



KEMPER

**Kemper Home Service Companies
Compliance Manual - 2016**

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INTRODUCTION

In today's society, insurance protection has become a necessity. As the need for insurance has increased, so has regulation of the insurance industry. Government regulatory agencies require insurers and agents to conduct business in accordance with all applicable laws and regulations regarding the marketing and sale of insurance products and ethical market conduct. Failure to comply with these laws and regulations may result in fines, penalties, investigations, litigation, punitive damages and revocation or suspension of business licenses.

The continued success and growth of the Kemper Home Service Companies and its affiliated companies (United Insurance Company of America, The Reliable Life Insurance Company, Union National Life Insurance Company, Mutual Savings Life Insurance Company, United Casualty Insurance Company of America, Old Reliable Casualty Company, Capitol County Mutual Fire Insurance Company, Union National Fire Insurance Company, Mutual Savings Fire Insurance Company, and Commonwealth Mutual Fire Insurance Company, collectively referred to as the "Companies" or individually as the "Company") depends on customer satisfaction. It is important that we provide excellent service and always conduct ourselves honestly, ethically and professionally. At a minimum, this means treating our customers with respect and dignity and in a manner that we ourselves would expect to be treated. We must also: 1) assist our customers in meeting their insurable needs and financial objectives; 2) provide timely, accurate and complete disclosure about products offered to our customers; and 3) work to resolve customer complaints and disputes fairly, efficiently and expeditiously. By consistently meeting these standards, we can forge trusting, long-term relationships with our customers and significantly reduce insurance department and consumer complaints.

To increase our managers' and agents' level of awareness of their responsibilities to the Companies, a *Kemper Home Service Companies Compliance Manual* has been developed. This manual provides a detailed summary of proper business practices and requirements.

To underscore its commitment to ethical market conduct, starting in 1999, the Board of Directors of each Kemper Home Service Company adopted the *Principles and Code of Ethical Market Conduct*. *The Kemper Home Service Companies continue to affirm and uphold the ideals and standards set forth therein.*

Kemper Home Service Companies Principles and Code of Ethical Market Conduct

Principles

To conduct business according to high standards of honesty and fairness and to render that service to its customers which, in the same circumstances, it would apply to or demand for itself.

To provide competent and customer-focused sales and service.

To engage in active and fair competition.

To provide advertising and sales materials that are clear as to purpose and honest and fair as to content.

To provide for fair and expeditious resolution of customer complaints and disputes.

To maintain a system of supervision and review that is reasonably designed to achieve compliance with these Principles of Ethical Market Conduct.

To implement these principles in our business practices, the Kemper Home Service Companies further commit to the following Code of Ethical Conduct:

Code of Ethical Conduct

Principle 1 - Honesty and Fairness

To conduct business according to high standards of honesty and fairness and to render that service to its customers which, in the same circumstances, it would apply to or demand for itself.

We will maintain high standards of honesty and fairness when serving our customers through the following conduct:

- Encourage managers and agents to conduct themselves with the highest integrity, and to treat our customers with respect and dignity.
- Make reasonable efforts to determine the insurable needs and financial objectives of each customer, based upon relevant information obtained from that customer.
- Encourage our managers and agents to use fact-finding tools for determining the customers' insurable needs and financial objectives.
- Enter into transactions that assist the customer in meeting his or her insurable needs and financial objectives.
- Provide timely, accurate and complete disclosure about products offered to our customers.
- Implement and enforce policies and procedures to maintain compliance with laws and regulations applicable to the marketing and sale of our products.

- Affirmatively seek, in cooperation with customers, regulators and others, to improve practices for the sale and marketing of our products.
- Participate in activities that support the enhancement of the life insurance industry's ethical market conduct practices.
- Provide compliance training for managers and agents that emphasize ethical market conduct practices.

Principle 2 - Customer Focus

To provide competent and customer-focused sales and service.

We will provide competent sales and service that are focused on our customers through the following conduct:

- Hire and retain managers and agents who demonstrate good character, business repute, integrity, qualifications and experience.
- Continually evaluate the selection criteria and the selection process to ensure we are hiring qualified managers and agents.
- Provide training to our managers and agents on the need to comply with all applicable laws and regulations regarding the marketing and sale of insurance products and ethical market conduct.
- Ensure that our managers and agents have successfully completed state examination requirements and are licensed and appointed as required by state law.
- Ensure that our managers and agents are adequately trained to focus on the insurable needs and financial objectives of our customers.
- Ensure that our managers and agents are knowledgeable about our products, services and operations.
- Ensure that all licensed managers and agents receive continuing education relating to product features, the sales process, and compliance with state insurance laws and regulations governing sales and advertising practices for insurance products.

Principle 3 - Fair Competition

To engage in active and fair competition.

We will engage in active and fair competition through the following conduct:

- Communicate and promote the concept that fair competition is the most effective and efficient means of providing products and services to our customers and that competition is also the most efficient regulator of activities.
- Implement policies and procedures to maintain compliance with applicable state and federal laws fostering competition, including those related to unfair trade practices and anti-trust matters.
- Refrain from replacing an existing life policy unless such replacement is in the best interest of the customer, and review and address deviations from state and Company replacement guidelines.

- Ensure that replacement policies will be reported and documented, where required, and agents will provide customers with statements disclosing the features of both the replaced and the new policy.
- Provide customers with information they need to determine whether replacement of existing products is or is not in their best interest.
- Monitor external and internal replacements.
- Prohibit managers and agents from making disparaging remarks about competitor insurers, their agents or policyholders.

Principle 4 - Advertising and Sales Material

To provide advertising and sales materials that are clear as to purpose and honest and fair as to content.

We will provide clear, honest and fair advertising and sales materials through the following conduct:

- Present materials designed to lead to sales or solicitation of products in a manner consistent with the needs of the customer, and ensure that all sales and advertising materials are based upon the principles of good faith and fair dealing and have a sound basis in fact.
- Ensure that materials presented as part of a sale are clear and understandable to customers.
- Enforce policies and procedures to maintain compliance with all applicable state laws and regulations related to advertising, unfair trade practices, sales illustrations and other similar provisions.
- Enforce policies and procedures that the Home Office must approve all sales and advertising materials before being used by a manager or agent.
- Ensure that sales illustrations and other representations of premiums, costs, values and benefits are accurate, fair and complete, and contain appropriate disclosure of amounts that are guaranteed and are not guaranteed in the policy.

Principle 5 - Customer Complaints

To provide for fair and expeditious resolution of customer complaints and disputes.

We will efficiently and expeditiously resolve customer complaints and disputes through the following conduct:

- Identify, evaluate, and resolve complaints in accordance with applicable state laws and regulations related to consumer complaint handling.
- Make good faith efforts to resolve complaints and disputes fairly without resorting to litigation.
- Provide an easily accessible means by which customers may communicate complaints to us.
- Assure that complaint information received is used to analyze and eliminate the root causes of customer complaints.

