services website home page, click on the Underwriting/New Business section on the left-hand side of the menu. Next, select "Tools (UW/NB)." From that page, select "Life Insurance Requirements for Underwriting." (You can also access LIRU from UConnect, NFP's proprietary case submission tool.)

Next, enter age and desired amount of coverage for your client. Select carriers and then select "Search."

For advanced search options: Select the "Open Advanced Search Options" button. Then select the requirements you would like excluded from the underwriting requirements for the case. Select "Search" and view the results.

For more information about the requirements, move your mouse over the abbreviations of the requirements. Select the information arrow for all underwriting requirements, explanations and exceptions.

Risk Tutor

Risk Tutor, a third-party technology that can assist you in the underwriting process, provides several resources:



Private Coaching: Provided by our underwriting experts in insurance medicine. Please note that our online experts can help you with clarifying specific underwriting issues but RiskTutor does not provide pricing quotes (i.e. standard, Table-4) or carrier recommendations.



Underwriting Strategy Tutor: Client screening questionnaires and the underwriting implications of these questions as well as background information for the most important medical conditions.



Pharmacy Tutor®: The only reference guide especially created for life insurance agents that outlines the underwriting implications of commonly prescribed prescription medications.



Best Case Tutor: An online case presentation system to obtain tentative quotes from your carrier or carriers.



APS Tutor: Detailed guidelines for ordering attending physician records for the most important medical conditions. APS Tutor also includes a Physician Locator.



Medical Testing Tutor™: An easy to use guide for identifying the types and purpose of the most common medical tests used in conjunction with underwriting life insurance.



The Declined Client: When a client is declined for life insurance, there are a number of important steps that an agent needs to take.



Online Newsletter Library: An online library of all past issues of RiskTutor's online newsletter listed by topic or date.



Personal Health Tutor: This section provides links to important resources for assessing, monitoring and improving your health.



Geriatric Resources: This section provides links to important resources for older clients.



Contact RiskTutor via E-mail

How to Access and Use Risk Tutor

From the NFP Insurance Services website homepage, click on the Underwriting/New Business section on the left-hand side. Next, select "Tools (UW/NB)." From that page, select "Risk Tutor."

For a quick quote from insurance carriers, access the Best Case Tutor module and enter the client information without name, social security number or tax identification number.

For questionnaires on medical and non-medical underwriting issues, access the Underwriting Strategy Tutor. For more information on prescription medications, access the Pharmacy Tutor.

More information can be obtained by contacting Risk Tutor directly at 818-591-3882 or inquiry@risktutor.com. Or, contact your NFP Life Sales liaison.

Risk Class Wizard™

Risk Class Wizard is an interactive tool designed to help you easily navigate carrier preferred/standard guidelines. In addition, a Risk Class fact finder can help you field underwrite your case.

How to Access and Use Risk Class Wizard

From the NFP Insurance Services website homepage, click on the Underwriting/New Business section. Next, select “Tools (UW/NB).” From that page, select “Risk Class Wizard.”

Collect client history and family history using the Risk Class Wizard Fact Finder. Next, enter carrier of interest, client personal history and family history to generate custom standard/preferred guidelines.

Tobacco Guidelines

This interactive tool provides tobacco rating information by tobacco and nicotine use.

How to Access and Use Tobacco Guidelines

From the NFP Insurance Services website homepage, click on the Underwriting/New Business Section on the left-hand side of the page. Next, select “Tools (UW/NB).” From that page, select “Tobacco Guidelines.”

By selecting the tobacco/nicotine use of your client, you’ll be able to view a list of carriers and their best possible underwriting offers associate with the indicated use. You’ll also find additional information for assessing risk for tobacco or nicotine use.

UConnect

UConnect is a secure web-based application created by NFP Insurance Marketing Services that allows firms to submit business electronically to NFP life carriers and NFP BGAs.

How to Access and Use UConnect

There are two ways to access UConnect. From the NFP Insurance Services website homepage, click on Underwriting/New Business on the left-hand side of the page. Next, select “Tools (UW/NB).” From that page, select “UConnect.” Or you can use Quick Links, located on the top right-hand side of all pages of the Insurance Services website. Simply choose “UConnect” from the drop-down menu.

To access UConnect, you need your unique username and password, which was provided to you when you joined NFP. If you need assistance with your username/password, contact your NFP liaison or e-mail uconnect@nfp.com.

Training and Education Resources

Training On Demand

The free Training On Demand system is a centralized virtual learning environment that gives you unlimited, on-demand access to training material for all NFP business lines. Interactive self-paced modules, videos, WebEx presentations and supporting documents are just a few resources this system offers. Best of all, Training On Demand allows you to track your progress as training is completed! By enhancing your knowledge, you can help increase productivity, accelerate critical business processes and drive organizational performance.

How to Access and Use Training On Demand

From the NFP Insurance Services website home page, click on the Training & Education section on the left-hand side of the page. Next, select “Training On Demand.”

Then select the business discipline you would like to learn more about. Next, select the topic of interest. Once you select the “Play” button, audio, video and/or a document will appear.

If you have any questions or feedback about Training On Demand, e-mail: TrainingFeedback@nfp.com.

NFP Austin Academy

The NFP Austin Academy was developed to provide a holistic and scalable training schedule for all of our NFP firms. All courses and training events are taught by instructors and are offered both online and in person, giving you seamless access to the best tools, resources and expertise that NFP has to offer.

How to Access and Use NFP Austin Academy

From the NFP Insurance Services website home page, click on the Training & Education section on the left-hand side of the page. Next, select “NFP Austin Academy.”

The Academy provides beginner, intermediate and advanced levels designed to fit your needs. Simply browse through the 100 Level, 200 Level and 300 Level tabs on the top of the screen to find out what course are available and when. (See Appendix F for more information on the Academy.)

APPENDICES



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January 2009

Reason
to
Believe

National Financial Partners Chairman Jessica Bibliowicz has no doubt that better days lie ahead for her firm.

by Ron Panko

NAVIGATING ROUGH WATERS: Financial services companies have been hit hard by the economic crisis, and Jessica Bibliowicz has been playing an active role in streamlining her company's operations, preserving capital and serving clients.

In November, Jessica Bibliowicz was in crisis mode, but in an interview with *Best's Review* on Nov. 25, her faith in her company never wavered.

This month, the company that Bibliowicz leads, National Financial Partners, is 10 years old. She joined NFP in April 1999 as president and chief executive officer and has since added the title of chairman. During her interview, Bibliowicz recounted the company's accomplishments and presented a

vigorous case for why it would survive the economic crisis that has hit not only NFP, but all kinds of financial services companies, especially hard.

A day earlier, NFP stock closed on the New York Stock Exchange at \$1.03 a share, down 97.7% from a year earlier. "I've never sold a share in this company," she said. "I've bought the stock. I'm a great believer. I feel the pain, too, and I think everybody knows that. And that's how I believe it should be for a CEO."

NFP is a national network of owned and member independent financial advisers specializing in life insurance and wealth transfer, corporate and executive benefits and investment advisory services. It came into existence on Jan. 14, 1999, with \$125 million of seed capital from private equity firm Apollo Management L.P., and now has more than 180 firms and about 3,200 employees.

NFP wholly owns the firms, but the principals become independent

Photo by John Earle/Courtesy of NFP



Jessica Bibliowicz

■ Chairman 2003-present; CEO and President 1999-present

■ **Shares owned in NFP:** 167,464 (as of Nov. 16, 2008)

Previous Positions:

■ President, John A. Levin & Co., a registered investment adviser

■ EVP & Head of Smith Barney Mutual Funds

Affiliations:

■ Director, Asia Pacific Fund Inc.

■ Member, Board of Directors, Riverdale Country School, New York City

■ Member, Board of Overseers, Weill Cornell Medical College and Graduate School of Medical Sciences of Cornell University

■ **Education:** A.B., Cornell University

■ **Father:** Sanford Sandy Weill, former CEO and chairman of Citigroup, Primerica and Travelers



contractors that own NFP stock and annually pay NFP, on average, 50% of contractually calculated target earnings before compensation paid to principals. NFP and principals share earnings in excess of targets.

"We always wanted to be a strategic partner to the firms, not just the financial buyer," said Bibliowicz. "With the help of Apollo, we developed a model for the acquisition that was nice for the firms on day one, but more importantly, we continue to reward them for the continued growth of the business," she said.

