

Voice Application Tips

1. **ALL** documents should be completed prior to calling in to complete a voice application recording.
 - a. eApp is a great tool to make sure no required forms are missed. The application should not be submitted until **AFTER** the voice application is completed.
2. Always disclose the recording at the beginning of the call and to any party who enters or re-enters the conversation (*let the other party know that the call is being recorded*). **If the recording is not disclosed to all parties the recording cannot be used.**
3. **All forms and affirmation statements prior to obtaining signatures must be read verbatim.**
4. The owner, applicant and payor must all sign for themselves on voice application calls. **No signatures can be waived** (unless the owner has power of attorney for the applicant). *See item #5 regarding applications where POA or Guardianship is involved.*
5. If applicable, a complete copy of the **Power of attorney (POA)** or **Guardianship** paperwork must be submitted in order to issue the application.
 - a. When recording signatures where the owner is the Power of Attorney (or Guardian), the owner and applicant signatures will both be completed with the owner and they should be recorded as follows:
 - i. **Owner Signature:** The owner/POA should state their own name for the signature of owner.
 - ii. **Applicant Signature:** The owner/POA should state their own name followed by "POA for" (or "Guardian for") and then they should state the name of the applicant.
 1. **Example of the Applicant's Signature:** "John Smith Jr, POA for John Smith Sr."
6. When an **Existing Policy Form is required**, if either question is answered YES, this will be a **Replacement**. For replacements, the entire Replacement form must be read verbatim on the recording including all fillable information.
 - a. Applications indicating replacement in **Kentucky, Kansas or West Virginia** will be declined.
7. Remember to write the word "**Recorded**" for all owner/applicant/payor signatures. Please be sure to complete the full name in any printed name sections on the forms.
8. The agent must always **physically sign** the application and all other documents which require the signature of the agent.
9. Always write in the **State** that the **owner** was in **at the time the recording was completed.**
10. If the owner and payor are different, all payment information must be recorded with the payor.
11. Do **NOT** record a full credit card number. If a full credit card number is provided at any time during the recording, **the entire recording will be invalid.** The Sequence number, name on the card, card type, expiration date & last four digits of the card should be the only credit/debit card info on the recording.
12. After a health question or other questions are read **verbatim** on the recording once, an agent can then further explain the question if the applicant needs clarification. Once the applicant clearly understands the question, they must answer the question with a clear "YES" or "NO" without any assistance, coaching or encouragement from the agent. **If the applicant does not answer on their own a corrected recording may be required.**
13. Please be aware that the wording of the legal paragraphs on state-specific forms differ in some states and the wording must always be read **verbatim.**

Voice Application Sample Script

**This script is a sample of how a Voice Application may be completed. It is not intended to be a complete process for a voice application in every state. Instead, it includes tips on how signatures and common forms may be completed.*

**If you misspeak at any point while reading verbiage from a form, just go back to the beginning of the sentence and start again.*

Introduction and Recording Disclosure

My name is *(Agent's Name)* with Lincoln Heritage Life Insurance Company. Today's date is *(Month/Day/Year)*. I'm speaking with *(Owner's Name)*, I want to let you know this call is being recorded, and that we are now recording your application for life insurance. Your documents are being created electronically based on the information provided during this call. You will be signing your documents via a verbal authorization and will have access to them once the policy is issued.

Application

(required on all recordings)

Owner Information

The name of the owner on the application is _____.

The owner's address is _____.

Applicant Information

The name of the applicant is _____.

The applicant's relationship to the owner is _____.

The applicant's address is _____.

The applicant's Social Security Number is _____.

The applicant's age is _____.

The applicant's date of birth is _____.

The applicant's gender is _____.

Is everything correct so far?

Beneficiary Information

Now we're going to list the beneficiaries on the application...

If there are multiple Primary or multiple Contingent Beneficiaries, be sure to state the percentage of the benefit for each beneficiary.

The name of the Primary Beneficiary is _____. The Primary Beneficiary's relationship to the policy applicant is _____.

The name of the Contingent Beneficiary is _____. The Contingent Beneficiary's relationship to the policy applicant is _____.

Does all of that sound correct?

Policy Information

Ok, moving on to the policy information...

The number of child rider units is _____. The number of children on the child rider application is _____.

The number of AD&D units is _____.

The plan type being applied for is _____. {Final Expense – 20Pay – Modified}
The payment method is _____. {Checking, Savings, Credit Card/Debit Card or Direct Bill}
The coverage amount being applied for is _____.
The total monthly premium is _____.

Does all of that sound correct?

Health Questions

Ok, now we're going to go over the health questions and I just need a yes or no answer for each question...

Read the tobacco question, uninsurable health questions and significant health conditions **verbatim** from the state-specific application and have the applicant answer yes or no. If any of their answers are unclear, be sure to have them repeat their answer for the recording. Please be advised that the wording of these questions may be different depending on which state you are writing in.

Replacement Questions and Existing/Replacing Form (as applicable)

Now I have 2 Replacement questions from the application to ask you and I just need a yes or no answer for each question...