Principle 6 - Compliance Review

To maintain a system of supervision and review that is reasonably designed to achieve compliance with these Principles of Ethical Market Conduct.

We will comply with the Principles of Ethical Market Conduct through the following conduct:

- Establish, maintain and enforce policies and procedures designed to assure compliance with these Principles and Code and all applicable laws and regulations related to advertising, sales and market conduct practices.
- Establish a system of supervision and review of the market conduct activities of our managers and agents to monitor their compliance with these Principles and Code and applicable laws and regulations.
- Conduct training sessions on the Principles and Code for managers, agents and Home Office employees.
- Conduct internal audits and monitor information related to the market conduct practices of our managers and agents.
- Have policies and procedures in place to provide reasonable assurance that appropriate written statements regarding ethical market conduct are distributed to managers, agents and Home Office employees.
- Participate in activities that support enhancement of the life insurance industry's Ethical Market Conduct Practices.

LICENSING

A. Licensing Requirements

Agents are required to have a valid state license (and Company appointment, if applicable) in each state in which they do business in order to sell or service our insurance products. In order to obtain a license, agents must satisfy the state licensing requirements.

If required by state law, agents must post a valid state license in their district office to be available for public inspection.

Temporary Licenses are allowed when permitted by state law.

Commissions will not be paid to an agent unless they hold either a temporary license, where allowed, or a valid state license (and a Company appointment, if applicable) to sell its products.

B. Full-Time and Exclusive Employment

The agent agrees that his/her employment with the Companies is on a full-time basis. Agents may not be appointed by, licensed with, sell for, or provide service for any other insurance company (except affiliated companies designated by the Companies), insurance agency, or any other insurance or related entity. For all states except California, the Agent may not work for anyone else nor engage in any other business without the express written approval of the Regional Vice President.

C. Continuing Education

Once licensed and/or appointed, the Kemper Home Service Companies will help ensure the agent's continued success by providing the agent professionally prepared sales material that describes our products and operations. The Companies will keep agents informed of new laws and regulations that affect them.

It is the responsibility of each agent to ensure that continuing education requirements are met in his/her state and that licenses are renewed in a timely manner. Failure to maintain the required license will result in termination of employment.

The Companies encourage agents and managers to pursue professional designations; however, agents cannot use a senior specific certification or professional designation that indicates or implies in such a way as to mislead a purchased or prospective purchaser that the agent has special certification or training in advising or servicing seniors.

Any questions about specific state licensing or continuing education requirements should be directed to district management.

ADVERTISING

A. Definition of Advertisement

The term advertisement means material designed to create public interest in an insurance product or an insurer, or to induce the public to purchase, increase, modify, reinstate, or retain a policy.

The definition of advertisement includes:

1. Printed and published material, audio visual material, and descriptive literature of an insurer used in direct mail, newspapers, magazines, radio scripts, television scripts, billboards, websites, and similar displays;
2. Descriptive literature and sales aids of all kinds issued by an insurer or agent for presentation to members of the insurance-buying public, including, but not limited to: circulars, leaflets, booklets, depictions, illustrations, form letters, business cards, rubber stamps used on any material and lead-generating devices of all kinds;
3. Prepared sales talks, presentations and materials for use by agents whether prepared by the insurer or the agent; and
4. Material used for the recruitment, training and education of an insurer's sales personnel that is designed to be used, or is used to induce the public to purchase, increase, modify, reinstate, or retain a policy.

B. Company Advertising and Sales Material Review / Approval Process

All Company advertising and sales material must be submitted for approval in accordance with the Company's policy governing approval of printed materials.

Any agent wishing to use a piece of advertising not previously approved must send the proposed advertising to the Director of Agency and Chief Agency Officer for approval and submission through the approval process.

All Kemper Home Service Company agents must only use advertising materials approved by the Home Office in the form they were approved, *without alteration*.

C. Branding

All advertising and sales materials must meet with the Corporate Branding Guidelines.

SOLICITATION

A. Gram-Leach-Bliley Privacy Act

The provisions of this Act require the Companies to protect the privacy of its customers. All present and future customers are informed of this right. Agents are required to deliver the Company's Privacy Notice to customers on an annual basis.

Employees are prohibited from disclosing any nonpublic personal financial information about our customers. This includes, but is not limited to disclosing:

- Information included on insurance applications
- Premium payment information
- The fact that the insured has insurance with us
- Any information regarding a claim
- The fact that a proposed insured was unable to qualify for insurance with us

It is the position of the Companies to respect all of its customers as it relates to their privacy; therefore, employees are prohibited from any unauthorized use of customer names in the solicitation of insurance sales to others.

B. "Do-Not-Call" Policy

It is the intention of the Companies and their managers and employees to maintain the highest ethical standards possible in the course of doing business. Toward this end, the Companies intend to respect the privacy rights of any customer or non-customer who does not want to be called by representatives of the Companies.

Representatives of the Companies are required to check the telephone numbers that they intend to call against the Companies' "Do-Not-Call" database to make certain that the telephone numbers are not included in the database, prior to making telephone solicitations to customers or non-customers. The Companies' database includes telephone numbers found in the national registry, applicable state registries and the Companies' internal "Do-Not-Call" list. **Representatives can access the "Do-Not-Call" database through the Company's intranet site.**

Representatives of the Companies are prohibited from using numbers on the registries or internal list for any purpose other than preventing telephone solicitation calls to these telephone numbers.

The Companies will manage its "Do-Not-Call" policy to meet all requirements as set forth by the Federal Trade Commission (FTC), the Federal Communication Commission (FCC), and applicable state law.

C. Training Materials

All material used for training purposes must be submitted for approval in accordance with the Company's policy governing approval of printed materials. Training materials include, but are not limited to: video tapes, CDs, brochures, product information sheets, presentations, scripts, manuals, sales kits and all printed training materials.

D. Presentations

Once agents have obtained the appropriate state license, been appointed by the Company, completed required training and reviewed all material provided by the Company, they will be prepared to give their sales presentation.

1. Prior to each sales presentation, agents must understand the product information materials provided by the Company for the product being sold. This material, which includes brochures, rate books and underwriting guidelines, will explain the benefits of the product, the underwriting requirements for the product, the issue ages, the policy form number, etc.
2. Before agents begin their sales presentation, they must first identify themselves as an insurance agent, giving their full name and the full name of the Company.
3. When making the sales presentation, agents must conduct themselves in an ethical and professional manner so as not to violate the Kemper Home Service Companies' *Principles and Code of Ethical Market Conduct* and their state's *Unfair Trade Practices Act*.

