



Applicability and Intent of Manual

The Company is committed to serving its customers with the highest standards of business ethics and in compliance with all applicable laws and regulations. Unum’s Market Conduct Compliance Manual (“Manual”) is intended to promote ethical conduct and compliance with market conduct principles during the sale and service of the Company’s offerings. This Manual applies to the following entities and individuals:

- Brokers – all licensed insurance personnel who have a contract with, or are appointed, with a Unum insurance company and all individuals contracted to sell DHMO services under a Unum Group subsidiary.
- Enrollers – all enrollment firms or enrollers who solicit Unum’s products or services

Use of the term “Unum” in this Manual refers to the following subsidiaries of Unum Group (also referred to as “the Company”):

- Unum Life Insurance Company of America
- First Unum Life Insurance Company
- Provident Life and Accident Insurance Company
- Provident Life and Casualty Insurance Company
- The Paul Revere Life Insurance Company
- Unum Insurance Company
- Starmount Life Insurance Company
- Any Unum Group company providing DHMO services

The Manual sets forth key market conduct compliance issues facing the Company and provides standards for all Brokers and Enrollers to follow *in addition to* responsibilities set forth in Broker or Enroller contracts, documents of understanding and procedure manuals. Not every issue raised in this Manual will be encountered by every Broker or Enroller, nor does this Manual attempt to identify all compliance issues that those individuals may encounter.

Any questions or comments regarding this Manual may be addressed to:

Unum Group
Chief Compliance Officer/Compliance Office
2211 Congress Street
Portland, ME 04122
(207) 575-2211

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Section 1: Ethics and Professional Competency

Statement of Corporate Values

The Unum Group family of companies develops, markets, underwrites, sells, issues and services a suite of life, disability and voluntary benefits insurance products and related service offerings that provide protection from financial loss due to accidents, illness or death. Additionally, we offer dental and vision insurance, stop loss insurance and a leave and absence management service.

Protecting employees, families and their livelihoods is the focus of our company. We are proud of the reputation we have built by managing our company with ethical business standards and practices, by making a difference in all the communities in which we operate and by fostering a corporate culture of inclusion that's consistent with the social values our products provide. We believe strongly in the positive impact we have on the businesses we help protect and the lives we touch – a conviction embodied in our corporate values of integrity, commitment and accountability.

We expect all Brokers and Enrollers selling, distributing and/or servicing our products or services to act in accordance with the highest standards of personal and professional integrity in all aspects of their association with Unum. Each Broker and Enroller is accountable for compliance with all applicable laws and regulations, with the standards set forth in this Manual, and with the duties set forth in the broker contract. Brokers and Enrollers are expected to conduct business in accordance with our corporate vision and values, below:

<p>Integrity</p> <p>We are an organization built on openness, trust, professionalism, respect for others and, above all, integrity.</p>	<p>Commitment</p> <p>We have obligations to our key stakeholders, including policyholders, claimants, brokers, employers, employees, regulators and shareholders, and we strive to deliver on those commitments.</p>	<p>Accountability</p> <p>We are proud of what we do, we accept responsibility for our actions, and we learn from our experiences.</p>
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Contracting, Training and Compensation of Brokers and Enrollers

Screening

The Federal Violent Crime Control Act of 1994 prohibits an insurance company from willfully appointing or employing any person who has been convicted of a felony involving dishonesty or breach of trust. In addition, many states require a background investigation into the character of prospective Brokers and Enrollers prior to appointment. Therefore, the Company reserves the right to investigate and review appropriate information concerning the fitness and suitability of each prospective Broker or Enroller prior to appointment or entering into a contract with the Company. Brokers and Enrollers have a continuing obligation to inform the Company of any changes in background information originally provided to the Company.

Required Training

The Company expects its Brokers and Enrollers to obtain proper training – including product, service, anti-money laundering, and compliance training – to ensure they are adequately prepared to perform their duties and represent the Company appropriately. Brokers and Enrollers are also required to obtain continuing education credits to remain licensed and to meet the standards of each state in which they are licensed. The Company requires that Brokers and Enrollers complete mandatory anti-money laundering training provided by the Company, pursuant to 31 CFR 103.120 (See [Anti-Money Laundering](#)). The required U.S. Financial Crimes module for Brokers and Enrollers can be found here: <https://www.unum.com/legal/anti-money-laundering>.