"Our model has proven that when you focus on the distribution side—the clients—you're able to draw from a multitude of product manufacturers, and you deliver service, open architecture and a conflict-free, independent environment."

NFP's scale provides member firms the clout to offer life products from 14 primary carriers, to benefit from underwriting relationships and to diversify life insurance coverage in large cases among several writers. It enables benefits firms to bring large-company service support to the small and midsize corporate markets. The company also helps firms to function better during changes in product cycles, to acquire other attractive firms, and to plan for succession, Bibliowicz said.

Excerpts from the interview:

These days, when people may be demoralized and disheartened, what do you do as leader of the company?

This is when you need leadership the most. And so what I do is spend as much time as I can with the firms,

talking with them, talking about the issues—issues that are real and those that are perception. And what we can all do together. Also in these times, leadership means thinking out of the box. You need to look at the business and the environment you're in and ask what you can do to make it better.

We are focused on the things we can control and are taking prudent steps to give us the financial flexibility to weather these difficult markets. We've initiated discussions with our bank group to get temporary relief on the covenants of our credit line in case the environment gets worse than it is today, even though we are not out of compliance with any of our covenants. Also, we stopped paying dividends. We stopped acquisitions and became internally focused, enhancing the great subsidiaries we have. We stopped buybacks of stock. We also cut corporate expenses by 10% for 2009.

These steps were not necessarily well-received in the market. I understand that. I think they should have looked at it much more positively. But I can't control all that. But we can do the right thing for the people that have entrusted their business to NFP. Creating that sustainability in a very uncertain time is absolutely the right thing to do. And I think our firms are learning and understanding that if you pay attention to that part of it, something they're very focused on, they will be even better partners emerging from this. But the road between here and there is lots of conversations, discussions and ideas.

What about NFP employees?

We cut our employees in New York

Timeline: NATIONAL FINANCIAL PARTNERS

1999

Formation and first 50 acquisitions, mostly in life insurance. Includes Partners Financial, a significant purchase.

2000-01

Diversified acquisitions, including benefit brokers serving small to midsize corporate clients and investment advisers. Recurring revenue picks up.

2003

Initial public offering.

2005

Purchase of Highland Capital, a large life insurance brokerage.

2006-07

Active in acquisitions, primarily benefits and investment advisory firms.

2007

Big increase in recurring revenue.

2008

NFP encounters economic headwinds, focuses on building up subsidiaries and company sustainability.

Profile

Life

by 30%. There's nothing that I hated doing more. I'm grateful to all the employees because they're working twice as hard now. We weren't really a very fat company to begin with. We were always running lean. So folks are doing triple work, but without the acquisitions, it's a little easier on us.

What kind of situation are the principals in?

These are businesses that will generally perform well in these kinds of environments. Companies are still buying health and welfare. The 401(k) plans are in place. Life insurance is harder to sell, but it gets sold. So about 70% of the firms owned for 12 months or more are within or above 85% of their target earnings. We do have more firms that are in base deficit, where they are below their base earnings. Our job as partners is to get them every resource that NFP can, to help them out. They are much better off with us than if they were on their own. And then sometimes you just have to restructure the deal to get back to where the principals can earn money. We've done this. We've worked with firms over the years that have gone into and out of this base deficit situation who have been some of our very best firms.

Would you have been better off if you had not gone public?

Going public was part of the plan from the outset. It was a way to help Apollo liquefy its position, and having stock that was formerly private traded publicly helped all principals as well. We always treated the company as a public company. That was the highest standard. We always have to think about where we are and do the best possible job for shareholders.

Pressure on the markets today is unprecedented. I believe that our franchise is incredibly valuable. Remember, our cash earnings per share were 58 cents in the third quarter. On an adjusted basis, our operating cash flow

How the NFP Business Model Works

NFP buys 100% of an independent firm.

Valuation is based on 50% of firm's earnings.

NFP typically pays five to six times the calculated valuation.

Principal takes at least 30% of purchase in NFP stock and becomes independent contractor of NFP.

Typically, NFP has annual priority on 50% of a firm's earnings before principal's compensation. NFP refers to its preferred interest as "base earnings."

Example: An NFP-owned business has revenues of \$5 million and expenses of \$1 million.

Annual "target earnings" is \$4 million. NFP gets its \$2 million base earnings and the principal earns his or her \$2 million management fee for running the business. If revenues after expenses drop to \$3 million, NFP gets its \$2 million preferred interest and the principal gets his or her \$1 million management fee. If revenues exceed \$4 million, NFP and principal share those amounts. NFP provides support and capital for expansion, along with principal incentives.

was \$38 million. We want to be protective of our credit facility, we want to pay down debt and run the company as conservatively as possible. It is a very valuable franchise. I acknowledge it's not recognized that way, based on the stock price, but we believe it's a pretty big dislocation. And we'll work our way through it.

Are you sleeping at night?

No. I'm not. And you don't want me to. The management team and the principals are very focused, and we're doing everything we can to move the franchise ahead. It's stressful, but I've never been more committed to anything. When you believe in it as I do, when you've been engaged with every one of these entrepreneurs, and you know the businesses, and you

know how capable they are and how driven they are, it's an act of pride. So you're distressed over the loss of value, there's no question. And you focus on building it back. And that's where we are.

Can you envision some path to emergence from this tough situation?

Yes. As people realize that we did the right thing on the financial side and that we were proactive, and that we continue to move forward, that will be a plus. And I really believe that our firms will continue to focus on their businesses and that we will earn, literally earn from earnings, the right to the reputation that we deserve. That's what it is all about: performance, execution, preserving capital, and the most important thing that our businesses do, which is serving their clients. That's our focus. We will definitely prevail. We have the right people doing it. We have the right focus on the internals right now to make that happen.

What about outside factors, things you can't control? What would you like to see?

For us, we're a financial services company, small cap, so you know when there is a firestorm around financial services, we're going to be swept with it. For us, the strength and financial position of the carriers, the life insurance and benefits companies, that is obviously very important to us. We're working very closely with them and we're monitoring them. That's a very important component for us. We've focused on the business of our business. So if you look at our balance sheet and our assets and our firms, we absolutely know there was no straying; we're very, very clean and focused about it. These are very tough times, and earnings can come down, and they have, and they do, so you've got to be as conservative as you can to ride it through. **BR**

