



Producer’s Guide (“Producer’s Guide”) to Anti-Money Laundering for
Agents and Producers of the Insurance Companies of Great American
Financial Resources, Inc. (“GAFRI”)

As an insurance producer, your skills and services help your clients achieve financial success and security. Because you are on the front lines of a multi-billion dollar industry, you are in a unique position not only to serve your clients, but also to serve the country by helping prevent money laundering and the financing of terrorist activities.

To comply with the new federal anti-money laundering regulations for insurance companies, GAFRI has adopted a detailed anti-money laundering program. You have an important role to play in that program. As a person who deals directly with customers, you will often be in a critical position to obtain information regarding the customer, the customer’s source of funds for the products you sell, and the customer’s reasons for purchasing an insurance product. You should expect to collect and retain information needed to assess the risk associated with a particular piece of business – in particular, to identify customers in high-risk businesses or high-risk geographic locations, or those using products or services that may be more susceptible to abuse in money laundering or other illegal activity.

I. Required Training

The new federal regulations require GAFRI insurance companies to provide their agents and producers with ongoing anti-money laundering training. Thus in order to avoid delays in new business processing GAFRI requires that you successfully complete anti-money laundering training provided by LIMRA. On an exception only basis GAFRI, in its sole discretion, may accept a certification of training provided by the compliance officer of another insurance company or a competent third party or a producer self-certification of training.

If you are appointed with another insurance company(s) that also utilizes LIMRA for its AML training, you need only take the training once. LIMRA will automatically share the results with all other insurance companies you are appointed with that use LIMRA for its training.

- A. To access LIMRA Anti-Money Laundering training:
1. Visit <https://aml.limra.com> and enter your username and password in lowercase in the spaces provided. Please note that the login function is case sensitive. Your username is the first four letters of your last name plus the last six digits of your social security number. Your password is your last name. For example, John Smith, whose social security number is 000-12-3456 would have the following username and password:
Example Username: smit123456
Example Password: smith
You will then be prompted to change your password.
 2. Click on the *Login* button.
 3. Complete the appropriate Anti-Money Laundering course. Be sure to complete the company specific section for GAFRI. GAFRI will automatically receive notification of your course completion.
- B. If you received a paper copy of the LIMRA Anti-Money Laundering training course to complete, once you have finished the course, please complete the accompanying self-certification form (please be sure to include your social security number) and fax it to the Licensing Unit for your area. If you have been notified of your LIMRA agent code number, please include this number on the certification form. We will provide LIMRA with a copy of your certification form for its records.**
- C. If you have any questions, please contact GAFRI as follows:
1. Annuity Producers:

Licensing
1-800-438-3398, extension 13763
Fax: (513) 412-5144
e-mail: gafrilicensing@Gafri.com

Marketing Advisors
1-800-438-3398, extension 17197
Fax: (513) 412-5137
e-mail: greatamericansales@Gafri.com
 2. Austin/CERES Producers:
1-800-880-8824, option 5
General Fax: 1-888-670-0146
Licensing Unit Fax: (512) 531-1459
e-mail: accounts@utaic.com

II. Customer Information Gathering

In order to sell individual annuities, individual permanent life insurance policies and other insurance products offered by a GAFRI insurance company that have a cash value or an investment feature, GAFRI's anti-money laundering program requires you to ensure that all information requested on the product application, order ticket, or request form and on any associated documents is accurate and complete. If a customer resists providing any requested information, appears to have provided false or misleading information, refuses to provide an acceptable form of identification (if required) or has otherwise provided information that cannot be verified, you should promptly contact the GAFRI Corporate Compliance Department and follow any instructions you are given. Records of this information must be retained as long as the policy or contract remains in force and for five years thereafter.