Some jurisdictions have additional continuing education requirements for specific products (e.g., Long Term Care). In those states, the Brokers and Enrollers will be required to demonstrate to the Company that they have completed the appropriate training and have obtained the necessary credentials prior to selling, soliciting or negotiating the sale of any of those products.

The Company may refuse to accept business from the Broker or Enroller if required continuing education or other mandatory training requirements are not completed.

Compensation and Disclosure

Compliance with the law and with the relevant Broker or Enroller contract is an important part of the Company's compensation program. The following disclosure policy applies to any compensation paid to Brokers and Enrollers.

Unum fully supports disclosure of broker compensation to ensure customers have the information they need to make an informed buying decision. We provide a toll free telephone number and corporate website for customers to contact us. All Brokers and Enrollers who sell Unum products must comply with our corporate policy and procedures for compensation disclosure.

Group product compensation consists of Base Commissions and Supplemental Commissions. Compensation disclosure requirements vary by product but include:

- The "Broker Compensation Disclosure Notice" must be presented to the customer with each group insurance quote.
- The "Group Master Application Compensation Disclosure Insert" must be included and delivered to the customer with each Group Master Application.
- The "Broker Compensation Disclosure Statement" is delivered to the customer (i) at policy issuance; as well as (ii) on an annual basis.

These disclosures describe Unum's standard compensation programs. Additionally, if a Broker sells a policy and the customer has agreed to an alternate form of compensation, the Broker must complete and sign a Single Case Amendment form (or such other form that Unum may require) which will be provided to the customer prior to Unum being able to make any such payment.

No compensation will be paid to a Broker or Enroller on a group insurance case until the required disclosure forms are received and verified by Unum's Broker Compensation Services area.

The Broker's Field Sales Representative can answer compensation questions and will provide the necessary disclosure forms for completion. If you have any questions, we have experienced Service Specialists available to help you Monday through Friday, 8 a.m. to 8 p.m. Eastern Time. You can reach us by phone at 1-800-ASK-UNUM (1-800-275-8686) or email us at askunum@unum.com.

Section 2: Business Practices

Prohibited Sales Practices

Certain sales practices are specifically prohibited by law, including the NAIC Unfair Trade Practice Model Law, which has been adopted in many states. Brokers and Enrollers must comply with all laws and regulations in the state(s) in which they solicit business on the Company's behalf.

In addition, Brokers and Enrollers must avoid certain sales practices described herein, whether or not such practices are specifically prohibited by state law or regulation. Evidence that a Broker or Enroller has engaged in such practices will result in sanctions, including possible termination of a Broker's and Enroller's contract or appointment with the Company (see [Sanctions](#)).

Twisting and Churning

Brokers and Enrollers may not suggest replacement of an existing policy when replacement is not in the best interest of the policyholder. If a replacement transaction does occur, all applicable state laws, regulations and Company procedures must be followed (see [Replacements](#)). Misrepresenting the benefits of a customer's existing policy to solicit a replacement sale ("twisting") is strictly prohibited. Replacement of one of the Company's policies with another for the primary purpose of earning additional commissions ("churning") is also prohibited.

Unlicensed Solicitation

A Broker or an Enroller must be licensed and appointed (where required) in order to solicit insurance business and take applications for insurance coverage. To become appointed with a Unum company, a Broker or Enroller should call 1-800-ASK-UNUM (1-800-275-8686), where we have experienced Service Specialists available to help you Monday through Friday, 8 a.m. to 8 p.m. Eastern Time, and have the following information available:

- Business name
- Tax ID number or Social Security Number
- Telephone and Fax numbers
- Mailing address
- State(s) where business will be solicited

Disparagement or Defamation

The Company is committed to fair competition. Brokers and Enrollers may not disparage competitors, their financial strength or their products. Brokers and Enrollers must focus on the financial strength of the Company and the quality of the Company's products. Publication or dissemination of false information about competitors or their products, whether or not they are the original author, is prohibited. Brokers and Enrollers should forward any disparaging communications they receive about the Company to Unum's Compliance Office.