NFP Austin Employee Contact Information

* All numbers are (512) 697-xxxx

First	Last	Ext #	First	Last	Ext #	First	Last	Ext #	First	Last	Ext #	First	Last	Ext #
Adam	Crooks	6870	Danielle	Miles	6823	JoAnn	Meadows	6578	Lisa	Gutierrez	6121	Punam	Patson	6419
Adnan	Raja	6244	Darin	Levy	6638	Joanna	Dossman	6137	Lisa	Kottler	6149	Randy	Randall	6443
Alana	Hansell	6531	Dave	Janecek	6920	Joe	Finfer	6582	Lisa	Morris	6118	Regan	Davis	6822
Allison	Popp	6925	DJ in Shiner		361-59	Joe	Presutti	6116	Lisa	Naeyaert	6403	Rhonda	Case	6953
Amanda	Berthon	6453	David	Backus	6935	Joel	Chapman	6157	Liz	Rivera	6564	Ricoh	Copy Center	6045
Amanda	Zukowski	6240	David	Block	6550	John	Balis	6310	Lu Alice	Myatt	6008	Robert	Hutchins	6587
Amber	Bytheway	6176	David	Click	6576	John	Bergstrom	6704	Luis	Diaz	6642	Robin	Johnston	6340
Amberlee	Gee	6207	David	Hampf	6568	John	Burmeister	6533	Lyle	Davidson	6421	Roger	Green	6445
Amy	Heidbrink	6147	David	Horn	6508	John	Cain	6955	Lyn	Zhang	6946	Roger	Harper	6658
Amy	Villar	6557	David	Lear	6209	John	Conti	6122	Lynn	Jano	6672	Ron	Meyers	6938
Andy	Casiano	6636	David	Leseten	6152	John	Cox	6567	Lynn	Van Haarlem	6437	Ruth	Firth	6422
Ashley	Brown	6538	David	Svrcek	6833	John	Hinojosa	6517	Marc	Dube	6435	Ryan	Penshorn	6409
Barnabas	Reed	6733	Davina	Moncada	6982	John	Irvin	6970	Marc	Williams	6643	Ryan	Zunke	6627
Beatrice	Flores	6117	Dawn	Cole	6983	John	Vanderheyden	6500	Marcia	Montgomery	6545	Sam	Roberts	6135
Becky	Adamson	6111	Debbie	Chancellor	6904	Johnce	Hall	6565	Marcus	Dominguez	6984	Sarah	Clark	6986
Becky	Esparza	6933	Denava	Horn	6523	Joli	Bartlett	6175	Marcus	Nunn	6430	Sarah	Stew	6112
Becky	Wingate	6800	Dennis	Pompa	6570	Jon-Michael	Hamman	6891	Mari	Castillo	6431	Scott	Benson	6442
Bennie	Jones	6577	Dennis	Raynor	6532	Joni	Haza	6248	Maria	Hardin	6459	Scott	Buckey	6835
Bill	Weaver	6641	Derek	Ripp	6706	Joseph	Gerfers	6541	Mariah	Horn	6562	Scott	Franks	6547
Billy	Holiman	6831	Devon	Green	6852	Joseph	Smart	6546	Marie	Kulesza	6242	Scott	Weber	6670
Bob	Hoff	6511	Ed	Hansen	6625	Josh	Hager	6752	Marie	Snidow	6913	Sean	Gonzalez	6903
Bob	Jansen	6502	Ed	O'Malley	6142	Julian	Ortega	6426	Mark	Grosvenor	6650	Shane	Holloway	6618
Bob	Saylor	6146	Ellen	Sholty	6401	Julie	Mercado	6735	Martha	Welborn	6232	Shane	Scott	6637
Bonnie	Phuong	6597	Eric	Brown	6655	Julie	Schneider	6803	Marty	Yudizky	6730	Shay	Holst	6542
Brandon	Somers	6939	Erik	Huff	6407	Justin	Pehoski	6245	Mary	Richards	6594	Sherrie	Strye	6408
Brandon	Trabon	6605	Erin	Bolin	6548	Karen	Bean	6705	Mary	Steed	6910	Sonja	Hibbs	6177
Brandon	Zatopek	6558	Fletcher	Peatross	6657	Karen	Cole	6203	Matthew P.	Andersen	6300	Stacy	Cooley	6120
Bredt	Norwood	6507	Frank	Weldon	6448	Karin	Mastervich	6412	Matthew	Beasley	6616	Stan	Barton	6958
Brent	O'Neill	6872	Gabriel	Brooks	6539	Karsten	Vieregge	6607	Matthew	Douglas	6103	Sterling	Broadbent	6414
Brian	Aylieff	6709	Gabriel	Medina	6841	Kate	Henrichson	6530	Melody	Evangelista	6943	Stefanie	Dwyer	6806
Brian	Bonifant	6102	Gail	Ward	6334	Kathy	Bolton	6304	Melody	Evangelista	6943	Stephan	Moreno	6639
Brian	Dickson	6807	Gary	Wachs	6506	Kathy	Newell	6521	Melanie	Hoey	6875	Stephanie	Ahr	6601
Brian	Latkowski	6150	Ginger	Kidder	6930	Keegan	Johnson	6525	Melanie	Soto	6458	Stephanie	Crain	6222
Brian	Troska	6950	Greg	Joyner	6205	Keith	Engman	6980	Melissa	Buckner	6596	Stephen	Pope	6604
Briget	Nelson	6321	Greg	Vance	6404	Keith	Hoffman	6155	Melissa	Janda	6908	Steve	Frampton	6612
Bruce	Callahan	6969	Gregg	Secor	6138	Keith	Miller	6805	Meredith	Woods	6552	Steven	Larson	6216
Bruce C.	Speaker	6966	Gricelda	Perez	6921	Kelly	Dossman	6518	Michael	Chamberlain	6402	Sue	Boatman	6305
Bruce	Martin	6631	Hari	Nair	6603	Kelly	Edwards	6510	Michelle	Ellis	6951	Suzanne	Spradley	6856
Bryan	Schick	6804	Heather	Alaniz	6892	Kelly	Yin	6940	Michelle	Nolte	6580	Thomas	Karpinski	6644
Caroline	Lee	6551	Jacqueline	Estrada	6808	Ken	Jones	6162	Miguel	Rodriguez	6622	Thomas	Knight	6751
Carolyn	Morse	6961	James	Anglin	6585	Kenneth	Thompson	6615	Mike	Forsythe	6900	Thomas	Dudley	6949
Carolyn	Storey	6851	James	Poer	6700	Kevin	Brayton	6130	Mike F.	Speaker	6909	Thomas	Hooper	6527
Carrie	Meier	6971	Jane	De Chene	6602	Kevin	Jackson	6145	Mike	James	6100	Tiffany	Anderson	6812
Casey	Durham	6954	Jane	Hall	6233	Kevin	Rivers	6609	Mike	Lear	6556	Tiffany	Deba	6543
Cathy	Vasilev	6423	Janet	Deskins	6200	Kim	Allen	6132	Mike	Smith	6614	Todd	Broussard	6154
Celeste	Moya	6208	Jason	Duffaut	6239	Kim	Ragland	6630	Minnie	Nguyen	6406	Todd	Zint	6320
Cesar	Perez	6645	Jason	Evans	6621	Kimberly	Norris	6853	Misty	Scott (Shields)	6436	Tom	McLeod	6399
Chad	Richardson	6247	Jason	Gray	6522	Kimberly	Winchel	6988	Monica	Barnes	6520	Tom	Young	6427
Charles	Jones	6893	Jason	Little	6659	Kris	Stegall	6250	Monica	Bruno	6701	Trey	Nelson	6635
Chip	Pumphrey	6613	Jason	Lytle	6874	Kristel	Comai	6575	Monica	Gonzalez	6524	Trish	Sumpter	6136
Chris	Walker	6932	Jason	Posthauer	6619	Lance	Huntley	6509	Nate	McNair	6413	Tricia	Stringer	6598
Chris	Merla	6553	Jayaraman	Srinivasan	6626	Laura	Tomlinson	6324	Naun	Galvan	6513	Tyler	Mangin	6606
Christine	Maxwell	6537	Jayne	Natal	6821	Laura	Weathersby	6712	Naveen	Ramamurthy	6608	Tyler	Willis	6934
Cody	Morgan	6555	Jean	Richards	6906	Lauren	Bryan	6869	Nichole	Pellar	6230	Umesh	Murthy	6610
Colin	De Los Santos	6591	Jeff	Cheshier	6158	Lauren	Strauss	6206	Nik	Tybor	6656	Vanessa	Batt	6912
Connie	Leonard	6234	Jeff	Mangels	6143	Laurie	Jordan	6901	Orion	Robillard	6624	Veronica	Midkiff	6952
Connie	Windorpski	6923	Jennette	Schlinke	6405	Leilani	Van Auken	6212	Owen	Cook	6514	Vicki	Evans	6110
Cory	Branch	6432	Jennifer	Schmidt	6962	Lillie	Hejl	6623	Pamela	Garcia-Alonzo	6584	Vicky	Juarez	6526
Craig	Vaughan	6985	Jennifer	Robinson	6855	Linda	Herrera	6898	Patrick	Flanagan	6148	Walker	Pierce	6415
Dan	Stanley	6128	Jerry	Jenkins	6241	Linda	Wilt	6942	Patti	Farr	6905	Weather	Hot Line	6699
Dana	Kleinman	6811	Jesse	Fox	6416	Lindy	Anderson	6133	Paula	Murphy	6141	Wendy	Reed	6323
Dana	Rhodes	6161	Jessica	Watts	6859	Lisa	Bember	6434	Peggy	Louviere	6574	Wes	Riemoni	6164
Daniel	Klingler	6734	Jill	Brooking	6854	Lisa	Brodowski	6911	Peter	Chung	6332	William	Jones	6588
Daniel	Lawrence	6956	Jim	Gelder	6960				Peter	Houston	6646	William	Shoucair	6957
Dannielle	Cabler	6554							Phil	McAtee	6628	Zachary	Arrington	6593
												Zachary	Ground	6832

