

# Transition Rules

## Effective November 20<sup>th</sup>, 2021

With the passing of the Consolidated Appropriations Act (2021), updates were made to the Internal Revenue Code 7702 governing the treatment of cash values inside of life insurance policies that must be implemented by the end of 2021. These updates have changed how various insurance product rates are determined and have impacted all life insurance carriers.

As a result, Foresters Financial™ has made the following updates:

### PlanRight

- Premium increases on Preferred and Standard
- Cash value increases on Preferred, Standard, and Basic

### BrightFuture

- Premium and cash value increases

### Advantage Plus II

- Premium and cash value increases on non-medical
- Cash value increases on medically underwritten

In addition, Your Term (non-medical only) is being discontinued in all states except New York.

Mobile Quotes and illustration software will be updated on November 20, 2021.

### **Transition Rules for Advantage Plus II (non-medical & medical) and BrightFuture**

#### For paper applications (based on application sign date)

- Applications signed on or before November 19<sup>th</sup>, 2021 must be received on or before November 26<sup>th</sup>, 2021 in order to be processed with the old rates.
- Applications signed on or before November 19<sup>th</sup>, 2021 and received after November 26<sup>th</sup>, 2021 will be returned/cancelled/not accepted.
- Applications signed on or after November 20<sup>th</sup>, 2021 will be processed using the new rates.

#### For iPipeline e-App submissions (based on application lock date)

- Existing applications must be signed and submitted on or before November 19<sup>th</sup>, 2021, in order to be processed using the old rates.
- Applications locked on or before November 19<sup>th</sup>, 2021, but not signed and submitted until on or after November 20<sup>th</sup>, 2021 will be processed using the new rates.

## Transition Rules for Your Term (non-medical) All States except New York

For paper applications (based on application sign date)

- Applications signed on or before November 19<sup>th</sup>, 2021 must be received on or before November 26<sup>th</sup>, 2021 in order to be processed.
- Applications signed on or before November 19<sup>th</sup>, 2021 and received after November 26<sup>th</sup>, 2021 will be returned/cancelled/not accepted.
- Applications signed on or after November 20<sup>th</sup>, 2021 will not be processed.

For iPipeline e-App submissions (based on application lock date)

- Existing applications must be signed and submitted on or before November 19<sup>th</sup>, 2021, in order to be processed.
- Applications locked on or before November 19<sup>th</sup>, 2021, but not signed and submitted until on or after November 20<sup>th</sup>, 2021 will not be processed.

Your Term (non-medical) will continue to be available in New York.

## Transition Rules for PlanRight

For paper applications (based on application sign date)

- Applications signed on or before November 19<sup>th</sup>, 2021 must be received on or before November 26<sup>th</sup>, 2021 in order to be processed with the old rates.
- Applications signed on or before November 19<sup>th</sup>, 2021 and received after November 26<sup>th</sup>, 2021 will be returned/cancelled/not accepted.
- Applications signed on or after November 20<sup>th</sup>, 2021 will be processed using the new rates.

For LiveApp e-application submissions

- Applications signed and submitted on or before November 19<sup>th</sup>, 2021, will be processed using the old rates.
- Applications signed and submitted on or after November 20<sup>th</sup>, 2021 will be processed using the new premium rates
- Any pending applications in LiveApp started on or before November 19<sup>th</sup>, 2021 cannot be processed; you will need start a new application.

## Maintenance Window

Point-of-Sale (POS) Decisioning (applicable for non-medical iPipeline e-Apps only) will be unavailable from 11:59 pm ET Friday November 19, 2021 to approximately 12:00 pm ET Sunday November 21<sup>st</sup> due to scheduled maintenance. However, New business applications can still be submitted via iGO e-App during this window.

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