Read these two questions verbatim and have the owner OR applicant answer yes or no:

1. Does the applicant have existing life insurance or annuity contracts?
2. Will this policy replace or change other insurance or annuities?
 - If the answers are **No/No**, move on to the Automatic Premium Loan question below.
 - If the answers are **Yes/No** and you are writing in a state that requires the Existing Policy Form, read the two questions from the Existing Policy Form (as shown below). If your state does not require the Existing Policy Form, move on to the Automatic Premium Loan question below.
 - Existing Policy Form States: AK, AL, AZ, CO, CT, HI, IA, KY, LA, MD, ME, MO, MS, MT, NC, NE, NH, NJ, NM, OH, OR, RI, SC, SD, TX, VA, VT, WI and WV.
 - 1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer or otherwise terminating your existing policy or contract?
 - 2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?
 - If either of these questions are answered **Yes**, the state-specific Replacement form must be read verbatim in its entirety including all fillable information.
 1. **AR** - If writing in the state of Arkansas, the 2-page Memorandum must also be read including all fillable information.
 2. **KY, KS, WV** - We do not allow replacements in KY, KS or WV.
 - If the answers are **Yes/Yes**, the state-specific Replacement Form must be read verbatim in its entirety including all fillable information.
 - **AR** - If writing in the state of Arkansas, the 2-page Memorandum must also be read verbatim including all fillable information.
 - **KY, KS, WV** - We do not allow replacements in KY, KS or WV.

Automatic Premium Loan

Automatic Premium Loan is/is not being requested on this application. (The agent can state whether or not APL is being requested)

Legal Statements

Now I'm going to read you the two legal statements from your application...

Read the Rx Authorization and Affirmation paragraphs from the application (these are the two paragraphs just above the signature lines). Please be advised that the wording of these paragraphs may be different depending on which state you are writing in, and must be read verbatim.

Signatures

Ok, {state the name of the owner}, for your verbal signature as the owner on this application, please state your name. {Have the owner state their first & last name}

What state are you currently in? {Have the owner say the name of the state that they are currently in at the time of signing the application}

Ok, {state the name of the applicant}, for your verbal signature as the applicant on this application, please state your name. {Have the applicant state their first & last name}

And today's date is _____. {Month/Day/Year are required}

Payment Authorization Form

(required on all policies, unless the recurring method of payment is Direct Bill)

This section must be recorded with the payor.

I'd like to advise all parties currently on the line that this call is being recorded. We will be completing a recorded version of your payment authorization form today. This document is being created electronically based on the information provided during this call. You will be signing your documents via a verbal authorization and will have access to them once the policy is issued. Please interject at any time if you hear anything that is incorrect or inaccurate.

Now we're going to go over the payment information on the application for {state the name of the policy applicant}.

The name of the payor is _____.

The payment method is _____. {Checking, Savings, Credit Card/Debit Card or Direct Bill}

- For payment via **Checking/Savings**, record the following information:
 - The financial institution is _____.
 - The routing number is _____.
 - The bank account number and type is _____.
 - The initial draft date is _____.
 - The recurring draft date is _____.
 - The total monthly premium is _____.
 - Now move on to the payment authorization paragraph below.
- For payment via **Credit/Debit**, record the following information:
 - The sequence number is _____. (DO **NOT** read the 16-digits card number on this recording)
 - The card type is _____. (Visa, Mastercard, etc...)
 - The expiration date on the card is _____.
 - The initial draft date is _____.
 - The recurring draft date is _____.

- The total monthly premium is _____.
 - Now move on to the payment authorization paragraph below.
- For payment via **Direct Bill**, no additional payment information needs to be recorded.

Payment Authorization Paragraph:

(Note: Effective 11/01/2021, the new PAC Form must be used. Form# 21AUTH should be used in CA, FL, ND & SD. All other states should use form# ICC21AUTH.)

Read the following paragraph to the payor:

Now I'm going to read you the authorization for your payment information:

I authorize Lincoln Heritage Life Insurance Company (hereafter "you") to collect the initial premium and any future payments for this insurance by electronic or other means from the account identified above. I understand and acknowledge that you may need to readjust the amount of premium required to effectuate the requested policy after providing an initial quote to me. I hereby authorize you to debit up to \$5 (five dollars) monthly above the amount that I was originally quoted for each application in order to put the requested coverage in force. I agree that the treatment of such payment, and all rights with respect to it, will be the same as if it were signed and initiated by me. I understand that I can contact you at 1-800-930-7459 during regular business hours in order to request cancellation of a payment or revoke this authorization, and notice must be received in your office at least 5 business days in advance of that payment. I further agree that if any check, draft or debit is dishonored for any reason, you will not be under any liability, even though dishonor results in the forfeiture or lapse of insurance. This authorization is to remain in effect until you receive notice from me of its revocation, unless you end it earlier. I understand that no insurance will go into effect until Lincoln Heritage has (a) received and approved the application for life insurance, (b) issued a policy based on the application, (c) withdrawn the first premium from the designated account. The applicant(s) must be alive at the time the payment is honored.