NFP New York Employee Contact Information

* All numbers are (212) 301-xxxx

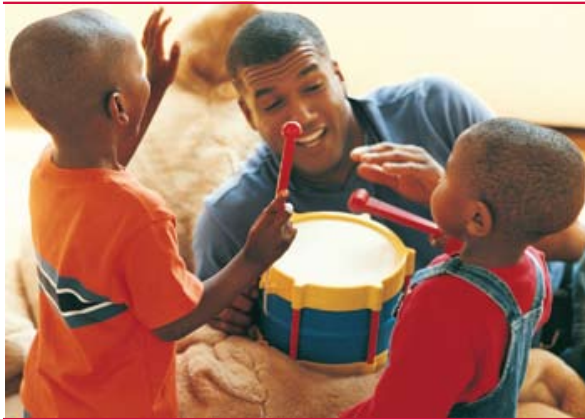
Last Name	First Name	Ext #	Fax #	Last Name	First Name	Ext #	Fax #
Accordino	Peggy	14030	14130	Miller	Alfred	11032	11132
Aftab	Faisal	11012	11112	Miller	David	14043	14143
Agus	Daniel	14039	14139	Moo	Veronica	14091	14191
Altamirano	Silvia	11071	11171	Montfort	Marissa	11080	11180
Anderson	Jean Marie	11027	11127	Naornita	Diane	14009	14109
Anthey	Ashok	14094	14194	Nakahara	Ryan	11089	11189
Arcieri	Thomas	14031	14131	Nelson	Carl	14036	14136
Areal	Emily	14004	14104	NFP	Shared Services	14080	
Baksh	Aleem	14007	14107	Nikceovich	Misel	26110	
Banks-Day	Tiffani	11006	11106	Noel	Caleb	11036	11136
Barton	Stancil (NY ext.)	11022	11122	Olson	Stephanie	14051	14151
Bernard	Mia	11008	11108	Panlilio	Alexander	14034	14134
Bibliowicz	Jessica	14040	14140	Platanotis	George	14037	14137
Bibliowicz	Jessica (2)	14041		Quesada-Kunkel	Ginnette	14062	14162
Bibliowicz	Conf. Room	14042		Reynolds	Melissa	11021	11121
Blank	Donna	11049	11149	Robb	Timothy	11007	11107
Bober	Linda	11084	11184	Rosario	Noel	11034	11134
Boester	Eric	14066	14166	Rosenfeld	Jaime	11077	11177
Cevallos Ortiz	Giselle	11069	11169	Rubin	Efrat	11009	11109
Cheung	Anna	14076	14176	Salomon	Dan	14027	14127
Chung	Karen	14089	14189	Salley	Colleen	11013	11113
Clarke	Denise	14092		Santiago	Diana	14002	14001
Concepcion	Madeline	14069	14169	Schneider	Brett	14079	14179
D'Ambra	Thomas	11052	11152	Sharoni	Elan	11090	11190
DePaola	Doreen	14085	14185	Sickle	Jason	11005	11105
Downey	Jeffrey	14032	14132	Sico	Daniel	11094	11194
Ellmer	Bryan	14047	14147	Siegel	Randy	14026	14126
English	Brian	11002	11102	Singh	Nadira	11018	11118
Friedman	Esther	14045	14145	Singh	Sandeep	11020	11120
Fung	Gillian	14015	14115	Smolin	Michael	11033	11133
Gallagher	Jennifer	14056	14156	Solomon	Jared	14077	14177
Gelder	James (NY ext.)	14048	11148	Stehnacs	Katherina	11040	11140
George	Ginny	11058	11158	Stevenson	Anne	14053	14153
Giordano	Donna	11079	11179	Tanzosh	Michael	11092	11192
Goldman	Michael	14054	14154	Trapani	Peter	14017	14117
Gordon	Marc	14033	14133	Trombley Rubino	Dina	14055	14155
Grasso	Nicole	11035	11135	Weber	Elizabeth	11091	11191
Hammond	Douglas	14050	14150	Wei	Crystie	11093	11193
Hilzenrath	Robert	14067	14167	Weiss	Elliot	14074	14174
Hinkson	Malika	14057	14157	Willis	Barbara	11039	11139
Jewett	Melissa	14065	14165	Wooten	Sherrie	11082	11182
Johnson	Bobbie	11024	11124	Xu	Giselle	11001	11101
Johnson	Christine	14075	14175	Yi	Daniel	14058	14158
Kacani	Kenneth	11004	11104	Mailroom	19th floor	11044	
Kovack	Gail	11085	11185	Conf. Room	A/V	44188	
Lai	Albert	11010	11100	Conf. Room	Board	44005	
Landes	Jonathan	14086	14186	Conf. Room	NFP NY A	44192	
Lee	Winnie	14083	14183	Conf. Room	NFP NY B	44088	
Lichtenthal	Jason	14028	14128	Conf. Room	NFP NY D	44093	
Linthicum	Joshua	11065	11165	Visitor wkspce	Caucus A	11197	
Mankowski	Christopher	14021	14121	Visitor wkspce	Caucus B	11195	
Marachilian	Philip	11017	11117	Pantry	20th floor		
Mc Menamy	Teresa	11086	11186	Freight Area	19th floor	44019	
Melendez	Jose	14008	14108	Freight Area	20th floor	44020	
Melino	Eugene	11016	11116	Freight Area	21st floor	44021	
Michael	Evan	14081	14181	Rogers	Jaime(tech support)	14095	
				Mailroom	19th floor	11044	
Institutional Life Services (ILS)							
Siller	Phillip	11048	11148				
Terrell	Andrew	11046	11146				
Martinez	Lisette	11051	11151				

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Life insurance protects your financial future. It provides the resources your family or business may need to pay immediate and continuing expenses when you die.



WHAT YOU SHOULD KNOW

About Buying Life Insurance

There are different types of life insurance and choosing a policy is an important decision. You should begin by evaluating the ongoing and future financial needs of those who depend on you. Then become familiar with the various policies available and how they work. You'll be in a better position to make a selection best suited to your financial needs and those of your family.

The American Council of Life Insurers (ACLI) has prepared this guide to help you understand the types of life insurance available and what questions to ask when you're buying life insurance.

GETTING STARTED

As you prepare to buy a life insurance policy, evaluate your ongoing and future financial needs and review the products. To begin, ask yourself some basic questions:

Why do I need to buy life insurance?

If someone depends on you financially, the likelihood is that you need life insurance. Life insurance provides cash to your family after you die. The money your beneficiary receives (the death benefit) can be an important financial resource. It can help cover daily living expenses, pay the mortgage and other outstanding loans, fund tuition, and ensure that your family is not burdened with debt. Having a life insurance policy could mean your spouse or children wouldn't have to sell assets to pay bills or taxes. Another advantage is that beneficiaries won't have to pay federal income taxes on the money they receive.

How much life insurance do I need?

Everyone's needs are different. A life insurance agent or financial advisor can help you determine what level of protection is right for you and your family based on your financial responsibilities and sources of income. There are online calculators that also can help you; however, sitting down with an insurance professional to review your financial needs can give you a more personalized view of your needs.

Beneficiaries won't have to pay federal income taxes on the money they receive from a life insurance policy.

In general, deciding how much life insurance you need means deducting the total income that would be lost upon your death from the total sum of your family's ongoing financial needs. Consider ongoing expenses (day care, tuition, mortgage, or retirement) and immediate expenses (medical bills, burial costs, and estate taxes). Your family also may need money to pay for a move or the costs of looking for a job.

While there is no substitute for evaluating needs based on your own financial information, some experts suggest that if you own a life insurance policy it should pay a benefit equal to seven to 10 times your annual income. Your need could be higher or lower depending on your situation.

TYPES OF LIFE INSURANCE

What are the different types of insurance?

There are two basic types of life insurance: *permanent* and *term*. Permanent insurance pays your beneficiary whenever you may die; term insurance pays your beneficiary if you die during a specific period of time.

What is permanent insurance?

Permanent (cash value) insurance provides lifelong protection as long as premiums are paid. It may build up cash value over time and the cash value grows tax deferred. With all permanent policies, the cash value is different from the face amount. Cash value is the amount available if you surrender (cancel) your policy before death. The face amount is the money that will be paid to your beneficiary if you die. Your beneficiary does not receive the cash value of your policy.

