

The following document outlines program benefits and is an important feature of our enrollment process to announce the program and establish the relationship between DSI and the Broker/Dealer to the Reps; it is referred to as the Announcement Letter.

The Broker/Dealer distributes the letter prior to the enrollment via fax and/or email. If available, we also encourage the Broker/Dealer to post it in the Rep's section of their website and/or include it in newsletters and publications. In addition to the Announcement Letter, DSI will provide informative plan summaries, to those requesting quotes, to help the individual Reps make an educated buying decision.

Broker/Dealers may also offer this program to their executives/management teams, as a supplement to their Group Long Term Disability (LTD) Plan. Most Group LTD products cap their benefits at a level that leaves the highest paid employees underinsured, do NOT insure incentive compensation, have taxable benefits and do NOT insure retirement plan contributions.

DISABILITY INCOME, OVERHEAD EXPENSE, AND DI RETIREMENT SECURITY INSURANCE PROGRAMS FOR THE REGISTERED REPRESENTATIVES OF ABC BROKER DEALER

ABC Company has recently facilitated the development of Disability Income (DI), Overhead Expense (OE), and DI Retirement Security Insurance Programs that will be offered to all our registered representatives, meeting the criteria outlined below. **These programs are for you to buy for yourself, not sell to your clients.** Below is a brief summary of the program highlights.

- The DI, OE, and DI Retirement Security Insurance Programs offered are **Individual, Guaranteed Renewable, Non-Cancelable** Policies, with the Your Occupation definition of disability to age 65 and up to \$8,000 per month of Catastrophic Disability Benefit rider. Insurance renewal income, 12b-1 fees, and wrap account fees that continue during a total disability will **not reduce or limit total disability** benefits.
- Premiums are discounted to a level where it is **less expensive** for you to buy the coverage through this program than it would be to buy a policy on yourself, **net of after tax commissions**. In addition to the premium discount, if you are a licensed life and health agent, 20% of the first year commission will be paid directly to you by Disability Specialists, Inc. (DSI). You must submit a copy of your current state life and health license and a W-9 at the time of application.
- Up to \$4,000 per month of DI coverage is **modified guaranteed issue (MGI)** for registered representatives under age 50. For registered representatives age 50 through 60, \$3,000 per month of coverage is MGI. **MGI** means you will be accepted, regardless of your health, as long as you **meet the MGI qualification requirements**.
- Up to \$5,000 per month of OE Insurance coverage, **in addition to** the DI coverage, is **MGI** for registered representatives **age 55** and under, as long as **the MGI qualification requirements are met**.
- Up to \$3,725 per month of DI Retirement Security coverage (not available in CA) may also be available MGI. This program allows you to buy up to \$3,725 per month of benefit, **in addition to the maximum DI benefit you qualify for**, to ensure retirement savings continue during periods of total disability.

- **The MGI qualification requirements are:** you must **not** have missed 3 consecutive days of work, been hospitalized or partially disabled in the **6 months** prior to the date on your application, must not be currently collecting disability benefits, must not be homebound, and must meet the income requirements (you can enroll for **less** than the MGI maximum). There are **three medical questions** on the application that must be answered.

DSI is the program administrator and will manage the enrollment process. You will be contacted by one of DSI's advisors and given a very brief overview of the DI, OE, and DI Retirement Security Insurance Programs. **You have the option of enrolling in one or more of these programs. If you want information on the programs now**, call DSI's enrollment office at (888) 279-8348 (8:00am – 4:00pm Mountain Time). Identify yourself as an ABC Company registered representative and you will be provided with the program details.

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