Improper Sales Materials

Brokers and Enrollers may use only sales materials, illustrations, illustration software or quote sheets approved by the Company. These may not be altered or abbreviated in any manner. See also [Advertising and Branding](#).

Rebating

Brokers and Enrollers may not split or share any commission or other compensation with an unlicensed person or entity (except assignment to an agency where allowed by law). Also, no product or service of any value not connected to the insurance product being sold or outside the contract of insurance may be paid, given or offered to an applicant to induce the purchase of a Company product.

Misrepresentation

Brokers and Enrollers may not make any inaccurate or misleading statement, either orally or in writing. All Company products must be clearly identified as insurance products or services during solicitation. Brokers and Enrollers must fully disclose all relevant benefits and limitations of Company products.

Life Insurance sales in New York

Based on feedback from our enrollment and sales partners, we understand that "recommendations," as that term is defined by New York Regulation 187 (see below), are not being made by our Unum brokers and enrollers and that information being provided to Life Insurance applicants and policyholders in New York is in line with general factual information (also defined further below). As such, at this time **Unum is not receiving or supporting applications for NY life insurance where a "recommendation," as defined by New York Regulation 187, has been made.**

The regulation defines a "recommendation" as "one or more statements or acts . . . that reasonably may be interpreted . . . to be advice and that results in a consumer entering into or refraining from entering into a transaction in accordance with that advice; or is intended by the producer . . . to result in a consumer entering into or refraining from entering into a transaction."

The law also specifically notes that a recommendation does not include "general factual information . . . such as advertisements, marketing materials, general education information regarding insurance or other financial products and general administrative services to the consumer. A recommendation also does not include use of an interactive tool that solely provides a prospective consumer with the means to estimate insurance, future income, or other financial needs or compare different types of products or refer the consumer to a producer, provided that the interactive tool is not used by a producer . . . to satisfy any requirement imposed [by this law]."

Unum expects all brokers and enrollers conducting sales transactions for new or in-force life insurance policies in New York to be aware of Unum's position and the specifics of NY Regulation 187.

STOLI and SPINLIFE Arrangements

STOLI is a life insurance arrangement where speculators who have no relationship to a person take out an insurance policy against that person and fund the premium payments for investment purposes. Under SPINLIFE arrangements, investors pay senior citizens to apply for life insurance and lend them money to buy the policies, which investors then sell to speculators.

An insurable interest between the proposed insured, beneficiary and policyowner must exist before any coverage can be provided. Unum prohibits the submission of applications where the Broker or Enroller has reason to suspect a STOLI or SPINLIFE arrangement.

Abuse of "Free Look" Rules

Brokers and Enrollers may not circumvent the "free look" privilege by failing to promptly deliver a

policy and must advise a client that s/he is entitled to a specific period of time to review the policy in order to decide whether to accept it. See also [Policy Delivery](#).

Other Prohibited Practices

No Broker or Enroller is authorized to:

- Endorse, deposit, cash or otherwise negotiate any check drawn to the Company's order, or to open any bank account in the Company's name or to sign the Company's name in any circumstances, unless specifically authorized in writing by an officer of the Company.
- Endorse, deposit, cash or otherwise negotiate any check drawn by the Company to the order of a payee other than the Broker or Enroller.
- Place the Company under any legal obligation that is not within the authority granted by the Company in the Broker's or Enroller's contract.
- Accept risks of any kind; to make, modify or discharge contracts; to extend the time for paying premium; to waive forfeitures or any of the Company's rights or requirements; to bind the Company by any statement, promise or representation or to collect any monies other than as provided in the Broker's or Enroller's contract.
- Act on behalf of, or hinder or interfere with, the Company in any way with respect to a potential or actual claim, except to provide appropriate claim forms to a claimant upon request.
- Advertise or publicize the Company's name or products in any advertising or publicity medium, including newspapers, magazines, television or radio broadcasts, the Internet, social media, or other means, unless the content of such advertising or publicity has first been submitted to and approved by the Company in writing. See also [Advertising and Branding](#).
- Sign the name of another person, such as an applicant, insured, policy owner, beneficiary, assignee or otherwise, unless legally authorized to do so and retain evidence of such authorization.
- Be assignee, owner or beneficiary of any policy issued by the Company, other than a policy on the Broker or Enroller or on a member of the Broker's or Enroller's family.
- Enter into contracts with sub-Brokers and Enrollers for the solicitation of the Company's products, or to share Company commissions with anyone not licensed and appointed by the Company.
- Represent the Company in any manner whatsoever before any State Insurance Department, or official thereof, or any governmental agency. Such matters must be submitted to [Unum Customer Relations](#).
- Charge for services that are undertaken or rendered to any applicant, policy owner, beneficiary or assignee, such as explaining the terms of a policy, making application for a policy, collecting the policy proceeds, submitting proofs of claim or any other similar service unless expressly disclosed to the applicant, policy owner or beneficiary/assignee and disclosed to the Company in writing.
- Solicit applications for products not approved by the appropriate State Insurance Department.
- Undertake any action on behalf of the Company not authorized in writing by an officer of the Company, except as allowed in the Broker contract.

