

BOSTON MUTUAL LIFE INSURANCE COMPANY

120 ROYALL STREET • CANTON, MASSACHUSETTS 02021 • 800-669-2668



• IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES •

This document must be signed by the applicant and the producer, if there is one, and a copy left with the applicant

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy, to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interests. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy or contract and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

- Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy? YES NO
- Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? YES NO
- If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (*include the name of the insurer, the insured, and the contract number if available*) and whether each policy will be replaced or used as a source of financing:

INSURER NAME	CONTRACT or POLICY #	INSURED	REPLACED (R) or FINANCING (F)
1. _____			
2. _____			
3. _____			

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. (*If you request one, an in force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer*). Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

The existing policy or contract is being replaced because Texas Life is no longer providing payroll deductible benefits with Mark III.

I certify that the responses herein are, to the best of my knowledge, accurate:

Applicant's Signature and Printed Name

Date

Producer's Signature and Printed Name

Date

I do not want this notice read aloud to me. _____ (*Applicants must initial only if they do not want the notice read aloud*).

List advertising used _____

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

PREMIUMS: Are they affordable?
Could they change?
You're older – are premiums higher for the proposed new policy?
How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES: New policies usually take longer to build cash values and to pay dividends?
Acquisition costs for the old policy may have been paid, you will incur costs for the new one?
What surrender charges do the policies have?
What expense and sales charges will you pay on the new policy?
Does the new policy provide more insurance coverage?

INSURABILITY: If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.
You may need a medical exam for a new policy.
(Claims on most new policies for up to the first two years can be denied based on inaccurate statements. Suicide limitations may begin anew on the new coverage).

IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:
How are premiums for both policies being paid?
How will the premiums on your existing policy be affected?
Will a loan be deducted from death benefits?
What values from the old policy are being used to pay premiums?

IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:
Will you pay surrender charges on you old contract?
What are the interest rate guarantees for the new contract?
Have you compared the contract charges or other policy expenses?

OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:
What are the tax consequences of buying the new policy?
Is this a tax free exchange? *(see your tax advisor)*
Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?
Will the existing insurer be willing to modify the old policy?
How does the quality and financial stability of the new company compare with your existing company?

NOTICE OF RIGHT TO RETURN THE POLICY – You will have the right to return the policy or contract within 30 days of delivery of the contract and receive an unconditional full refund of all premiums or considerations paid on it including any policy fees or charges.



• **ADVERTISING STATEMENT - REPLACEMENTS** •

This form is to be completed if sales materials were used in situations where the applicant is replacing existing coverage.

Please identify the sales materials used, including any illustrations used.

Sales Materials Used:

If personalized illustrations or individualized sales materials were used, submit a copy of these items with the application. Do NOT submit copies of standardized company materials.

Named of Proposed Insured: _____

I certify that the above information is correct. Submit this form with the application.

(Signature of Producer)

(Date)

(This form is to be used only in states which have adopted the NAIC Model Life Insurance and Annuities Replacement Model as amended in 2000. The following states have adopted this model: AL; AZ; CO; HI; IA; KY; LA; ME; MD; MS; MT; NH; NJ; NM; NC; OH; OR; RI; UT; VA; VT & WV.)

UNDERSTANDING AND DEFINITION OF REPLACEMENT

To be completed when an existing policy has been or is intended to be discontinued within 12 months prior to the date of the application or 13 months after. The state approved "Notice of Replacement" must also be completed and submitted with the application. (Forms can be downloaded from the agent web www.bostonmutual.com)

In order to determine whether you are replacing or otherwise changing the status of existing life insurance policies or annuity contract, and in order to receive the valuable information necessary to make a careful comparison if you are contemplating replacement; the agent is required to ask you the following questions and explain any item that you do not understand.

As part of your purchase of a new life insurance policy, in the past 12 months has existing coverage been, or likely to be in the next 13 months:

1. Lapsed, surrendered, partially surrendered, surrendered from reduced paid up or extended insurance, forfeited, assigned to insurer replacing the life insurance policy, or annuity contract, or otherwise terminated? YES NO

If lapsed, can the lapsed policy be reinstated by paying back premiums or by re-dating? YES NO If no, please explain. _____

If policy lapsed or cash surrendered, please explain the reason for lapse or cash surrender and what circumstances have changed to ensure the new policy will stay in force. _____

2. Changed or modified into paid-up insurance; continued as extended term insurance or under another form of non- forfeiture benefit; or otherwise reduced in value by the use of the non-forfeiture benefit dividend accumulations, dividend cash values or other cash values? YES NO

3. Changed or modified so as to effect a reduction either in the amount of the existing life insurance or annuity benefit or in the period of time the existing life insurance or annuity benefit will continue in force? YES NO

4. Reissued with a reduction in amount such that any cash values are released, including all transactions wherein an amount of dividend accumulations or paid-up additions is to be released on one or more of the existing policies? YES NO

5. Assigned as collateral for a loan or made subject to borrowing or withdrawal of any portion of the loan value, including all transactions wherein any amount of dividend accumulations or paid-up additions is to be borrowed against or withdrawn from one or more existing policies? YES NO

6. Continued with a stoppage of premium payments or reduction in the amount of premium paid? YES NO

If you have answered yes to any of the above questions, please complete the following:

1. Face Amount of policy being replaced: \$ _____ Premium Amount \$ _____

Premium Mode: Annual S. Annual Quarterly Monthly Type of Policy: Whole Life Term Other _____

2. Was this change initiated by the Agent? Yes No

3. Why is this policy being replaced? Be specific. _____

4. Why cannot the existing policy (policies) be changed to accomplish the desired result? _____

5. List all policies used to fund any portion of this sale. Type of transaction (Loan, Surrender, Policy # Company Premium Deposit Fund, Dividends, etc.)

Please provide a brief explanation of what the status of the present policy (policies) will be (in force with loan, reduced paid-up, extended insurance, surrendered): _____

I understand that I am applying for a new life insurance policy, as shown on the attached application. If the new policy is issued, I will be withdrawing \$ _____ from my present policy # (s) _____ in the form of a loan, cash surrender or dividend withdrawal to fund the new policy. This money will be used to pay the premium on my new policy for a period of _____.

I also understand that No future premium payments are required, or my next premium payment is due on _____ in the amount of \$ _____.

Signature of Applicant

Date

Agent

Date