E. Fair Competition

The Kemper Home Service Companies' Principles and Code of Ethical Market Conduct, and the state Unfair Trade Practices Act's restrictions include, but are not limited to, the following:

- Employees/Agents cannot make any misleading, false or deceptive statements, or act in any fraudulent or unethical manner.
- Employees/Agents cannot use words or phrases that exaggerate any benefits or minimize any limitations, exceptions or reductions of benefits.
- Employees/Agents cannot describe any policy provision or benefit without fairly and accurately describing all limitations, exceptions or reductions of benefits.
- Employees/Agents cannot use any insurance words, phrases or other terminology which might not be clearly understood by the proposed insured/applicant without explaining the meaning clearly.
- Employees/Agents cannot make disparaging remarks about competitor insurers, their agents, products, or policyholders.

- Employees/Agents cannot make any unfair or incomplete comparisons of other insurers, their policies, benefits, agents, services, methods of marketing or compare unlike policies.
- Employees/Agents cannot lead proposed insureds/applicants to believe that the insurance product is endorsed or accredited by any division or agency of the state or federal government.
- Employees/Agents cannot represent that the insurance product is an introductory, initial or special offer, or that proposed insureds/applicants will receive substantial advantages given only to a specified group of individuals, unless such is a fact.
- Agents are prohibited from making any statements or implication to the effect that only a specific number of policies will be sold, or that they will be sold for a limited time period, unless such is the case.
- Agents shall disclose to the proposed insured/applicant that the advertising sales tool being used is designed to produce leads, if that is the fact. In addition, when agents establish contact with a person as a result of acquiring that person's name from a lead generating device, they shall also disclose that fact in the initial contact with the person.
- Agents must limit the number of policies sold to any one individual if such limitation is dictated by the Company's underwriting requirements for a particular product.
- When selling life insurance, agents cannot knowingly lead proposed insureds/applicants to believe they will receive something other than life insurance. Agents must always identify the product as "life insurance." Agents specifically cannot refer to the product as a retirement plan or savings plan, educational fund, investment plan, profit sharing interest plan, etc.
- Under no circumstances may employees/agents alter or vary the terms of a policy.
- Agents may not rebate premiums or provide any valuable consideration or inducement for individuals to purchase products of the Companies.
- Agents cannot identify themselves as an estate planner, financial planner, investment advisor, senior advisor or financial consultant during the sale of the Company's products.
- Agents cannot use a senior specific certification or professional designation that indicates or implies in such a way as to mislead a purchaser or prospective purchaser that the agent has special certification or training in advising or servicing seniors.
- Employees/Agents cannot compare life insurance policies or cash values to savings, savings accounts, stocks, bonds or any other financial instrument or investment in such a way as may mislead a person as to the true nature of life insurance, surrender values, or other policy benefits.
- Employees/Agents cannot use terms such as "deposit," "deposit premium," "investment," or other such misleading or confusing terms when referring to amounts which are in fact premiums for life insurance coverage.

- Employees/Agents must distinguish between guaranteed and non-guaranteed elements of a life insurance product.
- Employees/Agents must not encourage a policyowner to cash surrender an existing policy to use the proceeds to purchase a new policy unless the transaction would be clearly in the policyowner's best interest. It must be clearly communicated to the policyowner that the contestable and suicide period will start over again on the new policy.
- Employees/Agents must not encourage loans on an existing policy to purchase a new policy because the death benefit will be reduced by the amount of the loan, plus interest on that loan.
- Agents are responsible for explaining to the policyowner that:
 - a) A cash surrender is a final transaction; all benefits cease the date the form is signed.
 - b) A loan will accumulate interest that is added to the loan balance. Any unpaid loan and interest will be deducted from the death benefit or from the cash surrender value.

F. Specific to Accident and Health Sales

- Agents cannot knowingly lead a proposed insured/applicant to believe that a policy is Medicare supplement insurance or state that the policy will help fill the gaps between Medicare and his/her present insurance.
- Agents cannot use words or phrases that could cause the proposed insured/applicant to believe that a profit might be made from being hospitalized.

G. Specific to Fire Sales

- Agents cannot write fire coverage in an area covered under a tropical storm watch or hurricane watch or warning issued by the National Weather Service. This rule applies even if the Company has not officially notified agents in impacted areas to suspend sales; except in Maryland, where agents will be notified by the Company.
- Agents cannot write dwelling coverage anywhere.
- Agents cannot knowingly write an in-force policy, when coverage exists with another company, except when the insured will lapse the policy with the other company.
- Agents cannot write coverage for a risk that does not comply with underwriting guidelines.
- Agents must directly ask the named insured all underwriting questions contained in the application.
- Policy face amounts should be between 80% to 100% of the Actual Cash Value of the property insured.
- All information on the application must be completed prior to submission.

- Agents cannot collect premiums on a property that does not meet underwriting guidelines or collect premiums after the policy has lapsed.
- Agents cannot write coverage for contents if the dwelling is vacant or not occupied by the owner of the contents.
- Agents must see all property to be underwritten prior to the completion and submission of the application.
- Agents should conduct an annual (at least one time per year) inspection of covered property (contents or dwelling) on his or her agency.

H. Twisting

Twisting is strictly prohibited in all states. Twisting is the practice of misrepresenting a policy or misstating the facts or giving an incomplete comparison of policies to induce the insured to give up a policy in one company for the purpose of taking insurance in another.

It is prohibited for any employee to make misleading, derogatory, false or maliciously critical statements about the financial condition of another insurance company. This includes repeating market rumors or circulating news articles questioning a competitor's solvency.

I. Suitability – Determining Insurable Needs and Financial Objectives

1. Determining whether the recommended insurance purchase is suitable for the proposed insured/applicant is a critical part of the sales process. The Companies expect all agents to sell on the basis of the applicant's insurable needs and financial objectives. In order to properly determine a proposed insured/applicant's needs, the agent must ask appropriate questions of the proposed insured/applicant to determine whether or not the sale of an insurance policy is suitable. A person should not buy an insurance policy if it will cause a financial hardship or make the customer forego other, more pressing financial obligations. It is the agent's responsibility to help each prospective insured determine his or her insurance needs and the resources available to meet those needs.
2. In determining the suitability of a recommended insurance purchase, agents are expected to consider several factors, including, but not limited to: the proposed insured/applicant's insurable needs, annual income, financial objectives, existing insurance and ability to pay.
3. In most cases, replacement of an existing insurance policy will not be in the policyholder's best interest; however, if the proposed policy is intended to replace the current policy, a comparison of the premiums, benefits and limitations of the two policies must be made, and all state replacement requirements must be met.

J. The Application

The application form must be completed in accordance with underwriting guidelines. Refer to the General Information section of the Ratebook for a list of guidelines for completing the application.

