



# BULLETIN:

## Colony<sup>SM</sup> Term UL Repriced: Give your clients more for their money

genworth.com

September 16, 2011

Effective: **09/19/11**

States: **All but NY**

**Effective September 19, 2011, Colony<sup>SM</sup> Term UL will offer more competitive pricing across face amounts greater than \$250,000 in all states (except NY) and Bermuda.**

Competitive positioning for death benefits less than \$250,000 has been maintained (99% of the time the Genworth Financial companies are ranked in the top 5).

Updated marketing materials are available.

**The targeted rate decreases include:**

- By product, 20 and 30 years
- Death benefits > \$250,000
- Males
- Preferred No Nicotine Use, Select No Nicotine Use and Standard No Nicotine Use underwriting classes

**The targeted rate increases include:**

- Death benefits < \$250,000
- Females
- Nicotine Use underwriting classes

*(continued)*

**Contact:** If you have any questions about these changes, please contact your Genworth Representative.

Genworth Financial companies include:

**Genworth Life and Annuity Insurance Company**, Richmond, VA

**Genworth Life Insurance Company**, Richmond, VA

**Genworth Life Insurance Company of New York**, 666 Third Avenue, 9th Floor, New York, NY

Only Genworth Life Insurance Company of New York is admitted in and conducts business in New York.

Long term care insurance products issued by Genworth Life Insurance Company and in New York by Genworth Life Insurance Company of New York.

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## Colony Term UL Competitiveness by Death Benefit

### Annual Level Planned Premium Scenarios

| Specified Amount | Percentage of Times in the Top 3 |               | Percentage of Times in the Top 5 |               |
|------------------|----------------------------------|---------------|----------------------------------|---------------|
|                  | Prior to Reprice                 | After Reprice | Prior to Reprice                 | After Reprice |
| \$150,000        | 89%                              | 81%           | 95%                              | 99%           |
| \$250,000        | 65%                              | 73%           | 82%                              | 88%           |
| \$500,000        | 37%                              | 43%           | 72%                              | 83%           |
| \$750,000        | 34%                              | 48%           | 75%                              | 91%           |
| \$1 Million      | 7%                               | 24%           | 29%                              | 55%           |
| \$5 Million      | 4%                               | 22%           | 21%                              | 53%           |

## Colony Term UL Competitiveness by Underwriting Class

### Annual Level Planned Premium Scenarios

| Underwriting Class             | Percentage of Times in the Top 3 |               | Percentage of Times in the Top 5 |               |
|--------------------------------|----------------------------------|---------------|----------------------------------|---------------|
|                                | Prior to Reprice                 | After Reprice | Prior to Reprice                 | After Reprice |
| Preferred Best No Nicotine Use | 52%                              | 48%           | 76%                              | 75%           |
| Preferred No Nicotine Use      | 45%                              | 61%           | 70%                              | 84%           |
| Select No Nicotine Use         | 31%                              | 58%           | 64%                              | 86%           |
| Standard No Nicotine Use       | 22%                              | 38%           | 42%                              | 76%           |
| Preferred Nicotine Use         | 28%                              | 1%            | 49%                              | 7%            |
| Standard Nicotine Use          | 41%                              | 3%            | 58%                              | 10%           |

Note: Includes ages 35-65 (35-55 for 30 years), every fifth year, Male and Female, Preferred Best No Nicotine Use (PBNN), Preferred No Nicotine Use (PNN), Standard No Nicotine Use (SNN). As of 8/23/2011. Compared to 15 carriers. The charts shown are based on research conducted by the Genworth Financial companies. To the best of our knowledge, the competitive information is current and believed to be accurate as of 8/23/2011. The Genworth Financial companies are not affiliated with any of the other companies used in the comparison.

## Competitive Strengths

Consumers today expect more for their money and Colony Term UL delivers, offering greater flexibility than traditional term life insurance products for a planned premium that is often more affordable.