Cash value takes time to grow. But after you've held the policy for several years, its cash value can offer you several options:

- You can borrow from the insurer using your cash value as collateral. You can get the loan even if you don't have a good credit history. If you don't repay the loan (including interest), it will reduce the amount paid to your beneficiaries after your death.
- You can use the cash value to pay your premiums or to buy more coverage.
- You can exchange the policy by using the cash value for an annuity that will provide income for life or a specified period.
- You can cancel (surrender) the policy and receive the cash value in a lump sum. You would pay taxes on the value that exceeds what you've paid in premiums.

Basic types of cash value insurance

- **Whole life** (ordinary life) is the most traditional type of cash value insurance. Generally premiums and death benefits stay the same over the life of the policy. The policy's cash value grows at a fixed rate.
- **Variable life** With a variable life policy you can choose among a variety of investments offering different risks and rewards—stocks, bonds, combination accounts, or options that guarantee principal and interest. Death benefits and cash value will vary depending on the performance of the investments you select. By law, you'll be given a prospectus for variable life insurance. This prospectus will include financial statements and outline investment objectives, operating expenses, and risks. The cash value of a variable life policy is not guaranteed. If the market doesn't perform well, the cash value and death benefit may decrease, although some policies guarantee that the death benefit won't fall below a certain level.
- **Universal life** gives you flexibility in setting premium payments and the death benefit. Changes must be made within certain guidelines set by the policy; to increase a death benefit, the insurer usually requires evidence of continued good health. A universal life policy can have a variable component.

The money your beneficiary receives can help cover expenses and ensure that your family is not burdened with debt.

What is term insurance?

Term insurance provides protection for a defined period of time—from one to 10, 20, or even 30 years—and pays benefits only if you die during that period. Term insurance is often used to cover financial obligations that will disappear over time, such as tuition or mortgage payments. Premiums for term insurance either can be fixed for the length of the term or can increase at a point specified in the policy. They also can be less expensive than for a cash value policy.

Term policies can include a return of premium benefit that will refund all or some of the premiums paid at the end of a term if no death benefit was paid. Term policies with this feature are more expensive than those without.

Some term policies can be renewed at the end of a term. However, premium rates will usually increase upon renewal. Many policies require evidence of insurability to qualify for renewal at the lowest rates. At the end of a term, you also may be able to convert the policy to a cash value policy. Term policies don't usually build up a cash value, but policies with a return of premium benefit will have a small cash value.

WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF EACH TYPE OF INSURANCE?**Cash Value Insurance***Advantages*

- Lifelong protection as long as the premiums are paid.
- Premium costs can be fixed or flexible to meet individual financial needs.
- A policy accumulates a cash value, which can be borrowed against, surrendered for cash, or converted to an annuity. The cash value also can be used to pay premiums or to buy more coverage.

Disadvantages

- Cash value insurance is designed to be kept for the long term.
- Cancelling a cash value policy after only a few years can be expensive. For the short term, term insurance may prove a better value.

Term Insurance*Advantages*

- A policy can cover financial obligations that will disappear over time, such as a mortgage or college expenses.
- When you're young, premiums are generally lower than those for cash value insurance.

Disadvantages

- Provides protection for a specific period of time, not for life.
- Premiums increase as you grow older and your health status changes.
- Policies don't usually build up a cash value.

The agent should be able and willing to explain the different kinds of policies and other insurance-related matters.

HOW TO PURCHASE: CHOOSING A COMPANY OR AGENT

You can buy life insurance at an insurance agency, brokerage firm, bank, or directly from a life insurance company on the Internet, over the phone, or by mail. Most companies have Web sites describing their products and services and some will direct you to a local agent.

How do I choose a company?

Contact your state insurance department for a list of companies licensed in your state, then:

- Ask friends and relatives for recommendations based on their own experiences.
- Talk to an insurance agent or broker.
- Conduct an Internet search.
- Research companies at a public library.

Generally speaking, life insurers are in excellent financial health. They're required by law to maintain reserves to guarantee that they can meet obligations to their policyholders. However, you should still verify a company's financial strength.

You can check any company's financial condition by looking at its rating. Rating agencies, including A.M. Best Company, Fitch Ratings, Moody's Investor Services, Standard and Poor's Insurance Rating Service, and Weiss Ratings, assess the financial strength of companies. Rating information is available online or in publications usually found in the business section of your public library.

How do I choose an agent?

Collect the names of several agents through recommendations from friends, family, and other sources. Find out if an agent is licensed in your state by checking with your state's insurance department. Agents who sell variable products also must be registered with the Financial Industry Regulatory Authority (FINRA), and have an additional state license to sell variable contracts.

Ask what company or companies the agent represents and check his or her professional accreditations. Agents often belong to professional associations that offer continuing education and grant professional credentials. The National Association of Insurance and Financial Advisors offers local educational seminars for agents. The Society of Financial Service Professionals and the Financial Planning Association offer similar training for financial planners. Agents may earn such professional designations as Chartered Life Underwriter (CLU) and Life Underwriter Training Council Fellow (LUTCF). Agents who also are financial planners may carry such credentials as Chartered Financial Consultant (ChFC), Certified Financial Planner (CFP), or Personal Financial Specialist (CPA-PFS).

WORKING WITH AN AGENT

What should an agent do for me?

The agent should be able and willing to explain the different kinds of policies and other insurance-related matters. You should feel satisfied that the agent is listening to you and looking for ways to find the right type of insurance at an affordable price. After a purchase, your agent also should review your life insurance needs from time to time and as your circumstances change as well as help in the claims process. If you're not comfortable with the agent, or you aren't convinced he or she is providing the service you want, interview another agent.

What should I expect during my meeting with an agent?

An agent will begin by discussing your financial needs. You should have basic personal financial information available—along with a general idea of your goals—before you meet or talk with an agent. He or she will ask questions about your family income, other financial resources you might have, and any debts. With the information you provide, the agent will be better able to assess your needs.

What types of questions will I be asked?

In addition to questions about finances, be prepared to answer questions about your age, medical condition, family medical history, personal habits, occupation, and recreational activities.

Always answer questions truthfully; a company will use this information to evaluate your risk and set a premium for your coverage. For instance, you'll pay a lower premium if you don't smoke; on the other hand, if you have a chronic illness, you can expect a higher premium. When it's time to submit a claim, accurate and truthful answers will enable your beneficiary to receive prompt and full payment.

When you apply for life insurance, you may be asked to take a medical exam. In many instances, a licensed health care professional hired and paid for by the life insurance company will make a personal visit to your home to conduct the exam.

EXAMINING A POLICY**How do I know if a life insurance policy is right for me?**

Read the policy carefully to make sure it meets your personal goals. Because your policy is a legal document, it's important that you understand exactly what it provides. Ask for a point-by-point explanation for anything that is unclear and make sure the agent explains items you don't understand.

If your agent recommends a cash value policy, ask:

- Are the premiums within my budget?
- Can I commit to these premiums over the long term?

Cash value insurance provides protection for your entire life. Cancelling a cash value policy after only a few years can be a costly way to get short-term insurance protection. If you don't plan to keep the policy for the long-term, consider another kind of coverage such as term insurance.

If you're considering a term policy, ask:

- How long can I keep this policy? If I want to renew it for a specific number of years, or until a certain age, what are the renewal terms?
- Will my premiums increase? If so, will increases start annually or after five or 10 years?
- Can I convert to a cash value policy? Will I need a medical exam if and when I convert?
- If it has a return of premium benefit, ask: What would the policy cost without this benefit? Will all of the premiums be refunded?

Is a policy illustration a legal document, like a contract?

A policy illustration is not part of the life insurance policy and is not a legal document. Legal obligations are spelled out in the policy contract. A policy illustration, however, can help you understand how a policy works.

What is in a policy illustration?

A policy illustration shows financial projections for each year you own the policy—including, but not limited to, premium amounts owed, cash values, and death benefits. For a term policy, the projections extend to the end of the term. With a cash value policy, projections extend past your 100th birthday.

Your actual costs and benefits could be higher or lower than those in the illustration because they depend on the future financial results of the insurance company. However, when figures are guaranteed, the insurance company will honor them regardless of its financial success. Ask your agent which figures are guaranteed and which are not.

A policy illustration can be complicated. Your agent or financial advisor can explain information you don't understand.

What should I look for in a policy illustration?