GAFRI has developed a Notice and Customer Information Form (Form S1056206NW) to help ensure that all required customer information is obtained. For some products this required information is obtained in a separate disclosure document. Please contact the Marketing Department for a current list of products that utilize this alternative method of confirmation. The Notice and Customer Information Form or the separate disclosure document must be used in all individual permanent life and individual annuity product sales and in connection with the sale of any other individual insurance product that has a cash value or investment feature except as follows:

1. Any product sold by a Registered Representative through a broker/dealer (e.g. Individual Variable Annuities);
2. Any product sold in the 403(b) marketplace (except "cash with application" sales) provided that an employee census accompanies the employer funding vehicle (contracts funded strictly with rollover and transfer premium are not exempt);
3. Cash with application individual annuity sales where the initial premium is less than \$5,000;
4. Any worksite product sold in the worksite marketplace (except "cash with application" sales) provided that an employee census accompanies the employer funding vehicle;
5. Any group contract sold to an employer such as 403(b), 401(a), 401(k) or 457 contracts/plans;
6. Any final expense product, but only if a personal history interview and prescription verification are utilized by a GAFRI insurance company during the underwriting process; and
7. Any product sold through a bank distribution channel that has a customer identification program acceptable to GAFRI.

III. Suspicious Activity Reporting

You must promptly notify us if you detect any money laundering red flags, so that GAFRI can determine whether a suspicious activity report (SAR) must be filed with the U.S. Department of the Treasury. Typically a SAR must be filed within thirty (30) days of the initial detection of the suspicious activity. Insurance Industry red flags include:

- The purchase of a product that appears to be inconsistent with a customer's needs;
- The purchase or funding of a product that appears to exceed a customer's known income or liquid net worth;
- Any attempted unusual method of payment, particularly by currency or cash equivalents such as money orders, traveler's checks or cashier checks;
- Payment of a large amount broken into small amounts;
- Little or no concern expressed by a customer for the investment performance of an insurance product, but much concern expressed about the early termination features of the product;
- The reluctance of a customer to provide identifying information, or the provision of information that seems fictitious;
- A customer's inquiring about how to borrow the maximum amount available soon after purchasing the product;
- Listing a beneficiary or payee who is apparently an unrelated third party or who otherwise has no apparent relationship to the customer;
- A customer applies for a policy out of state when the same or similar product is available in his/her home state;
- The customer uses an out of state mailing address; and
- Any other activity that you think is suspicious.

A more detailed listing of money laundering red flags in the insurance industry is contained in GAFRI's Anti-Money Laundering Program which can be found at <http://www.gafri.com/amlprogram>.

If you identify any suspicious activity or money laundering red flags, you must promptly notify the GAFRI AML Compliance Officer at: 1-877-407-4007. In that regard, you may be asked by the GAFRI AML Compliance Officer or by other GAFRI personnel to investigate further or obtain additional information from the customer. If so requested you must expeditiously obtain any requested information so GAFRI can determine in a timely manner if a SAR needs to be filed.

The GAFRI AML Compliance Officer has the sole responsibility for responding to any inquiry regarding the subject matter of any SAR. The fact that a SAR has been filed or considered and the contents of any SAR that has been filed are strictly confidential. An agent or producer must not, under any circumstances, disclose the fact that a SAR has been filed or considered, or the contents of a SAR, to the subject of a SAR or to any third party. Violations of SAR confidentiality may result in substantial civil and/or criminal penalties.

IV. Methods of Payment

You should advise the customer that only the following types of payment may be used to purchase an insurance product from a GAFRI insurance company:

- Personal check made payable to the appropriate GAFRI company;
- Properly completed payroll deduction authorization form;
- Properly completed pre-authorized check deduction form;
- Wire Transfers and other forms of electronic funds transfer;
- Checks from another financial institution made payable to a GAFRI insurance company for the benefit of a new or existing customer;
- Any other form of payment reasonably acceptable to a GAFRI insurance company.

If a customer gives you an unacceptable form of payment, you should explain what forms of payment are acceptable and return the unacceptable payment immediately. If you encounter difficulty dealing with a customer regarding GAFRI's standards for acceptable and unacceptable forms of payment, you should promptly contact the GAFRI Corporate Compliance Department at: 1-877-407-4007.

Both GAFRI and its producers share an important responsibility to comply with GAFRI's AML Program and all applicable anti-money laundering laws. A failure to do so will constitute grounds for discipline up to and including termination of your contract for cause. In addition, violation of anti-money laundering laws may expose those responsible to substantial civil and criminal penalties under federal law.