K. Forms / Notices Given to the Proposed Insured / Applicant at Time of Application

A list of forms and notices often given to proposed insureds/applicants at the time of application is included in the underwriting guidelines found in the General Information section of the Ratebook. The

language and format of the form or notice may vary from state to state. It is important for the agent to be aware of the specific forms and notices required in his/her state.

L. Forms to be submitted with the Application to the Home Office

Certain items must be submitted to the Home Office with applications, when required by the states. The language and format of these forms may vary from state to state. A list of items that must be submitted to the Home Office is located in the underwriting guidelines in the General Information section of the Ratebook.

M. Policy Delivery Requirements

The delivery process is a very important part of the overall sales process, if not the most important one. It establishes the business relationship between the insured and the agent. It solidifies the purpose for which the insurance was purchased. The delivery process is the beginning of the service that the agent provides to his/her customer. Agents must adhere to the following practices regarding policy delivery.

1. Policies and other documents must be promptly delivered to the proposed insured. If the proposed insured's health status has changed since the time of application, or if the proposed insured is in a hospital, nursing home or hospice, do not deliver the policy.
2. Agents must notify their district manager of any policy that cannot be delivered, and the undelivered policy must be returned to the Home Office Underwriting Department with a detailed explanation.
3. Where applicable, a properly executed *policy delivery receipt* must be obtained upon delivery of a policy and promptly submitted to the Home Office.
4. When policies are conditionally issued pending an amendment or Statement of Good Health, the amendment or Statement must be signed and returned to the Home Office Underwriting Department.

N. Premium Collection/Accounting

Every effort should be made to encourage policyowners to maintain their premium receipt book. The agent has a responsibility to his/her policyowners and must account for all monies collected.

1. Agents must collect the amount of the initial premium shown on the application at the time the application is written, except for trial applications.
2. Agents must properly account for any payment made by an insured or proposed insured.
3. Agents must not withhold or misapply any payment received to any other insurance other than that paid for by the premium payor.
4. Agents are prohibited from personally paying policyholder premiums.
5. Agents must not "temporarily" use any payment received for other than the express purpose of the premium payor.

6. Agents must verify that the insured has been provided with a Premium Receipt Book (PRB) and that the PRBs accurately reflect all premiums collected and the paid to date.
7. Agents cannot engage in any practice that results in overpayment of commissions or false qualification for commissions, bonuses, incentive awards, conferences or conventions.
8. Agents may not rebate premiums or provide any valuable consideration or inducement for individuals to purchase Company products.
9. Agents cannot accept company checks from the policyholder for payment of premium.
10. Agents cannot cash company checks on the policyholder's behalf.

O. Legal Advice

Agents are not to furnish policyowners or prospects copies of specimen wills, specimen partnership agreements, or other specimen contractual forms. The preparation of such legal documents is a violation of the laws of the states in which the Company operates.

POLICY CANCELLATION

A. Policy Cancellation Information

The policy contract gives the policyowner the right to examine a life, accident and health, or fire policy for 10, 20 or 30 days (depending on the product and issue state) from the date of delivery of the policy, unless a different "free-look" period is shown on the face page of the policy. Many states require a longer "free-look" period if a replacement policy is issued.

If a policyowner decides to cancel within the "free-look" period and notifies the agent of his/her desire to cancel, the agent is responsible for promptly providing the necessary policy cancellation documents, if applicable, and the return of the policy to the district administrator for processing.

B. Bad Risk (Fire)

If the agent is requesting a cancellation based on underwriting of a "bad risk," the agent must complete and submit the proper paperwork to the Home Office. The cancellation will be made effective in compliance with all state requirements.

CASH SURRENDERS AND LOANS

When a cash surrender or loan form is completed in the field, the name, home address and telephone number of the owner of the policy from Home Office whose name is to be on the check must be on the request.

REPLACEMENT

(Life, Accident and Health)

All agents are required to abide by the rules regarding replacements. Every agent should be familiar with the applicable laws of his/her state and the forms that are required to complete a replacement. See the Replacement portion of the General Information section of the Ratebook for a list of replacement rules by state.

CLAIMS

The Companies must comply with the requirements of the *Unfair Claims Settlement Practices Act*, which almost all states have adopted in some form. Agents must follow certain procedures so that claims can be processed in an efficient and timely manner.

A. Definitions

1. “Notification of Claim” means any written (or in California, oral) notification given to the agent or other Company representative that reasonably informs the insurer that a claimant wishes to make a claim.
2. “Proof of Loss” means any documentation in the claimant’s possession submitted to the insurer that provides any evidence of a claim, such as claim forms, standard claim forms from medical providers, or death certificates.
3. “Written Correspondence” means all correspondence, regardless of source or type that is materially related to the handling of the claim.

B. Proper Claim Practice

Agents must adhere to the following procedures:

1. Any claim question, Notification of Claim, Proof of Loss or Written Correspondence given to the agent by the policyholder must be submitted promptly to the Home Office, and no later than five working days after receipt. In California, notice of claim must be reported immediately to the Home Office.
2. Agents must not commit the Company by promising that a claimant will receive a certain benefit amount or coverage or that claims will not be paid. Refer policyholders/claimants to the Customer Service Department if they have questions about their claims (toll-free number: (800) 777-1195).

C. Additional Information

1. It is not necessary for a claimant or beneficiary to submit duplicate Proof of Loss in situations where coverage may be provided under multiple policies.
2. Any questions the policyholder/beneficiary/claimant may have during the claim process should be directed to the Customer Service Department's toll-free number: (800) 777- 1195.
3. From time to time, agents may be called upon to assist claimants/policyholders in filing a claim or obtaining the status of a claim.
4. (Fire Policies Only) It is sometimes necessary for field personnel to assist claimants in filing the claim, including collecting documentation, taking photos and describing damages.

D. Causes for Delays in Claim Handling

1. Forms not fully and accurately completed.
2. Supporting documents not received by the Claims Department. These documents include such items as certified death certificates, physician and hospital claim forms, etc.

E. Improper Claim Practices

Any of the following acts constitutes an improper claim practice, and may result in disciplinary action. Improper claim practices include, but are not limited to, the following:

1. Knowingly misrepresenting information that is relevant to a claim.
2. Failing to inform the district office/Claims Department with reasonable promptness of pertinent communications with respect to claims arising under insurance policies.
3. Attempting to settle a claim instead of referring the claimant to the Claims Department.
4. Knowingly advising the policyholder to submit false or fraudulent claims.
5. Altering a claim form or any other forms submitted with a claim.
6. Knowingly advising a claimant that a claim will or will not be paid.
7. Agent delaying the submission of all completed claim forms to the district office/claim center.