Replacements

State laws and regulations mandate that Brokers, Enrollers and Insurers follow specific rules

regarding notice, disclosure, signatures and recordkeeping regarding replacement transactions. These regulations ensure that customers receive adequate and accurate information when one Life or Accident and Sickness (or Health) policy is replaced by another Life or Accident and Sickness (or Health) policy. These regulations also protect consumers against twisting and churning practices (see [Twisting and Churning](#)).

Brokers and Enrollers must be able to demonstrate an objective basis for believing that a replacement is in the best interest of the policyholder. No policy will be issued until all Company requirements and applicable state mandated requirements are met.

State laws vary considerably; Brokers and Enrollers are responsible for knowing the requirements for each state in which they solicit business. The following sections summarize the National Association of Insurance Commissioners (NAIC) model laws regarding replacement transactions.

Individual Life Insurance Policies

A replacement is any transaction in which a customer purchases a new individual life insurance policy and the Broker, Enroller or the insurer knows or should have known that the customer's existing individual policy is or will be:

- lapsed, forfeited, surrendered, partially surrendered, assigned to the replacing insurer or terminated;
- converted to reduced, paid-up insurance;
- continued as extended term insurance;
- reduced in value by the use of non-forfeiture benefits or other policy values;
- amended in such a way that the cash value, term, or benefits is reduced;
- reissued with any reduction in cash value; or
- used in a financed purchase.

The following transactions are generally not subject to the replacement guidelines:

- Group life is being sold or replaced (except when the Broker directly solicits the applicant unless the solicitation is at the applicant's request. Group meetings are not solicitation);
- An application to the existing insurer that issued the existing policy and a contractual change or a conversion privilege is being exercised;
- Proposed life insurance that is to replace life insurance under a binding or a conditional receipt issued by the same company;
- Transactions where the existing insurer and the replacing insurer are the same or are subsidiaries or affiliates under common ownership or control. However, Brokers and Enrollers still must submit to the insurer a signed statement as to whether the Broker/Enroller knows a replacement is or may be involved and a statement signed by the customer as to whether a replacement is involved.

When the transaction involves a replacement, Brokers and Enrollers must:

- Complete the question concerning existing policy(ies) or contracts on the application.
- If the applicant has existing coverage, give the Existing Coverage and Replacement Notice ("Notice") to the applicant to read, or read it to him/her, no later than at the time of application.
- Sign and obtain the applicant's signature on the Notice. Ensure that the Notice lists all existing policies and includes name of insurer, name of insured, policy number and contract number if available, and indicates exactly which policies are being replaced, and includes a

statement whether policies are being replaced or will be used as a source of financing for the new policy.

- Leave a copy of the Notice and copies of all sales materials used in the replacement transaction with the applicant. If electronically presented, hard copies must be provided no later than date of policy delivery.
- Provide the insurer with copies of all documents, which include the Notice and all pre-printed or electronically produced sales materials, individual sales materials and illustrations.

Individual Accident and Sickness Policies

A replacement is any transaction in which a customer applies for a new individual accident and sickness policy and the Broker or the insurer knows or should have known that a customer's existing individual accident and sickness coverage is or will be lapsed, forfeited, surrendered or terminated.

