

Group eligibility for the Sponsored Group Program

Eligible groups are those with a strong affinity to their employee/membership population and that offer dependable access to high-potential prospects. Groups that are eligible for the program include the following:

- **Employer Groups** — of all types who have at least five or more actively-at-work employees, whether a corporation, partnership, limited liability company, or governmental organization, agency, or department.
- **Associations** — whose primary purpose relates to a profession, trade, higher educational institution (e.g., alumni associations), or property rights and/or ownership (e.g., condo, homeowner's and/or retirement community associations).
- **Other Closed Groups** — labor unions, Chambers of Commerce, closed credit unions, select fraternal organizations, select community/social groups, select cultural associations, and regional AAA motor clubs, for example.

Requirements for Associations and Other Closed Groups

- 10 or more members
- In existence for two or more years
- Have constitution, by-laws, or a charter
- Formed for purposes other than purchasing insurance
- Offer true services to its members
- Members have regular and active communication with the organization
- Dues or fees are paid on a regular basis
- Members participate in the decision-making process, such as through voting rights

Requirements for Employer

- In existence for two or more years
- 5 full-time (30 hours/week), actively-at-work employees

Additional Guidelines and Information

Large Groups — Groups larger than 3,000 lives will only be considered when it is clear that the producer of record has in place a sufficient marketing plan and is capable of supporting and soliciting the group.

Geographic Limitations — Associations and other closed groups approved within a certain territory will be limited to that territory.

Procedural Guidelines — In order to preserve the integrity of this important market access program and avoid potential market conduct issues, producers should not initiate individual membership enrollment in a Sponsored Group in order to provide a discounted policy.

Revisions to Program — We reserve the right to review, revise, or discontinue the Sponsored Group Program and its provisions at any time. In addition, the program may be changed or discontinued at any time in order to satisfy state, legal or other business requirements.

Examples of Groups that QUALIFY for the Sponsored Group Program

Chambers of Commerce — The discount extends to the individual members and eligible family members of the Chamber (typically 1-2 individuals per organization, who are listed in their membership directory and who represent the business with the Chamber).

Labor Unions — Members are linked by their common profession.

Credit Unions (closed only) — Whose membership is exclusively limited to a specified professional or trade group, such as teachers unions, municipal employees, or employees of a specific company.

Condo/Homeowner's Associations, Retirement Communities — These members must be linked through common property or share common equity, have a formal board, and possess voting rights.

Alumni Association of a Higher Educational Institution (such as a college, university or graduate school) — Members must have received a degree or honorary degree from such institution.

Regional AAA Motor Clubs — For example, Southern New England AAA.

Professional Employer Organizations (PEO) — For a PEO, an acknowledgement must be submitted for the PEO itself along with acknowledgement letters for each of the member employers or employer groups that the discount will be marketed to.

Citizens or Cultural Groups — These include any groups that are not trade, occupational or professional, and who may have only cultural heritage in common or may assemble to benefit the local community. Organizations must have bylaws and be locally based. Producer must provide proof of group's non-profit status. Examples include tribal organizations, Sons of Italy, Polish American Club, Rotary, Kiwanis, etc.

HMOs or PPOs — Members of HMOs or PPOs are eligible and will be considered on a local or statewide basis. Copies of membership cards will be required as verification.

Fraternal Organizations — Organizations that represent the relationship between its members as akin to brotherhood. Organizations must have bylaws and membership requirements, and must be locally based. Producer must provide proof of group's non-profit status. Examples include fraternities, sororities, Masons, Elks, Lions, etc.

Examples of Groups that DO NOT QUALIFY for the Sponsored Group Program

While there are numerous organizations that are appropriate for the Sponsored Group Discount Program, there are some groups that do not qualify. Based on the franchise laws which govern the parameters of the Sponsored Group Program, the following groups do not qualify for the Sponsored Group Program and discount.

Charitable/Philanthropic Organizations or Associations — Organizations such as the American Heart Association, American Cancer Society, Red Cross, PBS, etc. are not eligible.

Customer Groups and Discount Clubs — Organizations where the relationship with members is primarily a customer relationship, there is no active relationship between its members, or those whose primary purpose is to offer a member discount are not eligible.

Bank Customers — Customers or customer groups within banks are not eligible.

Credit Card Holders — Holders of particular cards such as American Express, MasterCard, Visa, or cards from an oil company or department store are not eligible.

Investment Clubs or Members of a Particular Investment Fund — Investors in a club or who invest in particular funds are not eligible.

Open Credit Unions — We will not accept Credit Unions whose membership is open to anyone and where there is only a customer relationship.

Fitness Centers — Members of health clubs or fitness centers are not eligible.

Chamber of Commerce Member Employees — The discount does not automatically extend to the employees of a Chamber of Commerce member company. The employer or association could be set up as a separate Sponsored Group, if it meets the requirements.

Church Members — Parishioners or members of a church/congregation/temple, or any organization within a church are not eligible (however, the employees are).

Social/Senior Clubs — While these groups do not qualify for the Sponsored Group Program discount, some may present excellent opportunities for marketing long-term care insurance (particularly those with senior citizens).