

Level Outlay

Click [here](#) to view an example of level outlay with cash in suspense to pay premium, loan interest, and loan repayment

This policy anniversary is 2/8. Cash of \$700 was received on 1/25, to pay the billed loan interest and the annual premium. The policy dividend option is A-PV (level outlay).

1. We must wait until 1 day after the anniversary date to apply the money.
2. Use an FGLM screen.
3. In the P4 entries, the premium and loan interest must be paid first. They will have the same effective date as the anniversary date.
4. Any remaining money after the premium and loan interest are paid should be applied to loan repayment. Loan repayment will have the effective date of the date the money was received.
5. In the P9 entries, the cash in suspense effective date should match the suspense effective date shown in SMS or on RNVI screen. Use the PX account and use a negative sign to remove the money from suspense.
6. Below the cash suspense line, add a second line for the level outlay portion. Use an AX transaction effective the anniversary date for whatever amount is shown on the bill; no negative sign. Type 'leveloutlay' in the description field.
7. Press ENTER to submit the transaction.

See below examples of RQTI screen to find important fields and FGLM screen to apply money.

- Premium shown in **yellow**
- Loan interest shown in **blue**
- Cash in suspense shown in **green**
- Dividend transaction shown in **red**

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RQTI 225305000,OVD
INS: MARGARET H MORRIS
OWN: MARGARET H MORRIS
217 BAYS END CT
CHAPIN SC
STATUS: I/F PAID TO: 24-02
ISSUED: 995-02-08 AGE: 13 MEC:
FEMALE BORN 981-08-09 NON-FORF AT
DIV OPT: A-PV
INT LAST 287.45 BILLED
INT NEXT 287.44 DUE 25-02-08
23 DIVD 101.80
AGY: 081 NOT TO: OWN SVC: BARRY A TEAGUE CLU CHFC CASH VALUES ON
AGENT COM WITH PREM PD TO
BENEFITS LD AMOUNT CS 21408-21 N POLICY
PACE NS 50000 465.50 82 26955-02 TOTAL ADDS
VAR LN/DIR REC 12384 82
ADDITIONS ANNL PREM 465.50
LNS AT 5.6V 5132.94
LN INT 287.45
SUSP (C) 700.00
REFUND GROSS
PRO-RAT-DV
TERM DIV 680.50
TOTAL 4908.81
FREQ: ANNUAL
CURR CAP: 0.0 PLAN 101604000 GR
BILL ANV 02-08 NT
UN
ABR: MED: N DATES: YYMMDD EXCPT BILL ANV'S MMDD 1411HA2690 BPK01262416294600
-NOT ON EFT-SURR REQUIRES CALC OF TAXABLE GAIN

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FGDM I225305000
-P4 ENTRIES-
SYS POL # DUE DT F PREMIUM SGN LN INT APP DIV LN REPAY DESC CBP
i 2253050 240208 465.50 n 287.45
i 2253050 240125 n 123.55

-P9 ENTRIES-
SYS POLICY NO EFF DATE ACCT NO AMOUNT DESCRIPTION LOAN
MODE
i 2253050 240208 px 700.00-
i 2253050 240208 ax 176.50 level outlay

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0857HB3896 BBE01262416051500

3P

A-PV

Partial Premium Payments by Additions (aka Level Outlay)

DESCRIPTION: The annual dividend is used to purchase additional insurance. AND once the policy's anniversary year has reached or passed the Start Year found on the APVI screen, then

part of the premium is paid by the surrender of additions, with the balance paid in cash. The billed amount, duration and start year are shown on the APVI screen. Note the Level Outlay amount is the annual amount, if the premium mode is on semi this amount is divided by 2, or if the premium mode is quarterly this amount is divided by 4, or if the premium mode is monthly or COM this amount is divided by 12.

AVAILABILITY: Available on whole life policies but not on Endowment contracts. Available on all premium modes, however, if the policy has a billed adds rider then the premium mode on the base policy and the billed adds rider **MUST** be annual or COM. Not available on policies with a billed loan repayment. If the policy has a term rider then the term rider dividend **cannot** be applied. The billing anniversary date must be on the anniversary date, **cannot** be paid off anniversary. Note if the policy currently has a Flex dividend option that can be changed to Flex-Level Outlay.

CHANGING TO: USE APVC SCREEN: This billing method can only be processed using the APVC screen. This screen was built just for level outlay. There are four fields available to input information.

NEW DIVIDEND OPTION

ANNUAL OUTLAY

START YEAR

NUM DURATIONS IN EFFECT

NEW DIVIDEND OPTION: This is a one character field which represents the primary option on the policy. Here you would insert the primary option that already exists "3" for Adds Level Outlay or "B" for Flex1 Level Outlay or "A" for Flex2 Level Outlay. The system will automatically set the secondary option to a "P" when the screen is entered. NOTE: When you are canceling Flex Level Outlay and changing the option to Adds Level Outlay you first must change the option to Adds using the PRMF and then on the next day use the APVI to change to Adds Level Outlay (3P). NOTE: When changing from AV or BV to AP or BP this is a two day process. First remove the "V" then on the second day add Level Outlay.

ANNUAL OUTLAY: This field represents the amount that the client wants to submit in cash. Do not use cents or decimals. You must insert the amount to be paid ANNUALLY. Examples: When the client wants to pay \$100.00 a month (special monthly or monthly) then insert 1200 (12 x 100) into this field, or \$50.00 a quarter insert 200 (50 x 4), or \$200 semi-annually insert 400 (200 x 2).

START YEAR: This field represents the policy year to start using dividend additions to pay part of the premium. This is the only dividend option we offer that can be effective on a future anniversary whether it be 5, 10, or 20 years from now. Any dividend that earns prior to the start year will earn according to the primary option (3 earns Adds, B and A earn Flex and Adds) and

the full premium will be billed. The system will not allow you to insert a start year if that policy anniversary year has already past, therefore, you will need to order a status and correct the start year and send it to Contract Change to be have a field change. NOTE: We do allow newly issued policies to have Level Outlay added at issue (for premiums due within the first year). This is done by doing a current change and using the issue year in the Start Year field.

NUM DURATIONS IN EFFECT: This is a three digit field that represents the number of years that the policy is to be on Level Outlay. If this field is left blank then the option will remain on the policy until the cease year.

NOTES: On line Warning message - ANNL ADDS RIDER, NOT ANNL BASE POLICY: Level Outlay is available on policies with a billed adds rider as long as the billed adds rider premium and base premium are both COM or Annual. If they are both the same mode and you get an on line error "ANNL ADDS RIDER, NOT ANNL BASE POLICY" then you will need to do a change order to add an "A" Billing Code (BC field on the front top right corner of the status) to the Annual Adds rider Trailer. NOTE: When the start year is greater than 2000 you will receive an on line warning message "ANNUAL OUTLAY NOT VALIDATED - START YEAR > 1999". Just ignore message.

CHANGING FROM: No restrictions.