Application forms must include a question designed to elicit information as to whether the insurance to be issued is intended to replace any other accident and sickness policy.

Based on state specific rules, when the transaction involves a replacement, Brokers and Enrollers must:

- Furnish the applicant with the Notice prior to issuance or delivery of the policy.
- Obtain the applicant's signature on the Notice.
- Leave one copy of the Notice with the applicant.
- Submit one copy of the Notice to the Company.
- Keep the Notice for your files.

Policy Delivery

Delivery of policies may differ based on product line, state and Company practice. Failure to properly deliver a policy can lead to a policyholder's allegation that the "free look" period never began (and therefore never ended). This can result in claims for premium refunds and commission chargebacks long after the policy was issued.

If the broker is delivering policies on behalf of the Company, to comply with applicable regulations, and for the Broker's own protection, proof of delivery or receipt, as applicable, should be obtained at the time of delivery of the policy and maintained in the Broker's file.

Failure to follow company practice may result in loss of commission. Repeated failure may result in disciplinary action, including termination of a Broker's appointment with the Company.

Advertising and Branding

Insurance advertising is highly regulated by state and federal authorities. Rules governing advertising are generally intended to prevent the use of marketing materials that could mislead customers. While the rules specifically prohibit certain words and phrases, they also prescribe how and when insurers can use statistics and testimonials.

The definition of an advertisement is very broad. It includes any "verbal, printed, written or other material or communication which is designed to create public interest or to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace or retain a policy." Examples of advertising include:

- Newspaper, magazine, television, radio, internet and social media advertisements
- Proposals
- Product comparisons
- Illustrations
- Form letters
- Presentation materials (e.g., PowerPoint presentations and handouts)
- Training materials
- Business cards and stationery
- Banners

In general, any material that mentions Unum, its products or services will be considered advertising.

Brand Guidelines and Use of Unum Marketing Materials

Brokers and Enrollers are expressly prohibited from using marketing materials that have not been created or approved by the Company prior to use.

Our marketing departments create a wide variety of materials that accurately and professionally describe our Company, its products and services. Brokers and Enrollers should ask their local sales representative for materials or go to Unum's [website](#) to view and order materials, many of which may be printed on demand.

State insurance laws require the Company to maintain detailed records of every advertisement distributed to the public (noting file numbers, manner of distribution and other key information) and require some of those materials to be filed with and approved by state authorities. In addition, Unum has developed brand guidelines that govern its internal and external communications; these include copyright and trademark protection requirements as well as rules governing the use of colors, typeface, font size and words and phrases that appropriately describe our products. If Brokers or Enrollers create their own materials, those materials must be submitted to the Company well in advance of distribution so the Company can ensure that references to Unum products and services meet our brand guidelines and so the Company can obtain state approvals where required.

Use of Company Information or Logo

Before a Broker or Enroller can put any information about Unum on their own personal or professional website, they must obtain authorization in writing from Unum. We will review descriptive material about Unum as well as the general content of the website.

If a Broker or Enroller would like to use the Unum logo in their own marketing materials or on their website, the Broker or Enroller must [request a logo](#) and receive written authorization from Unum.

Advertising laws contain certain requirements for the use of Company ratings. Ratings must be the most current, be fully explained and relate to the product being advertised. The materials must explain the purpose and limitations of the ratings.

Complaints

Complaints are a means of measuring both the success of our business and the areas in which we need to improve, and can be viewed as direct feedback from our customers on how we are performing as a company. By paying careful attention to complaints, we can often address problems or issues at an early stage – before they have a major impact on our business.

A complaint is any written or telephone communication that primarily expresses a grievance. Unum may receive these communications from an insurance department or other regulatory agency, policyholder, applicant, insured, claimant or intermediary, including Brokers and Enrollers. Calls expressing a grievance made directly to the Customer Relations unit and calls made directly to a vice president or higher are considered complaints. By contrast, an inquiry is defined as any communication made for the primary purpose of requesting information. The Company considers appeal requests to be an administrative remedy under the policy or contract and not a complaint.

Brokers and Enrollers must immediately notify [Customer Relations](#) of any complaint against the Broker, Enroller or the Company arising from performance or lack thereof. Complaints must be responded to within the timeframe required by Company procedures and state regulations and logged on to the Customer Relations tracking database. Company management will review complaint reports to identify trends and resolve any underlying issues regarding sales materials, sales practices, products, service and training.

