

News you can Use



UNDERWRITING TIPS & TOPICS

I joined FGL in August, 2016 and am looking forward to supporting the business you submit and the company's exciting plans for continued growth. Over my twenty-plus years in the industry, I have seen a lot of change and we are now experiencing a tremendous impact as new technologies and Big Data begin to transform our business. These developments are, and will continue, to guide how life insurance business is underwritten – a very exciting time, indeed!



Barb Lutz, AVP & Chief Underwriter
Fidelity & Guaranty Life

Regardless of changes, both in the past and in the future, I believe there are three cornerstones that will remain in successful underwriting organizations:

Partnership with Producers

Our job is to work with you to get your business issued. It starts with trust and integrity and sharing information. Underwriters can make better decisions when they understand the context of the sale and have a more complete picture of the risks. You can place more business if you understand the company's position and reasoning for decisions. I find it personally very rewarding when I, or an underwriter on my team, has helped an agent get a challenging case issued. We can't approve everything, but we have a high percentage of success*:

| | Fully Underwritten | Non-Medical |
|----------------------------------|--------------------|-------------|
| As applied for | 80% | 88% |
| Other than as applied for (OTAF) | 6% | 5% |
| Decline or Postpone | 8% | 5% |

*Applications submitted July through September 2016; representative of other time periods as well

Risk Classification

The underwriter approves applications that are within the pricing and mortality parameters established for the products. Similar risks pay similar premiums and we must apply our procedures and guidelines consistently and fairly to all applicants. Sometimes we can't approve



an applicant because their risk profile (health and other factors) just does not fit. Our goal is to be fair to your client always, and protect the business so we can continue to be here to serve you and your clients in the future!

Collaboration

It truly takes a village to run a successful life insurance company. In addition to working closely with the sales area, I work closely with the new business and case management teams to coordinate the processing of applications. I get involved with Compliance and Legal, Actuarial for product management and new product development, and our Information Technology area to enhance and build new capabilities.

I look forward to sharing more “News You Can Use” periodically! My tips and topics from Underwriting are aimed to help you grow your business and enhance your application experience with FGL.

If you have questions or would like to submit a topic for me to address, you are welcome to contact us at Salesdesk@fglife.com

Watch for these Topics in future Newsletters:

- Underwriting Foreign Nationals
- The Telephone Interview
- Policy Ownership and Beneficiaries

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“FGL” when used herein refers to Fidelity & Guaranty Life, the marketing name for Fidelity & Guaranty Life Insurance Company issuing insurance in the United States outside of New York. Annuities and life insurance issued by Fidelity & Guaranty Life Insurance Company, Des Moines, IA.

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