CONSUMER INQUIRIES

The Consumer Affairs Department is charged with managing and monitoring all complaints for the Kemper Home Service Companies. A consumer complaint is defined as a communication, whether written or verbal, expressing a grievance or dissatisfaction with the Company, its products, or agents, to which communication the consumer is expecting a response from the Company. The following are guidelines and procedures for the timely and efficient processing of complaints and inquiries.

A. Complaints/Inquiries Received by the District Office

1. All written or telephone complaints or inquiries from State Departments of Insurance, Better Business Bureaus and attorneys must be faxed to the Consumer Affairs Department at the St. Louis Administrative Office immediately upon receipt. The fax number is (314) 819-4786.
2. Without prior approval from Consumer Affairs, field employees are prohibited from directly communicating, either orally or in writing, with the Department of Insurance, Better Business Bureau or attorneys. Should any employee directly receive written or oral inquiries from these sources, the written inquiry or transcription of the oral inquiry should be faxed to Consumer Affairs immediately.
3. The Consumer Affairs Department will investigate and respond to the complaints or inquiries.
4. The District Manager is responsible for all other complaints or inquiries received by the district office.
5. Routine customer service requests and inquiries should be handled according to Company procedures.
6. Employees should respond promptly to policyholder questions or requests for service with courtesy, respect and an attitude of helpfulness and service.
7. Callers and visitors who complain or become angry and/or argumentative should be referred to a Staff Manager or District Manager in the district office for handling. If additional assistance is requested, contact the Consumer Affairs Department.
8. Many district offices maintain a toll-free number for consumer inquiries. Each Kemper Home Service Company also maintains a toll-free number for consumer inquiries.

United: (800) 777-8476; Reliable: (800) 630-8645

Union National: (800) 710-5081; Mutual Savings: (888) 847-1879

B. Complaints/Inquiries Received by the Consumer Affairs Department

1. The Consumer Affairs Department will review the complaints/inquiries received and distribute to the appropriate Company department or district office for investigation.

2. All inquiries/complaints received by Consumer Affairs will be entered into the complaint database.
3. The Company department manager or the District Manager will be responsible for investigating, obtaining any agent/employee statements, resolving the complaint/inquiry, and responding to the Consumer Affairs Department.
4. The Consumer Affairs Department will provide written responses to all complaints based upon the information and documentation provided by the district office and other Company departments.
5. The Consumer Affairs Department will log and monitor the resolution process to ensure timely responses and compliance with state regulations.
6. Standard response time will be:

Telephone Inquiries: 24 hours for initial contact, 10 business days for final resolution

Written Inquiries: 10 business days for final resolution
7. Consumer Affairs will maintain hard copy files for all closing responses.

CONSEQUENCES OF MARKET CONDUCT VIOLATIONS

While it is expected that every agent and manager will follow the guidelines in this manual, should a violation occur, depending on the severity in management's opinion, the individual may be:

- Given a warning letter;
- Placed on probation for up to one year. Probation includes prohibition from Company incentives and recognition such as regional conferences, trips, and President's Club;
- Demoted from a management position; or
- Terminated.

Should a second offense occur while the individual is on probation or after a probation period, management would determine the appropriate penalty, based on the severity of the offense, which can include additional probation or termination of employment. Further, having knowledge of and permitting a violation of the guidelines in this manual to occur, without reporting the violation to appropriate management and/or taking appropriate corrective action also constitutes a violation of the guidelines and may result in disciplinary action.

Notwithstanding the previous paragraph, the offenses listed below are examples of *gross misconduct* and would result in **immediate loss of employment** any time they are committed or permitted/condoned:

1. Theft, misappropriation of policyowner or Company funds, or deliberately applying a customer's premium/monies to pay for another customer's policy.
2. Forgery or permitting a forgery of any form, application, document or negotiable instrument (such as a check). This also includes witnessing a signature on any Company form without the person being present.
3. Rewriting or replacing policies without the policyowner's knowledge, consent and signature.

While the above list sets forth many of the improper practices and their consequences, the Companies continue to reserve the right to impose discipline, up to and including termination of employment, for other ethics violations.

COMPLIANCE QUESTIONS AND CONCERNS

All employees are welcome to discuss any compliance questions or concerns with district management, Regional Vice Presidents, the Chief Compliance Officer or Group Counsel. All concerns should be taken to the next highest level until you are satisfied that the matter has been resolved.

Compliance concerns include, but are not limited to: use of unapproved advertising material, deceptive or unethical sales practices, licensing or continuing education problems, market conduct, disparagement, or fair competition issues. Any violation or questionable action involving these issues must be reported immediately.

If you believe that an employee has violated Company policy, you should bring the matter to the immediate attention of your district manager or, where this is inappropriate or not practical, to the Regional Vice President, Chief Compliance Officer or Group Counsel. Employees may also report alleged violations of Company policy, procedures, or Code of Ethics via the independently-staffed Kemper Corporation Responsibility Hotline at (888) 695-3359, or through the link provided at MyComplianceReport.com and enter access code KEMP.

We encourage everyone to hold all of our field associates and Home Office employees to the highest ethical standards.

Money Laundering

What is Money Laundering?

Money laundering involves disguising financial assets so they can be used without detection of the illegal activity that produced them. Through money laundering, the criminal transforms the monetary proceeds derived from criminal activity into funds with an apparently legal source.

Money laundering is used by drug dealers, terrorists, arms dealers, and other criminals to fund their operations and expand their enterprises. Left alone, these elements become stronger and the integrity of the financial institutions they use become eroded.

Money laundering is a diverse and often complex process. It involves three independent steps that often occur simultaneously:



- **Placement** – Physically placing bulk cash proceeds
- **Layering** – Separating the proceeds from criminal activity from their origins through layers of complex financial transactions
- **Integration** – Providing an apparently legitimate explanation for the illicit proceeds.

For money laundering to be successful, there must be no “paper trail” to connect the three steps of this process.

How the government deters money laundering

The United States has imposed many legislative and regulatory standards to deter money laundering. The most significant of these in the past have been:

- The Bank Secrecy Act of 1970;
- The Money Laundering Control Act of 1986;
- The Anti-Drug Abuse Act of 1988;
- Section 2532 of the Crime Control Act of 1990;
- Section 206 of the Federal Deposit Insurance Corporation Improvement Act of 1991; and
- Title XV of the Housing and Community Development Act of 1992.

The USA PATRIOT Act

In October of 2001, the United States government passed the *USA PATRIOT Act*. The *USA PATRIOT Act* stands for *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (Public Law 107-56). This Act made a number of amendments to the anti-money laundering provisions in the *Bank Secrecy Act (BSA)*. The amendments now require every financial institution to establish an anti-money laundering program that includes, at a minimum:

- The development of internal policies, procedures, and controls;
- The designation of a compliance officer;
- An ongoing employee training program; and
- An independent audit function to test programs.

Why would the insurance industry be affected?