Brokers and Enrollers must cooperate with the Company in resolving any complaints made against them. If research of a Broker- or Enroller-related complaint reveals evidence of misconduct, the Company may conduct additional investigation. If the investigation confirms the existence of Broker or Enroller misconduct, an appropriate sanction will be imposed (see [Sanctions](#)).

Records Management

Unum maintains records in accordance with legal requirements. As a representative of Unum, Brokers and Enrollers are required to maintain all original records related to Unum business in accordance with federal and state laws and regulations. Records must be retained in a form that is capable of being accurately reproduced. Examples of business records that are subject to retention requirements are

any Legal documentation issued by the company to policyholder outlining terms and conditions of insurance, including but not limited to applications, communication to prospects, enrollment information and the policycontract records. Please note that in California, quotes associated with a sold or declined application are retained as records for five years after the application or policy issuance, whichever is greater. If you have questions about the need to keep a particular business record, please contact your Unum representative who will direct you on compliance consistent with Unum's Policy on Information Compliance and Unum's Records Retention Schedule.

Privacy

All Brokers and Enrollers must take appropriate measures to protect financial- or health-related nonpublic personal information (NPI) they possess about Unum customers. This includes information that is collected and maintained by or on behalf of Unum in connection with an insurance transaction that involves one or more insurance products or insurance services that are primarily for personal, family or household purposes. Appropriate physical, electronic and procedural safeguards shall be used to protect confidential financial and health information.

To the extent the Company discloses NPI of any individual to a Broker or Enroller, the Broker or Enroller may not disclose or use the information other than to carry out the purposes for which the Company disclosed the information.

If a Broker or Enroller becomes aware of any actual or suspected use or disclosure of NPI not authorized by Unum, the Broker or Enroller shall report immediately such actual or suspected use or disclosure to the [Privacy Office](#). To the extent practicable, the Broker or Enroller shall have a duty to and shall take immediate steps to mitigate any harmful or potentially harmful effects resulting from the actual or suspected unauthorized use or disclosure.

Lobbying Regulation

All states and many local jurisdictions, as well as the federal government, regulate lobbying. Lobbying laws can be triggered, depending on the jurisdiction, by communication with public officials or employees:

- Concerning the passage or defeat of matters before a legislative body.
- Concerning gubernatorial action.
- In executive or administrative agencies concerning the exercise of their official duties. (This could include soliciting or conducting business with the state or a public sector account.)
- To gain the good will of the agency official or employee.

Never assume an activity is not lobbying just because it does not meet the traditional view of lobbying. It is best to seek advice when meeting with any government official for business purposes. Determining whether interaction with a governmental body is a regulated activity is a legal question requiring an analysis of the proposed activity and a review of the legal requirements in a particular jurisdiction.

Section 3: Compliance Monitoring

This Manual sets forth standards for the minimum performance required of all Brokers and Enrollers regarding compliance issues. Brokers and Enrollers will be monitored to confirm that standards are maintained.

Compliance Program

The Company has a program in place designed to ensure compliance with laws and regulations. The program is responsible for evaluating new and amended state laws, compliance with anti-money laundering and other financial crimes laws and regulations, monitoring and assessing third party risks, following up on corrective actions, and working with business areas to ensure overall compliance. The Compliance organization is aligned with the business to increase risk mitigation. As issues come up, they are addressed and managed to resolution.

Internal Audit

Internal Audit's primary role is to provide independent assurance to the Audit Committee of the Board of Directors and Senior Management on the effectiveness of risk processes and internal governance. This responsibility includes performing risk-based audits of the Company's operational areas, including sales and service, against policies, procedures, and other compliance and legal requirements. Findings from Internal Audit activities are reported to Senior Management, including Unum's Compliance Office, as appropriate.