Study the policy illustration to answer the following:

- Is my classification (i.e., smoker/nonsmoker, male/female) correct?
- When are premiums due—monthly, annually, or according to some other schedule?
- What amounts are guaranteed and which are not?
- Does the policy have a guaranteed death benefit or could the death benefit change depending on interest rates or other factors?
- Does the policy offer dividends or interest credits that could increase my cash value and death benefit or reduce my premium?
- Will my premiums always be the same? Could premiums increase if future interest rates or investment returns are lower than the illustration assumes?
- If the illustration shows that I won't have to make premium payments after a certain period of time, is there any chance I would have to start making payments again at any time in the future?

An accelerated benefits rider lets you, under some conditions, receive the death benefits of your life insurance policy before you die.

FREQUENTLY ASKED QUESTIONS**What happens if I miss a payment?**

If you miss a premium payment, you usually have a 30- or 31-day grace period in which to make your payment without consequences. If you die within the grace period, your beneficiary will receive the death benefit minus the overdue premium. However, the policy will lapse (terminate) if you don't make your payment by the end of the grace period. If you own a cash value policy, your company—with your authorization—can draw from your policy's cash value to pay the premium. This method of keeping your policy active can work only as long as your cash value lasts.

Do I have any recourse if my policy lapses?

Some life insurance contracts let you reinstate a lapsed policy within a certain time frame. However, you must prove insurability, pay all overdue premiums (plus interest), and pay off any outstanding policy loans.

In addition to the death benefit, are there other features I should be aware of when considering a life insurance policy?

Many policies offer purchase options or riders. Some riders let you buy more insurance without taking a medical exam; others waive premiums if you become disabled. Some companies offer accelerated benefits, also known as living benefits. An accelerated benefits rider lets you, under some conditions, receive the death benefits of your life insurance policy before you die. Such conditions may include terminal or catastrophic illness, confinement to a nursing home, or need of other long-term care services. Some policies offer an accidental death benefit that pays an additional amount if death occurs as a result of an accident.

When will my policy take effect?

If you decide to buy a policy, find out when the insurance becomes effective. That date may be different from the date the policy is issued.

How is life insurance taxed?

Your beneficiaries won't pay income taxes on death benefits. If you own a cash value policy, you won't pay income taxes on the cash value unless you cancel the policy and withdraw the money. Then you'll pay taxes on the amount that exceeds what you've paid in premiums.



Tips on Buying Life Insurance

Make sure that you fully understand any policy you're considering and that you're comfortable with the company, agent, and product. Most states require insurers to provide a buyer's guide to explain life insurance terms, benefits, and costs. Ask your agent for a copy of your company's guide and follow the tips below:

- Ask for outlines of coverage so you can compare the features of several policies.
- Check with your state insurance department to make sure the company and agent are licensed in your state.
- Look for a company that is reputable and financially strong. A number of insurance rating services rate the financial strength of companies. You can get such information from your agent, public or business libraries, or on the Internet. Rating agencies include A.M. Best Company, Fitch Ratings, Moody's Investor Services Inc., Standard & Poor's Insurance Rating Services, and Weiss Ratings.
- Beware of offers for "free" life insurance. Investors may approach some seniors to offer them money to buy life insurance and then sell the policy to the investors. The investors expect to profit by receiving the death benefit when the senior dies. Often called stranger-originated life insurance, legislators and regulators are concerned about these transactions because they violate public policies against wagering on human life. Also, there may be hidden pitfalls, such as unexpected taxes, fees, and loss of privacy.
- Always answer questions on your life insurance application truthfully.
- Be sure your application has been filled out accurately. Promptly notify your agent or company of errors or missing information.
- When you buy a policy, make your check payable to the insurance company, not the agent. Be sure to get a receipt.
- Contact the company or agent if you don't get your policy within 60 days.
- After you've bought an insurance policy, you may have a "free-look" period—usually 10 days after you receive the policy—when you can change your mind. During that period, read your policy carefully. If you decide not to keep it, the company will cancel the policy and give you an appropriate refund. Information about the free-look period is in your contract.
- Always check the date the insurance becomes effective.
- Keep your life insurance policy with your other financial records or legal papers, or anywhere your survivors are likely to look for it. However, don't keep your policy in your safe deposit box. In most states, boxes are sealed temporarily on the death of the owner, delaying a settlement when funds may be needed most.
- Contact your original company, agent, or financial adviser before canceling your current policy to buy a new one. If your health has declined, you may no longer be insurable at affordable rates. If you replace one cash value policy with another, the cash value of the new policy may be relatively small for several years.
- If you have a complaint about your insurance agent or company, contact the customer service division of your insurance company. If you're still dissatisfied, contact your state insurance department. A state insurance department directory is available on www.acli.com.
- Review your policy periodically or when a major event occurs in your life—such as a birth, divorce, remarriage, or retirement—to be sure your coverage is adequate and your beneficiaries are correctly named.

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The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association whose 353 member companies account for 93 percent of the life insurance industry's total assets in the United States, 93 percent of life insurance premiums and 94 percent of annuity considerations. In addition to life insurance and annuities, ACLI member companies offer pensions, including 401(k)s, long-term care insurance, disability income insurance and other retirement and financial protection products, as well as reinsurance.

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Medical Abbreviations

Abbreviation	Full Name	Abbreviation	Full Name
AAA	abdominal aortic aneurysm	A-a gradient	alveolar to arterial gradient
AAS	acute abdominal series	ABD	abdomen
ABG	arterial blood gas	AC	before eating
ACLS	advanced cardiac life support	ACTH	adrenocorticotrophic hormone
ADH	anti-diuretic hormone	ad lib	as much as needed
AF	atrial fibrillation or afebrile	AFB	acid-fast bacilli
AFP	alpha-fetoprotein	A /G	albumin/globulin ratio
AI	aortic insufficiency	AKA	above the knee amputation
ALL	acute lymphocytic leukemia	amb	ambulate
AML	acute myelogenous leukemia	ANA	antinuclear antibody
AOB	alcohol on breath	AODM	adult onset diabetes mellitus
AP	anteroposterior or abdominal - perineal	ARDS	acute respiratory distress syndrome
ARF	acute renal failure	AS	aortic stenosis
ASAP	as soon as possible	ASCVD	atherosclerotic cardiovascular disease
ASD	atrial septal defect	ASHD	atherosclerotic heart disease
AV	atrioventricular	A-V	arteriovenous
A-VO2	arteriovenous oxygen	BBB	bundle branch block
BCAA	branched chain amino acids	BE	barium enema
BEE	basal energy expenditure	bid	twice a day
BJA	below the knee amputation	BM	bone marrow or bowel movement
BMR	basal metabolic rate	BOM	bilateral otitis media
BP	blood pressure	BPH	benign prostatic hypertrophy
BPM	beats per minute	BRBPR	bright red blood per rectum
BRP	bathroom privileges	BS	bowel or breath sounds
BUN	blood urea nitrogen	BW	body weight
BX	biopsy	c	with
C&S	culture and sensitivity	CA	cancer
Ca	calcium	CAA	crystalline amino acids
CABG	coronary artery bypass graft	CAD	coronary artery disease
CAT	computerized axial tomography	CBC	complete blood count
CBG	capillary blood gas	CC	chief complaint
CCU	clean catch urine or cardiac care unit	CCV	critical closing volume
CF	cystic fibrosis	CGL	chronic granulocytic leukemia
CHF	congestive heart failure	CHO	carbohydrate
CI	cardiac index	CML	chronic myelogenous leukemia
CMV	cytomegalovirus	CN	cranial nerves