Payor Signature:

Ok, {state the name of the payor}, for your verbal signature as the **payor** on this application, please state your name. {Have the payor state their first & last name}

And today's date is _____. {Month/Day/Year are required}

Additional Forms

Supplemental Application

(only required if the applicant's SSN is not being provided OR if the application is for more than \$20,000 in coverage)

Now we're going to **record** the Supplemental Application which lists all of your medications...

Verbatim: List any medication(s) the proposed insured has been prescribed or taken in the past (2) years and the reason for its use.

State the name of each medication and its reason for use. (This information can be provided by the agent)
If there are no medications, confirm with the client that there are no medications and make sure that is stated on the recording.

Is all of that information correct?

Ok, {state the name of the owner}, for your verbal signature as the **owner** on this application, please state your name. {Have the owner state their first & last name}

Ok, {state the name of the applicant}, for your verbal signature as the **applicant** on this application, please state your name. {Have the applicant state their first & last name}

And today's date is _____. {Month/Day/Year are required}

Child Rider Application
(only required if applying for child rider coverage)

If adding child rider coverage, clearly state all of the following items for each child rider that is being added:

Now we're going to record the application for child rider coverage...

Policy Information

We're adding _____ child rider applicants onto the policy. {state the number of child rider applicants}

We're applying for _____ units of coverage per child.

Child Rider Applicant Information

The name of the first child is _____. {First and Last Name are Required}

The child's gender is _____.

Their date of birth is _____. {Month-Day-Year is required}

The child's relationship to the policy applicant is _____.

The beneficiary for the child rider coverage is _____. {If other than the owner}

If there are additional child rider applicants, review their name/gender/date of birth/relationship to policy applicant and beneficiary now.

Health Questions

Now I'm going to read you four additional health questions with regard to the children being added to the policy and I'll need a yes or no answer for each question.

Read all 4 of the health questions from the child rider application and have the **applicant** answer yes or no to each question. These questions differ by state so be sure that you are reading from the correct state-required form.

Signatures

Ok, {state the name of the owner}, for your verbal signature as the **owner** on this application, please state your name. {Have the owner state their first & last name}

What state are you currently in? {Have the **owner** say the name of the state that they are currently in at the time of signing the application}

Ok, {state the name of the applicant}, for your verbal signature as the **applicant** on this application, please state your name. {Have the applicant state their first & last name}

And today's date is _____. {Month/Day/Year are required}

If you are writing an application in any of the following states, record the Terminal Illness Benefit Disclosure on all Final Expense and 20 Year Pay plans: AL, AR, IL, IN, KS, LA, MA, MI, MN, MS, MT, NE, NC, OH, OK, OR, PA, VA.

Now we'll go over our:

TERMINAL ILLNESS ACCELERATED DEATH BENEFIT DISCLOSURE

This disclosure provides a brief description of the available Terminal Illness Accelerated Death Benefit and the effect on the Policy. This disclosure is not an insurance contract, but only a summary of the coverage provided. There is no additional premium charge or cost for this benefit, and it is not intended to qualify as long-term care insurance.

Terminal Illness Accelerated Death Benefit, referred to in the Policy as Terminal Illness Benefit, is a one-time benefit which allows You to receive an advance payment of up to fifty percent (50%) of the death benefit during the lifetime of the Insured if the Insured named on the Policy Schedule page is diagnosed with a Terminal Illness after the Date of Issue. Terminal Illness means a medical condition that is reasonably expected to result in the Insured having a life expectancy of twelve (12) months or less, and from which there is no reasonable prospect for recovery.

The death benefit, any cash value and Life Policy Premium will be reduced proportionally to the percentage elected if a Terminal Illness Benefit is paid. Prior to, or concurrent with any election to receive a Terminal Illness Benefit, You and any Irrevocable Beneficiary will be given a statement explaining the effect of the payment on the Policy's Cash Value, Death Benefit, Policy Life Premium, and Policy loans.

Taxability of Benefits – The amount paid under the Terminal Illness Benefit may be taxable. We are not responsible for any tax on, or other effects of, any Terminal Illness Benefit paid. As with all tax matters, consult Your personal tax advisor to assess the impact of this benefit. This benefit is intended to qualify for favorable tax treatment.

Receiving payment of the Terminal Illness Benefit may adversely affect Your, Your spouse's or Your family's eligibility for Medicaid, AFDC, SSI, drug assistance or other public assistance programs. You should consult a qualified advisor with social services agencies regarding how receipt of the Terminal Illness Benefit payment may affect eligibility for such programs.

The portion of the Death Benefit remaining after payment of the Terminal Illness Benefit will be paid upon the Insured's death, pursuant to the Policy.

To acknowledge you have received this disclosure as the owner of this policy, can I please have you state your name for your verbal signature?

What state are you currently in?

And today's month, day and year?

Closure

Ok, Mr/Mrs _____, that will conclude our recorded application. I thank you for your time today and for choosing Lincoln Heritage. Your application will now be submitted to Underwriting for review and I will be in touch with you again soon.