



ANICO June Mid-Month Update

Pre Authorized Draft Card

From time to time we will receive a new Pre Authorized Draft card (PAC card) intended for a policy owned by someone other than that of the bank account. (Ex. A mother making premium payments on her daughter's life insurance policy.) Today our current procedure is to verify that the payer has insurable interest before processing the change. However, due to a recent complaint we have re-examined this procedure and **as of July 15, 2010**, the following new procedure will be in effect: If a PAC card is received in the home office which fits the above mentioned scenario, we will send a letter to the owner of the policy, asking that they sign a release giving us permission to apply premium payments from the payer's bank account. Once the signed letter is received, we will begin drafting on the next draft date. If we receive an "11th" hour PAC card (meaning that the card is received within a short period before the policy is set to lapse), we will attempt to contact the owner by phone before we draft. If contact cannot be made on the phone, we will draft on the new account and then obtain subsequent authorization.



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