Abbreviation	Full Name	Abbreviation	Full Name
CNS	central nervous system	CO	cardiac output
C/O	complaining of	COLD	chronic obstructive lung disease
COPD	chronic obstructive pulmonary disease	CP	chest pain or cerebral palsy
CPAP	continuous positive airway pressure	CPK	creatinine phosphokinase
CPR	cardiopulmonary resuscitation	CRCL	creatinine clearance
CRF	chronic renal failure	CRP	C-reactive protein
CSF	cerebrospinal fluid	CT	computerized tomography
CVA	cerebrovascular accident or costovertebral angle	CVAT	CVA tenderness
CVP	central venous pressure	CXR	chest X-ray
DAT	diet as tolerated	DAW	dispense as written
DC	discontinue or discharge	D&C	dilation and curettage
DDx	differential diagnosis	D5W	5% dextrose in water
DI	diabetes insipidus	DIC	disseminated intravascular coagulopathy
DIP	distal interphalangeal joint	DJD	degenerative joint disease
DKA	diabetic ketoacidosis	dL	deciliter
DM	diabetes mellitus	DNR	do not resuscitate
DOA	dead on arrival	DOE	dyspnea on exertion
DPL	diagnostic peritoneal lavage	DPT	diphtheria, pertussis, tetanus
DTR	deep tendon reflexes	DVT	deep venous thrombosis
DX	diagnosis	EAA	essential amino acids
EBL	estimated blood loss	ECG	electrocardiogram
ECT	electroconvulsive therapy	EFAD	essential fatty acid deficiency
EMG	Electromyogram	EMV	eyes, motor, verbal response (Glasgow coma scale)
ENT	ears, nose, and throat	EOM	extraocular muscles
ESR	erythrocyte sedimentation rate	ET	endotracheal
ETT	endotracheal tube	ERCP	endoscopic retrograde cholangio-pancreatography
ETOH	ethanol	EUA	examination under anesthesia
FBS	fasting blood sugar	FEV	forced expiratory volume
FFP	fresh frozen plasma	FRC	functional residual capacity
FTT	failure to thrive	FU	follow-up
FUO	fever of unknown origin	FVC	forced vital capacity
Fx	fracture	GC	gonorrhea
GETT	general by endotracheal tube	GFR	glomerular filtration rate
GI	gastrointestinal	gr	grain; 1 grain = 65mg Therefore Vgr = 325mg
GSW	gun shot wound	gt or gtt	drops
GTT	glucose tolerance test	GU	genitourinary

Abbreviation	Full Name	Abbreviation	Full Name
GXT	graded exercise tolerance (Stress test)	HA	headache
HAA	hepatitis B surface antigen	HAV	hepatitis A virus
HBP	high blood pressure	HCG	human chorionic gonadotropin
HCT	hematocrit	HDL	high density lipoprotein
HEENT	head, eyes, ears, nose, throat	Hgb	hemoglobin
H/H	henderson- hasselbach equation or hemoglobin/ hematocrit	HIV	human immunodeficiency virus
H/H	henderson- hasselbach equation or hemoglobin/ hematocrit	HIV	human immunodeficiency virus
HLA	histocompatibility locus antigen	HJR	hepatojugular reflex
HO	history of	HOB	head of bed
HPF	high power field	HPI	history of present illness
HR	heart rate	HS	at bedtime
HSM	hepatosplenomegaly	HTLV-III	human lymphotropic virus, type III (AIDS agent, HIV)
HSV	herpes simplex virus	HTN	hypertension
Hx	history	I&D	incision and drainage
I&O	intake and output	ICS	intercostal space
ICU	intensive care unit	ID	infectious disease or identification
IDDM	insulin dependent diabetes mellitus	IG	immunoglobulin
IHSS	idiopathic hypertropic subaortic stenosis	IM	intramuscular
IMV	intermittent mandatory ventilation	INF	intravenous nutritional fluid
IPPB	intermittent positive pressure breathing	IRBBB	incomplete right bundle branch block
IRDM	insulin resistant diabetes mellitus	IT	interthecal
ITP	idiopathic thrombocytopenic purpura	IV	intravenous
IVC	intravenous cholangiogram inferior vena cava	IVP	intravenous pyelogram
JODM	juvenile onset diabetes mellitus	JVD	jugular venous distention
KOR	keep open rate	KUB	kidneys, ureters, bladder
KVO	keep vein open	L	left
LAD	left axis deviation or left anterior descending	LAE	left atrial enlargement
LAHB	left anterior hemiblock	LAP	left atrial pressure or leukocyte alkaline phosphatase
LBBB	left bundle branch block	LDH	lactate dehydrogenase
LE	lupus erythematosus	LIH	left inguinal hernia
LLL	left lower lobe	LMP	last menstrual period
LNMP	last normal menstrual period	LOC	loss of consciousness or level of consciousness
LP	lumbar puncture	LPN	licensed practical nurse
LUL	left upper quadrant	LV	left ventricle
LVEDP	left ventricular end diastolic pressure	LVH	left ventricular hypertrophy

Abbreviation	Full Name	Abbreviation	Full Name
MAO	monoamine oxidase	MAP	mean arterial pressure
MAST	medical antishock trousers	MBT	maternal blood type
MCH	mean cell hemoglobin	MCHC	mean cell hemoglobin concentration
MCV	mean cell volume	MI	myocardial infarction or mitral insufficiency
mL	milliliter	MLE	midline episiotomy
MMEF	maximal mid expiratory flow	mmol	millimole
MMR	measles, mumps, rubella	MRI	magnetic resonance imaging
MRSA	methicillin resistant staph aureus	MS	multiple sclerosis or mitral stenosis, or morphine sulfate
MSSA	methicillin-sensitive staph aureus	MVA	motor vehicle accident
MVI	multivitamin injection	MVV	maximum voluntary ventilation
NAD	no active disease	NAS	no added salt
NCV	nerve conduction velocity	NED	no evidence of recurrent disease
ng	nanogram	NG	nasogastric
NIDDM	non-insulin dependent diabetes mellitus	NKA	no known allergies
NKDA	no known drug allergies	NMR	nuclear magnetic resonance
NPO	nothing by mouth	NRM	no regular medications
NSAID	non-steroidal anti- inflammatory drugs	NSR	normal sinus rhythm
NT	nasotracheal	OB	obstetrics
OCG	oral cholecystogram	OD	overdose or right eye
OM	otitis media	OOB	out of bed
OPV	oral polio vaccine	OR	operating room
OS	left eye	OU	both eyes
P	para	PA	posteroanterior
PAC	premature atrial contraction	PAO2	alveolar oxygen
PaO2	peripheral arterial oxygen content	PAP	pulmonary artery pressure
PAT	paroxysmal atrial tachycardia	P&PD	percussion and postural drainage
PC	after eating	PCWP	pulmonary capillary wedge pressure
PDA	patent ductus arteriosus	PDR	physicians desk reference
PE	pulmonary embolus, or physical exam or pleural effusion	PEEP	positive end expiratory pressure
PFT	pulmonary function tests	pg	picogram
PI	pulmonic insufficiency disease	PKU	phenylketonuria
PMH	previous medical history	PMI	point of maximal impulse
PMN	polymorphonuclear leukocyte (neutrophil)	PND	paroxysmal nocturnal dyspnea
PO	by mouth	POD	post-op day
PP	postprandial or pulsus paradoxus	PPD	purified protein derivative
PR	by rectum	PRBC	packed red blood cells
PRN	as needed	PS	pulmonic stenosis

Abbreviation	Full Name	Abbreviation	Full Name
PT	prothrombin time, or physical therapy	Pt	patient
PTCA	percutaneous transluminal coronary angioplasty	PTH	parathyroid hormone
PTHC	percutaneous transhepatic cholangiogram	PTT	partial thromboplastin time
PUD	peptic ulcer disease	PVC	premature ventricular contraction
PVD	peripheral vascular disease	q	every
qd	every day	qh	every hour
q4h, q6h....	every 4 hours, every 6 hours etc.	qid	four times a day
QNS	quantity not sufficient	qod	every other day
Qs/Qt	shunt fraction	Qt	total cardiac output
R	right	RA	rheumatoid arthritis or right atrium
RAD	right atrial axis deviation	RAE	right atrial enlargement
RAP	right atrial pressure	RBBB	right bundle branch block
RBC	red blood cell	RBP	retinol-binding protein
RDA	recommended daily allowance	RDW	red cell distribution width
RIA	radioimmunoassay	RIH	right inguinal hernia
RLL	right lower lobe	RLQ	right lower quadrant
RML	right middle lobe	RNA	ribonucleic acid
R/O	rule out	ROM	range of motion
ROS	review of systems	RPG	retrograde pyelogram
RRR	regular rate and rhythm	RT	respiratory or radiation therapy
RTA	renal tubular acidosis	RTC	return to clinic
RU	resin uptake	RUG	retrograde urethrogram
RUL	right upper lobe	RUQ	right upper quadrant
RV	residual volume	RVH	right ventricular hypertrophy
Rx	treatment	s	without ss = one-half
SA	sinoatrial	SAA	synthetic amino acid
S&E	sugar and acetone	SBE	subacute bacterial endocarditis
SBFT	small bowel follow through	SBS	short bowel syndrome
SCr	serum creatinine	SEM	systolic ejection murmur
SG	Swan-Ganz	SGA	small for gestational age
SGGT	serum gamma- glutamyl transpeptidase	SGOT	serum glutamic- oxaloacetic transaminase
SGPT	serum glutamic- pyruvic transaminase	SIADH	syndrome of inappropriate antidiuretic hormone
sig	write on label	SIMV	synchronous intermittent mandatory ventilation
sl	sublingual	SLE	systemic lupus erythematosus
SMO	slips made out	SOAP	subjective, Objective, Assessment, Plan
SOB	shortness of breath	SQ	subcutaneous
STAT	immediately	SVD	spontaneous vaginal delivery
Sx	symptoms	T&C	type and cross

