

TRANSITION GUIDELINES FOR SBLI WHOLE LIFE PRODUCT UPDATES

Like many carriers, we are updating our product portfolio to comply with the Consolidated Appropriations Act of 2021, which lowers the interest rate assumptions used in Section 7702 of the Internal Revenue Code. As one of our valued partners, you are receiving this information now to help you with the transition process.

PORTFOLIO CHANGES

We will be introducing these changes on December 15, 2021 to our Whole Life product portfolio. Below, you will find a summary of the impacted products and the associated changes.

- **Flex Whole Life** (participating) - available for new business and conversions¹

Products	Changes
<ul style="list-style-type: none"> ◦ Continuous Pay ◦ Limited Pay (10, 15, 20-year & to age 65) ◦ Single Premium 	<ul style="list-style-type: none"> ◦ Premium rates will increase ◦ Guaranteed cash values will increase ◦ Guaranteed cash values will be based on an interest rate of 3.75%
Riders	Changes
<ul style="list-style-type: none"> ◦ Single-Pay Paid-Up Additions Rider ◦ Waiver of Premium Rider 	<ul style="list-style-type: none"> ◦ Premium rates will increase

- **InStep Whole Life** (non-participating) – available for conversions only²

Products	Changes
<ul style="list-style-type: none"> ◦ Continuous Pay ◦ Limited Pay (10, 15, 20-year & to age 65) ◦ Single Premium 	<ul style="list-style-type: none"> ◦ Premium rates will increase ◦ Guaranteed cash values will increase ◦ Guaranteed cash values will be based on an interest rate of 3.75%

- **SBLI Conversion UL** – other than tax impacts associated with the 7702 changes there are no updates to this product.

KEY TRANSITION RULES DATES

ILLUSTRATIONS

- Illustrations for the updated Whole Life products will be introduced on December 15, 2021 and will be available via LPES and Winflex.
- As of December 14, 2021, the old products will no longer be available for illustrations.

TRANSITION RULES

- **Any application received at our home office prior to December 21, 2021 will receive the current product versions if the following requirements are met:**
 - **New Business Submissions and Conversions**
 - » You submit a signed application and illustration (if necessary).
 - » The application and illustration must have a signed date of December 14, 2021, or earlier.
 - » The application is approved and placed in-force with premium paid by December 28, 2021.
 - **Pending New Business**
 - » The pending policy has a received date prior to December 15, 2021 and is issued and paid for by December 28, 2021.
 - » The pending policy is NOT future dated past December 28, 2021.
- **Any application received on December 15, 2021 or later will receive the new product version.**
 - » New or conversion applications received on December 15, 2021, or later, will only receive the new product version and rates.
- **All pending policies not issued by December 28, 2021, will require a newly signed illustration as the client is no longer eligible for the old product.**
- **Any application received on December 15, 2021 or later for business in Washington, D.C. will not be processed until we have approval from this state.**

FOR FURTHER INFORMATION

If you have any additional questions, please contact the Brokerage Sales Desk at 1-888-224-7254 (Option 1) or email Brokerage@SBLI.com.

¹Level term policies or level term riders with a policy issue date before 8/1/2012 have the option of converting to either Flex Whole Life (Participating) or Conversion Universal Life. ²Level term policies or level term riders with a policy issue date on or after 8/1/2012 have the option of converting to either InStep Whole Life (Non-Participating) or Conversion Universal Life. Please note: Conversion Universal Life is not available in the state of California.