Because the insurance industry is, in essence, a financial institution, it can be and has been a means to launder money. Past investigations have shown that criminals have purchased insurance-based vehicles with the hopes of obtaining proceeds that appear to come from a legitimate source.

Insurance-based vehicles that have been used to launder money include annuities, whole life policies, and term policies as well as property insurance; for example, a person wishing to launder money can use an elderly or ill front person as the insured, and collect the cleansed proceeds when the insured dies, making the money received appear legitimate.

How might we be affected?

While the majority of the insurance amounts that we deal with make it highly unlikely for us to become a target for money launderers, it is still a possibility. Some of the products that we do offer could be used as possible vehicles to distance money from illicit sources. To prevent this, we should be prepared to do three things.

What three things do we have to do?

Verify the Identity of the Proposed Insured / Applicant

One thing that we can do to deter criminals from using our products for money laundering, is something that we should be doing already: verifying the identity of the proposed insured or applicant. By positively identifying the proposed insured/applicant, we make it harder for someone to avoid leaving a paper trail, which is the key to laundering illicit funds. Also, by verifying identity, it makes it all the more difficult for someone to commit fraud.

Verifying someone's identity can be done by using a photo I.D. that provides a picture with the name of the proposed insured/applicant and current address. Examples of acceptable photo I.D. might be a government issued identification card, a driver license, alien registration card or a passport.

Recognize Red Flags

It is also important to look out for certain "red flags" that might be a sign of money laundering activity. The following is a non-exclusive list of some activities which may indicate attempted money laundering or financing of terrorist activities. Each of the following activities should not be considered in a vacuum, but should be viewed in light of the timing of the activity and the amount of money involved.

Examples of "Red Flags" when viewed in light of timing and monetary amount involved:

1. Purchase of a product that is inconsistent with customer's perceived needs.
2. Early termination of a policy or contract at a significant cost to the customer.
3. Payment is directed to an apparently unrelated third party.
4. Applicant is reluctant to provide identifying information.
5. Owner borrows maximum loan amount soon after issue.
6. Customer refuses to identify a legitimate source of funds.
7. Applicant appears to be acting for an undisclosed principal.
8. Customer has questionable background or has been subject of news reports.
9. Customer exhibits lack of concern about transaction costs or surrender costs.

Complete IRS Form 8300 (if necessary)

Generally, any person who receives more than \$10,000 in cash from one person or business in a single transaction, or a combination of related transactions, must file a form named *IRS Form 8300: Report of Cash Payments Over \$10,000 Received in a Trade or Business*. This form reports to the Internal Revenue Service and the

Financial Crime Enforcement Network (FinCEN) cash payments over \$10,000 received in a trade or business. For example, if you were to receive \$11,000 in cash from someone as a payment for an insurance policy, you would have to file *IRS Form 8300*. If you were to receive from someone a group of related transactions within one year that total more than \$10,000, you would have to file *IRS Form 8300*.

What is the IRS definition of cash?

The Internal Revenue Service considers cash as one of two things:

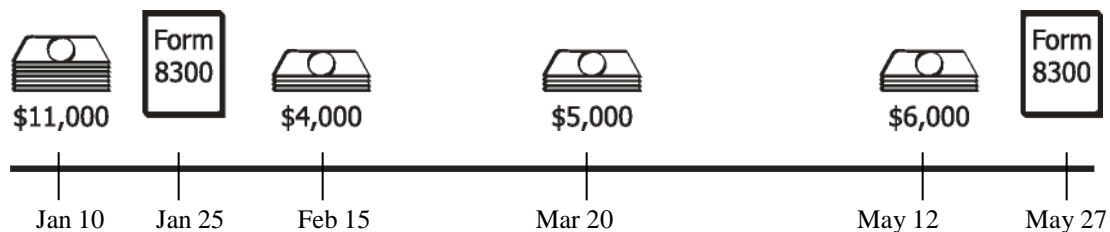
- Coins and currency of any country; and
- A cashier's check, bank draft, traveler's check, or money order with face amounts of \$10,000 or less. Please note that there are some exceptions to this and are explained in more detail in *Reporting Cash Payments of Over \$10,000 (Received in a Trade or Business)*, IRS Publication 1544.

What types of transactions fall under IRS Form 8300?

The transactions that are to be reported on *IRS Form 8300* are only trade or business-related transactions. More detail on this is available in *IRS Publication 1544: Reporting Cash Payments of Over \$10,000 (Received in a Trade or Business)*.

How much time do I have to file IRS Form 8300?

Form 8300 must be filed **within 15 days** after receiving a payment. If there is more than one related payment, you would file *IRS Form 8300* after the last payment causes the total of related transactions to go over each group of \$10,000.



Example: On January 10, you receive a cash payment of \$11,000. You receive additional cash payments on the same transaction: \$4,000 on February 15; \$5,000 on March 20; and \$6,000 on May 12. By January 25, you must file *IRS Form 8300* for the \$11,000 payment. By May 27, you must file an additional *IRS Form 8300* for the additional payments that total \$15,000. For more information on this, please refer to *IRS Publication 1544: Reporting Cash Payments of Over \$10,000 (Received in a Trade or Business)*.

How do you fill out IRS Form 8300?

Using the illustration of a completed *IRS Form 8300* on page 16, review the following example:

In this example, Jane Smith purchases a policy and pays \$12,500 in cash to Pat Brown, an agent. Because the amount of cash is over \$10,000, Pat Brown must complete *IRS Form 8300*. To help complete this form, Pat would ask for valid photo identification from Jane with the information such as current address, social security number, birthdate, etc. Instructions enclosed with *IRS Form 8300* can fill in the details on how to fill it out.

Where do you file IRS Form 8300?

Send it to the address listed in the instructions for *IRS Form 8300*.

What if there is a problem?

If at any time, you have a situation where you are required to complete the *IRS Form 8300* and the person is unwilling to give you the correct information (i.e., Social Security number), you should terminate the transaction.

What do you do if you suspect a person of money laundering?

If you suspect a person of money laundering or observe any suspicious activity, you should notify your District Manager immediately. District Managers will notify the Regional Vice President. Regional Vice Presidents are responsible for referring all instances of suspected money laundering to the Anti-Money Laundering ("AML") Compliance Officer.

You may voluntarily fill out *IRS Form 8300*, even if it falls at or below the \$10,000 threshold. Suspicious signs of money laundering include:

- Persons who do not seem to care about the premium amount and are willing to pay substantially above-market rates;
- Persons who want to conduct business on behalf of an unnamed third party;
- Transactions that do not make sense from a business perspective; and
- Existing accounts that are experiencing activity unusual to the account (e.g., the customer suddenly wants to pay for large lump-sum products when they have paid in small, regular amounts in the past.)