Abbreviation	Full Name	Abbreviation	Full Name
TAH	total abdominal hysterectomy	T&H	type and hold
TB	tuberculosis	TBG	total binding globulin
Td	tetanus-diphtheria toxoid	TIA	transient ischemic attack
TIBC	total iron binding capacity	tid	three times a day
TIG	tetanus immune globulin	TKO	to keep open
TLC	total lung capacity	TMJ	temporo mandibular joint
TNTC	too numerous to count	TO	telephone order
TOPV	trivalent oral polio vaccine	TPN	total parenteral nutrition
TSH	thyroid stimulating hormone	TT	thrombin time
TTP	thrombotic thrombocytopenic purpura	TU	tuberculin units
TUR	transurethral resection	TURBT	TUR bladder tumors
TURP	transurethral resection of prostate	TV	tidal volume
TVH	total vaginal hysterectomy	tw	twice a week
Tx	treatment, transplant	UA	urinalysis
UAC	uric acid	ud	as directed
UGI	upper gastrointestinal	URI	upper respiratory infection
US	ultrasound	UTI	urinary tract infection
UUN	urinary urea nitrogen	VC	vital capacity
VCUG	voiding cysourethrogram	VMA	vanillylmalic acid
VO	verbal or voice order	V/Q	ventilation - perfusion
VSS	vital signs stable	WB	whole blood
WBC	white blood cell or count	WD	well developed
WF	white female	WM	white male
WN	well nourished	WNL	within normal limits
WPW	Wolf-Parkinson-White	XRT	X-ray therapy
yo	years old	ZE	Zollinger-Ellison





NFP Austin Academy

Working Together. Learning Together.

National Financial Partners (NFP) is excited to show our dedication to providing the best education and training for your firm through the introduction of the new NFP Austin Academy. The Academy was developed to provide a holistic and scalable training schedule for all of our NFP firms. All courses and training events are held at the NFP Austin office, giving you seamless access to the best tools, resources and expertise that NFP has to offer.

The Academy offers you a variety of core business lines courses tailored to your level of expertise. Whether your knowledge is at the beginner, intermediate or advanced level, there is a course designed to fit your needs. Course environments are kept small (15-25 attendees) to ensure that you get an optimal learning experience. Training methods include lecture, group discussions and interactive, hands-on learning with NFP technology. All courses provide you with the opportunity to meet and learn from the talented staff at NFP.

Find out more about NFP Austin Academy events by visiting
www.nfp.com/AustinAcademy



How do I register for an NFP Austin Academy event?

Visit the NFP Austin Academy website at www.nfp.com/AustinAcademy to find out more information about events and how to register.

How much does it cost to attend an NFP Austin Academy event?

There is no registration fee for an NFP Austin Academy event. Your only costs would be transportation and hotel room if your event requires travel to Austin, TX, where all courses – except online courses – are held.

Course Level Descriptions

100 Level

Courses in the 100 level are meant for NFP firm staff members who are new to the industry, a firm or NFP. These courses require no prior training and are appropriate for all levels of experience.

200 Level

Courses in the 200 level are meant for NFP firm staff members who have some experience in the industry or with their firm, and who are more specialized in their focus.

These courses are intended to be second-level courses and a fair understanding of content from a 100 level course will ensure an efficient and productive learning environment for all attendees.

300 Level

Courses in the 300 level are meant for experienced staff, producers and partners in NFP firms who would benefit from the experience of peer-to-peer discussions and networking. Attendees should be proficient with content from 100 level and 200 level courses.

These courses require a high level of engagement and will help build the leaders within your organization.

Course Listing

100

101 Introduction to NFP

Dates Offered:

March 30-31, 2009
June 18-19, 2009
Oct. 8-9, 2009

Target Audience:

New associates with an NFP firm. One year or less total experience.

Event Description:

An introductory two-day course covering all business lines – benefits, life and securities – offered through NFP. Attendees will receive a basic overview of the business lines and then attend course tracks based upon their unique responsibilities within their firms. The content offered at this event is entry level and is recommended for all staff members within their first year of service with an NFP firm.

102 Sure Start Insurance Virtual Training Series

Dates Offered:

Jan. 26-30, 2009
April 20-24, 2009
July 13-17, 2009
Sept. 28 - Oct. 2, 2009

Target Audience:

New associates with an NFP firm.

Event Description:

A web-based, instructor-led series for staff, producers and interns who need to learn the basics of how to access NFP's core tools, resources and technologies related to the life insurance transaction. This online, interactive class, which consists of five one-hour sessions, provides a relaxed environment that allows participants to engage, question and explore from the comfort of their offices.

Course Listing

200

201 Life Insurance Product and Strategy

Dates Offered:

July 9-10, 2009
Nov. 5-6, 2009

Target Audience:

Firm associates whose primary function is life product selection, design, strategy or case design. Or, associates with one year of experience within their firms, or one year of experience within the industry (or completion of NFP Austin Academy event 101).

Event Description:

Content is meant to meet the needs of firm staff members who work in case design, product selection, product design and sales support. The content will be intermediate-level and is recommended for staff members with some experience within their firms or in the industry. This is not an entry-level course.

202 Life Underwriting

Dates Offered:

July 23-24, 2009
Nov. 19-20, 2009

Target Audience:

Firm associates whose primary responsibility is the life insurance underwriting process. Or, associates with one year of experience within their firms or one year of experience within the industry (or completion of NFP Austin Academy event 101).

Event Description:

A mid-level course in medical and non-medical underwriting that is designed to promote growth in field underwriting within NFP firms. This event will include medical record review, cover letter writing, field underwriting, carrier negotiation, non-medical underwriting and large case management. This event is not designed for entry-level associates. A base level of knowledge of the underwriting process is recommended.

Course Listing

300

301 Life Product and Case Design Forum

Dates Offered:

Aug. 6-7, 2009

Target Audience:

Firm associates who have an advanced understanding of the life insurance product and case design process, as well as many years of industry experience and leadership responsibilities.

Event Description:

This forum discussion is meant to encourage sharing and cross promotion of best practices at the advanced support level. Ideas to be shared include: strategy use; product use and design; case design trends and cutting-edge initiatives; latest and greatest ideas from the field; tax and legal changes; market changes and hurdles; as well as how to present to the client and meet their needs. Topics will be chosen in advance and pre-work may be necessary to gain the most from this event.

302 Life Underwriting Forum

Dates Offered:

Aug. 20-21, 2009

Target Audience:

Field underwriters with multiyear experience in life insurance medical and non-medical underwriting. Completion of ALU 101 or higher, or five years industry experience recommended. Not intended for entry-level or mid-level associates.

Event Description:

This forum is designed to meet the ever-evolving needs of the advanced field underwriters within NFP firms. Discussion will focus on trends in underwriting, the medical community and carrier underwriters. In addition, case studies will allow you the opportunity to strategize, brainstorm and share ideas on how to tackle the most complicated underwriting situations in today's market.

303 Broker-Dealer and Advisory Services Advanced Training

Dates Offered:

Tentative Fall 2009

Target Audience:

Firm associates who service the securities and investments business and who work with the broker-dealer on a regular basis. Attendees should have at least one year of experience with their firms.

Event Description:

Join NFP Securities, Inc. and Advisory Investment Services in Austin for advanced training on existing, new, and forthcoming tools and resources. Make your day-to-day operations more efficient with information provided by the experts in this session.



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Set in the heart of the Texas Hill Country, Austin is known for its beautiful rivers, rolling hills and perfect weather for outdoor enthusiasts. With a well-deserved reputation as the "live music capital of the world," Austin has nearly 200 music-oriented clubs. The city also boasts:

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- » Symphony
- » Opera
- » Convention facilities
- » Shopping
- » Fine restaurants

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