Regulatory Inquiries

Should any state insurance department or other local, state or federal regulatory authority contact or visit you, you should immediately notify Unum's Compliance Office. Additionally, Brokers and Enrollers who are contracted or appointed by the Company must immediately notify the Company if they:

- Are the subject of any inquiry or investigation by any insurance or securities regulatory agency or self-regulatory body or are required to testify before any such agency or body.
- Are a defendant or respondent in any litigation, proceeding or arbitration alleging violation of any insurance or securities statute or regulation.
- Are the subject of any injunction, suspension, fine, cease and desist order or other

disciplinary action by any insurance or securities regulatory agency.

- Have any registration, license, permit, certification or membership denied, suspended, revoked or restricted by any insurance or securities regulatory agency.
- Are the subject of any contempt proceeding or civil judgment related to the Broker's or Enroller's insurance business.
- File for bankruptcy protection or have involuntary bankruptcy proceedings filed against them.
- Are the subject of any felony arrest, summons, arraignment, indictment or conviction, or have pleaded guilty or no contest to any felony offense.

Market Conduct Examinations

The Company is committed to complete cooperation with the insurance departments of the various states in which the Company does business. The Company will follow its procedures for facilitating all market conduct examinations. Brokers and Enrollers are responsible for assisting the Company in providing information if so requested by the Company.

Anti-Money Laundering

Unum Group companies must comply with applicable Anti-Money Laundering (AML) laws and regulations and integrate its sales team into its AML program. Salespeople are an integral part of the company's AML program due to their close contact with customers. As a result, salespeople will often be in a critical position of knowledge as to the source of funds, the nature of the customers, and the objective for which the insurance products are being purchased.

Insurance policies covered under anti-money laundering requirements are:

- A permanent life insurance policy, other than a group life insurance policy;
- An annuity contract, other than a group annuity contract; and
- Any other insurance product with cash value or investment features.

It is important that you take steps to "know your customer" – knowing the who, what, when, where and how of funding, ownership, management and business activity of our customers is critical to ensure that those with whom we interact are not aiding in money-laundering activities.

Some "red flags" to be aware of include:

- Attempt to purchase a policy that does not correspond with the customer's known business activities and financial situation.
- Attempt to purchase a policy that has no obvious purpose, or where the source or nature of the funds to be used is suspicious.
- Purchases with large amounts of cash, cash equivalent, or checks drawn on different accounts.
- Refusal or reluctance to provide information. Information provided is suspected false, inconsistent, or suspicious in nature.
- Cancellation of a policy without regard to penalties or fees.
- Demand for policy loan or surrender value quickly after policy issuance
- No apparent relationship between the policyholder and the insured, or beneficiary.
- "Accidental" overpayments of premium that require a large sum refund.

The required U.S. Financial Crimes module for Brokers and Enrollers can be found here:

<https://www.unum.com/legal/anti-money-laundering>. If you identify any suspicious activities, you are required to report it to the [Ethics Office](#) or the [Ethics Hotline](#) as soon as possible.

Section 4: Compliance Violations

Reporting and Investigation

Any Broker or Enroller who has reason to believe that another Broker, Enroller or Employee has committed a compliance violation is required to report such violation to the [Ethics Office](#) or the [Ethics Hotline](#). Anyone reporting such a suspected violation may request anonymity. No Broker or Enroller will be disciplined or otherwise treated adversely for raising legitimate concerns, questions or suggestions regarding compliance issues.

The Ethics Office will review all reports of compliance violations and will report all instances of serious violations to senior management. All suspected compliance violations will be promptly investigated and resolved.

Sanctions

If, upon investigation, the Company believes that any Broker or Enroller has negligently, recklessly or intentionally committed or permitted the commission of a violation of law, a violation of the standards set forth in this Manual, a breach of the Broker's contract with the Company or a violation of Company policy, the Company will review his or her history with the Company, including any prior complaints or investigations and the results thereof, and where appropriate determine a disciplinary response. If such person is retained, s/he may be placed in a probationary status for a period of time. His or her continued affiliation shall be re-reviewed upon completion of the probationary period and again upon receipt of any subsequent complaints.

Termination of the broker contract will be recommended in cases of serious or intentional violation of state or federal laws or regulations or the Company's own compliance standards. All cases involving misuse or embezzlement of funds will automatically result in termination of the broker contract as will any case that results in fines, penalties, or license suspension. The appropriate state insurance departments will be notified of the reason for the contract termination, if required.