Example of Completed Report of Cash Payments Over \$10,000 Received in a Trade or Business: Form 8300

IRS Form 8300 (Rev. August 2014)	Report of Cash Payments Over \$10,000 Received in a Trade or Business ▶ See instructions for definition of cash. ▶ Use this form for transactions occurring after August 29, 2014. Do not use prior versions after this date. For Privacy Act and Paperwork Reduction Act Notice, see the last page.	FinCEN Form 8300 (Rev. August 2014) OMB No. 1505-0018 Department of the Treasury Financial Crimes Enforcement Network
Department of the Treasury Internal Revenue Service		
1 Check appropriate box(es) if: a <input type="checkbox"/> Amends prior report; b <input type="checkbox"/> Suspicious transaction.		
Part I Identity of Individual From Whom the Cash Was Received		
2 If more than one individual is involved, check here and see instructions. <input type="checkbox"/>		
3 Last name	4 First name	5 M.I.
Smith	Jane	A
7 Address (number, street, and apt. or suite no.)		6 Taxpayer identification number
100 Main Street		3 3 3 3 3 3 3 3 3 3
9 City	10 State	8 Date of birth (see instructions)
Hometown	P A	
	11 ZIP code	12 Country (if not U.S.)
	12345	
13 Occupation, profession, or business		
Cosmetic Distributor		
14 Identifying document (ID)	a Describe ID ▶	b Issued by ▶
	Driver's License	PA
	c Number ▶	
	333-33-3333	
Part II Person on Whose Behalf This Transaction Was Conducted		
15 If this transaction was conducted on behalf of more than one person, check here and see instructions. <input type="checkbox"/>		
16 Individual's last name or organization's name	17 First name	18 M.I.
19 Taxpayer identification number		
20 Doing business as (DBA) name (see instructions)		Employer identification number
21 Address (number, street, and apt. or suite no.)		22 Occupation, profession, or business
23 City	24 State	25 ZIP code
		26 Country (if not U.S.)
27 Alien identification (ID)	a Describe ID ▶	b Issued by ▶
	c Number ▶	
Part III Description of Transaction and Method of Payment		
28 Date cash received	29 Total cash received	30 If cash was received in more than one payment, check here <input type="checkbox"/>
M M D D Y Y Y Y	\$	
1 2 0 7 2 0 1 5	12,500.00	
31 Total price if different from item 29		
\$.00		
32 Amount of cash received (in U.S. dollar equivalent) (must equal item 29) (see instructions):		
a U.S. currency	\$.00	(Amount in \$100 bills or higher \$.00)
b Foreign currency	\$.00	(Country ▶)
c Cashier's check(s)	\$.00	Issuer's name(s) and serial number(s) of the monetary instrument(s) ▶
d Money order(s)	\$.00	
e Bank draft(s)	\$.00	
f Traveler's check(s)	\$.00	
33 Type of transaction		34 Specific description of property or service shown in 33. Give serial or registration number, address, docket number, etc. ▶
a <input type="checkbox"/> Personal property purchased	f <input type="checkbox"/> Debt obligations paid	
b <input type="checkbox"/> Real property purchased	g <input type="checkbox"/> Exchange of cash	
c <input type="checkbox"/> Personal services provided	h <input type="checkbox"/> Escrow or trust funds	
d <input checked="" type="checkbox"/> Business services provided	i <input type="checkbox"/> Bail received by court clerks	
e <input type="checkbox"/> Intangible property purchased	j <input type="checkbox"/> Other (specify in item 34) ▶	
Part IV Business That Received Cash		
35 Name of business that received cash		36 Employer identification number
Insurance Company		1 2 3 4 5 6 7 8 9
37 Address (number, street, and apt. or suite no.)		Social security number
123 Anywhere Drive		
38 City	39 State	40 ZIP code
Hometown	P A	60601
		41 Nature of your business
		Insurance
42 Under penalties of perjury, I declare that to the best of my knowledge the information I have furnished above is true, correct, and complete.		
Signature	Authorized official	Title
		Agent
43 Date of signature	M M D D Y Y Y Y	44 Type or print name of contact person
	1 2 0 8 2 0 1 5	Pat Brown
45 Contact telephone number		
(999) 555-5555		

Kemper Home Service Companies

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“DO-NOT-CALL” POLICY

INTRODUCTION

It is the intention of the Kemper Home Service Companies (the “Companies”) and its managers and employees to maintain the highest ethical standards possible in the course of doing business. Toward this end, the Companies intend to respect the privacy rights or wishes of any person who does not want to be telephoned by our representatives. The following policy is mandatory and applies to all telephone solicitations by representatives of the Companies.

DEFINITIONS

The national and applicable state “Do-Not-Call” registries are lists of phone numbers from customers and non-customers who have indicated their preference to limit the telemarketing calls they receive.

A representative of the Companies is any employee receiving compensation from any of the Kemper Home Service Companies.

MANAGEMENT

The Companies will manage its “Do-Not-Call” policy to meet all requirements as set forth by the Federal Trade Commission (FTC), the nation’s consumer protection agency, the Federal Communication Commission (FCC), and appropriate state officials.

“DO-NOT-CALL” POLICY

A "Do-Not-Call" is a non-customer who is listed on the national or applicable state registry. A customer or non-customer who informs a representative of the Companies orally or in written form that he or she does not want further telemarketing solicitation from the Companies is also considered a “Do-Not-Call”. The specific reason or severity of the tone of the request is not important. All requests will be honored.

Field representatives of the Companies must inform the district office administrator that a customer or non-customer has made a request that he or she does not want further telemarketing solicitation from the Companies. Home Office representatives must inform the Compliance Department of these requests. The district office administrator or Compliance Department representative will enter the information into the database and add the customer or non-customer’s phone number to the Companies’ internal “Do-Not-Call” list.

REQUESTS FOR "DO-NOT-CALL" POLICY

Any customer or non-customer who requests a copy of the "Do-Not-Call" policy is entitled to receive it as soon as possible. Any requests for a copy of the Companies' "Do-Not-Call" policy should be directed to district office administrators or to the Compliance Department.

INSTRUCTING AND TRAINING EMPLOYEES

All representatives of the Companies have been instructed and trained on the "Do-Not-Call" policy and provided with guidance on how to submit a request the district office administrator or Compliance Department representative to have a customer or non-customer added to the Companies' internal "Do-Not-Call" list". Further, all representatives of the Companies have signed an acknowledgment form indicating that such training has occurred, thus confirming their understanding of the Companies' "Do-Not-Call" policy.

BUSINESS RELATIONSHIP AND CUSTOMERS NOT ON THE REGISTRY

A representative of the Companies that has an established business relationship with a customer may call for up to 18 months (state requirements may vary) after the customer's last purchase, last delivery, or last payment unless the customer requests that the Companies not call again. If the customer makes a specific request that the Companies do not call, the Companies must honor the request, even if there is an established business relationship with the customer.