- Competitively priced customizable coverage
  - Highly competitive planned premiums for 10, 15, 20 or 30 years or any desired period in between
- Flexible premiums<sup>1</sup>
  - When appropriate, a 1035 exchange may pay planned premiums for several years or lengthen the death-benefit guarantee<sup>2</sup>
- Flexible protection
  - Clients know the cost of extending their coverage, with no surprises
- Highly competitive target premiums, no policy fee and entire premium is commissionable
- Sweet spots
  - through \$5 million death benefit, and
  - ages 25-55, and
  - No Nicotine Use, Preferred Best to Table 4

## Transition Rules

### New Sales:

**September 19, 2011:** We will begin accepting applications for the Colony Term UL premium rates effective as of September 19, 2011. This applies to all states (except NY) and Bermuda.

**November 02, 2011:** With respect to applications received through November 2, 2011, any policies we issue will be issued at the new rates, unless we receive notification to issue otherwise. We will accept notifications via email, phone call, correspondence or WinFlex projection.

With respect to **applications received after November 02, 2011**, any policies we issue will be issued at the new rates. No exceptions.

### Pending Inventory:

With respect to applications pending underwriting prior to September 19, 2011, any policies we issue will be issued at old rates, unless we receive notification to issue otherwise.

Policies that have already been issued will not be reissued with new rates.

With respect to cancellations, re-opens, and policies not taken, new applications will have to be submitted to get new rates.

## WinFlex Projections

Colony Term UL projections will be available on WinFlex on September 19, 2011 with new rates.

WinFlex will maintain the ability to quote prior rates through November 2, 2011. After November 2, the prior rates will no longer be available to quote.

## Life Quick Request<sup>SM</sup> (LQR)

Get paid faster and more by submitting tickets on LQR<sup>3</sup>.

LQR will be updated with the new rates as of September 19, 2011. See [Transition Rules](#) for a full explanation on new and pending business.

## New Marketing Materials Available

Visit the [Colony Term UL Promotions Center](#) to access all marketing materials.

- Firm Pitch 126744
- Consumer Brochure 49598
- Producer Guide 49589
- Top10 Reasons to Sell Flyer 103200
- Product Fact Sheet 49597

## Colony Term UL Plan Codes

Should you need a list of plan codes, please contact the Internal Sales Team at 866 498.7151, choose option 3, then 1.

<sup>1</sup>Clients may increase, decrease or skip planned premium payments. Reduced and missed premiums will not impact the death-benefit guarantee as long as the planned premiums paid are sufficient to maintain the coverage. If your client chooses to pay the minimum amount needed to maintain the guarantee, planned premiums must be paid to avoid lapse.

<sup>2</sup>Death-benefit guarantee refers to a conditional guarantee that, if the conditions are met, can keep the policy in force even if policy values do not. Certain policy rights, if exercised, can end the guarantee.

<sup>3</sup>Rolling year average as of May 28, 2011 processed through Life Quick Request have a median cycle time of 12 days and an average of 19 from the day New Business receives the case to the day the policy is mailed and an 8% increase in placement ratio.

Life insurance underwritten by:

Genworth Life and Annuity Insurance Company, Richmond, VA

Genworth Life Insurance Company, Richmond, VA

Not available in NY.

These are partial product descriptions. To accurately present these products you must fully understand their features, benefits and limitations, which are explained in more detail in the product's feature guide. Only the policy contains the actual terms and conditions of coverage.

All products are subject to their Policy Form Numbers and to issue limitations.

Products, riders and benefits may not be available in all states.

Colony<sup>SM</sup> Term UL is a flexible premium, adjustable life insurance policy (commonly known as universal life) and is subject to state availability and terms, issue limitations and conditions of the associated policy forms. Colony Term UL: Policy Form No. ICC09GA1002 or GA1002-0709 et al. (Genworth Life & Annuity), or ICC09GL1002 or GL1002-0709 et al. (Genworth Life)

All guarantees are based on the claims-paying ability of the issuing insurance company.