
Premium Payments and Modes

Sold in **money purchase packages** represented by monthly net premiums such as \$80, \$100, \$120 and \$150 (not including administrative fees and Association dues). Our software enables you to prepare customized All Age Illustrations for any premium amount, rider combinations, cost of living increases, or over funding. Our software also allows you to prepare individual customized illustrations, Mortgage Termination/Acceleration illustrations, and single page – office use only illustrations.

To facilitate the second year option election, all premiums are collected by our licensed and bonded Third Party Administrator. A custodial account is utilized to remit client monies to the insurer, investment company, Association, or other institution as requested by the client.

Premiums can be paid by the following methods: EFT (PAC), Annual Direct Bill, Credit Card, Federal Allotment, and Payroll Deduction.

MONEY ORDERS AND CASHIER'S CHECKS ARE NEVER ACCEPTED FOR ANY PREMIUM PAYMENT.

- Electronic Funds Transfer (EFT)/Pre-Authorized Check (PAC)
Fee: \$5.00 per month

EFT/PAC may be accomplished using the member's checking or savings account at a bank, savings & loan or credit union. The EFT/PAC allows us to debit the member's checking or savings account. Monthly transfers will be initiated on or about the date indicated on the Service Agreement. Only one of the draft dates offered can be used. There will be no exceptions, however, some individual bank procedures may cause the drafts to actually occur on varying dates. You must follow the EFT schedule provided. Drafts are performed in advance, so for example, June's premium will be drafted on or about the date chosen in the prior month of May. No draft date can be skipped due to the 31-day grace period of the insurance contract. In the EFT/PAC mode, ISM's Administrator deposits all member's initial premium into a custodial account.

If the member moves and/or changes bank accounts, a new Service Agreement, along with one month's premium or ACH Authorization is required. Although a void check is no longer needed, it can be used to verify necessary information provided on the Service Agreement and avoid processing delays. All correspondence or inquiries pertaining to premium collection must be directed to ISM's Administrator, not the insurer, investment company, or any other financial institution.

IMPORTANT INFORMATION REGARDING CHANGES!

Changes in bank, bank account, draft date, requests to deduct a single premium from the annuity, etc. must be received at ISM's Administrators office ***30 days prior to the intended effective date of the request***, per the terms of the Service Agreement. Requests not received with adequate time to facilitate the request may not be made in time to make the next draft date, thereby carrying over to the following draft date.

Failure to make changes to premium collection requests when expected by your clients can result in NSF and/or additional bank charges. If this occurs because the request was not received at ISM's Administrator with adequate time to make the change before the draft date, the client will be referred back to the agent. ISM will not be responsible for charges that result from a failure to comply with the terms of the Service Agreement.