A representative of the Companies can call a customer or non-customer for three months following that customer's or non-customer's inquiry or submission of an application to the Companies.

A customer or non-customer not on the national or applicable state registry can still prohibit the Companies from calling him or her by asking to be put on the Companies' internal "Do-Not-Call" list.

NATIONAL, STATE AND THE COMPANIES' "DO-NOT-CALL" LISTS

The procedure for maintaining the Companies' "Do-Not-Call" list files is as follows:

1. The Companies' internal "Do-Not-Call" list file will be updated on an ongoing basis as information is received.
2. Any customer requesting to be placed on the internal "Do-Not-Call" will be identified as such and included in a report distributed to the district offices each month.
3. The National Registry will be updated every 31 days per the FTC requirements.
4. Applicable state "Do-Not-Call" lists will be updated as appropriate.

ACCESSING "DO-NOT-CALL" INFORMATION

The Companies provide representatives of the companies with access to the national "Do-Not-Call" registry, appropriate state "Do-Not-Call" registries, and the Companies' internal "Do-Not-Call" list by way of Company intranet.

Prior to contacting a customer or non-customer, representatives of the Companies must make certain that the telephone number is not listed on the national "Do-Not-Call" registry, applicable state "Do-Not-Call" registries, or the Companies' internal "Do-Not-Call" list.

Representatives of the Companies are prohibited from using numbers on the registries or internal list for any purpose other than preventing telemarketing calls to these telephone numbers.

MONITORING

The Information Technology (IT) Department will be responsible for downloading the national “Do-Not-Call” list registry and appropriate state “Do-Not-Call” lists. Such downloading will occur at least every three months or as required by state law, if stricter, and will be documented by the IT Department. The IT Department will also maintain and monitor the Companies’ internal “Do-Not-Call” list.

ENFORCEMENT OF POLICY

The Compliance Department will be responsible for the enforcement of this policy. Any representative of the Companies failing to comply with this policy may be subject to discipline up to and including termination.

Violent Crime Control and Law Enforcement Act of 1994

In 1994, President Clinton signed into law the Violent Crime Control and Law Enforcement Act of 1994, (18 USCA Section 1033). While this law is far reaching, certain provisions apply exclusively to the insurance industry and the law makes it a federal crime to commit certain acts that previously were only state crimes.

Under this statute it is a criminal offense for anyone in the insurance industry to:

1. Have the intent to deceive, make any false material statement or report and materially overvalue any land, property or security in connection with financial reports or documents presented to any insurance regulatory official or agency;
2. Willfully embezzle or misappropriate money or other property;
3. Knowingly make a false entry of material fact in any book, report or statement with an intent to deceive;
4. Threaten, force or by any threatening letter or communication corruptly influence, obstruct or impede the administration of law in a matter before any insurance regulatory official or agency;
5. Engage in the business of insurance if the individual has been convicted of violating any of items 1-4 above, or has been convicted of a felony involving dishonesty or breach of trust, without securing the written consent of the appropriate insurance regulatory official;
6. Willfully permit the participation in the business of insurance by an individual convicted of violating any of items 1-4 above, or someone convicted of a felony involving dishonesty or breach of trust, who has not secured the written consent of the appropriate insurance regulatory official.

Violation of this statute could result in a felony conviction and fines. Imprisonment can be for not more than 15 years and civil fines of not more than \$50,000.

One of the most significant features of this statute is that a person commits a felony for permitting a prohibited person from engaging in the business of insurance; for example, if a manager learns that one of his or her employees has been convicted of a felony and does not have the written consent of the appropriate state insurance department to work in the insurance industry, the manager is committing a felony, with possible imprisonment for up to five years, by continuing to permit that employee to work in the insurance industry.

As part of the company's compliance with this statute, forms have been devised and will be distributed to every employee to certify that either they have not been convicted of a felony involving dishonesty or breach of trust, or if any individual has been convicted of any of the offenses listed in items 1-4 above, they must produce written consent from the insurance department. These forms will be signed upon employment and annually thereafter. In addition, managers will annually sign forms indicating they are not aware of any such individuals, or if they are aware of any, to list their names on their form.

Another significant feature is that this Act permits federal felony prosecution for shortages and for willfully mismarking books such as by not applying premiums to the proper accounts. In fact, the FBI has formed a special investigative unit for prosecutions under this statute.

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Acknowledgment and Certification Form

My signature below indicates that I have received the Kemper Home Service Companies Compliance Manual (2016 revision), read it in its entirety, and understand it. Further, I acknowledge that I have read and fully understand the Kemper Home Service Companies' "Anti-Money Laundering Practices" and "Do-Not-Call" policies contained therein.

I intend to fully comply with the provisions of the Compliance Manual; the Anti-Money Laundering Practices"; the "Do-Not-Call" policy, as outlined by the Kemper Home Service Companies; the Federal Trade Commission (FTC); the Federal Communications Commission (FCC); and applicable state laws.

Print Name

Signature

Date

Company

District #

Agency #

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Employee Certification Under the Violent Crime Control and Law Enforcement Act of 1994 (18 USCA Section 1033)

*****(All employees must sign)*****

I, _____ hereby certify that either;

Check one:

_____ 1) I have never been convicted of a criminal felony nor convicted of an offense under 18 USCA Section 1033; or

_____ 2) I have been convicted of a criminal felony or convicted of an offense under 18 USCA Section 1033, and either;

Check one: **(only if you checked #2 above):**

_____ A) I have received written consent from the insurance department of every state I am licensed or employed in to engage in the business of insurance and a copy of the written consent(s) is/are attached.

_____ B) I have not received written consent from the insurance department of every state I am licensed or employed in to engage in the business of insurance.

I also agree that I will advise the Kemper Home Service Companies of any conviction of a felony, any other crime involving dishonesty or breach of trust, or a violation of the insurance fraud provisions of the Violent Crime Control and Law Enforcement Act of 1994.

Signature

Date

Print Name

Social Security #

Company

Dist./Dept. #

Agency #

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Manager Certification Under the Violent Crime Control and Law Enforcement Act of 1994 (18 USCA Section 1033)

***** (All district managers, Home Office managers
and company officers must sign.) *****

I, _____ hereby certify that;

Check one:

- _____ 1) I have no knowledge of anyone employed or working for the Kemper Home Service Companies having been convicted of a criminal felony nor convicted of an offense under 18 USCA Section 1033; or
- _____ 2) I have knowledge of someone employed or working for the Kemper Home Service Companies who has been convicted of a criminal felony or convicted of an offense under 18 USCA Section 1033.

Signature

Date

Print Name

Social Security #

Company

Dist./Dept.#

Agency #

