

RF74Exchange

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Part (D) - Term Conversion Form

To: State Farm Life Insurance Company

State Farm Life and Accident Assurance Company

Rec. Policy Number(s) 2573-9762

Name of Insured Joe Clemons

CONVERT 250,000 Select Term

to 250,000 - 15 Pay Life

If partial conversion, how should remaining coverage be handled?

Converted coverage cannot be reinstated. (Value Earning Policies)

Note: The new policy will be issued with any ratings or exclusions that were present on the original policy prior to the conversion.

Universal Life Only

Option 1 Option 2 Planned Premium \$

Riders to be transferred: (if eligible)

Children's Term Rider (CTR) \$

5 Year Term Rider \$

Guaranteed Insurability Option (GIO) \$

Additional Insured's 5 Year Term Rider \$

WPD/WMD (If transferred, complete section below)

Additional Insured's Level Term Rider (UL) \$

WPD/WMD:

APPLICABLE (not applicable to Universal Life)

Is WPD or WMD desired? Yes No

APL Provision elected, if applicable? Yes No

Is the Principal Insured currently disabled? Yes No

DAL Provision elected (Assurance Co only) Yes No

Tobacco Use:

In the past 12 months, have you used tobacco, or any other nicotine products? Pl. Yes No Al Yes No

If yes, please specify:

ADDITIONAL INSURED AND CHILDREN'S TERM RIDER CONVERSIONS

Is this a conversion of an Additional Insured's Rider? Yes No (Converted coverage cannot be reinstated. (Value Earning Policies))

Who will own the new policy?

Is this a conversion of Children's Term Rider? Yes No

Who will own the new policy?

Will CTR remain in force after the conversion? Yes No (If retaining CTR coverage, complete Part C.)

Basic Information: (Complete this information for CTR conversions only)

Name of Insured: Sex M F Date of Birth Age

Dividend Option (not applicable for Universal Life) Accumulate Paid in Cash Paid-up Additions Reduce Premium

MODE OF PREMIUM PAYMENT Annually Semi-Annually Quarterly Special Monthly PAC

SFPP Account Number 1134 7094 27

ADDITIONAL ITEMS NEEDED (Additional forms must be signed by the owner of the NEW policy)

• W-9 Form • State Replacement Form (if applicable)

• Bank Disclosure Form (if applicable) • Illustration (if applicable)

• Change of Beneficiary request (required for Additional Insured and CTR conversions)

Signatures Needed: The Original Policyowner's signature is required. If the new policy will be owned by someone other than the Original Policyowner, the New Policyowner should sign all other required forms. (For Ownership Changes, complete change ownership section on Part C.)

• Principal Insured's signature is required when WPD/WMD is applied for (not including a transfer from the old policy) OR when a change of tobacco rating is requested.

• Additional Insured's signature only required when AI's coverage is being transferred or converted AND a change of tobacco rating is requested.

• Children's Term Rider Purchase Option at age 18 - The request should be signed by the original policyowner.

• Children's Term Rider Conversion at age 25 - The request should be signed by the insured child.

Signature of Original Policyowner, Signature of Principal Insured (Joe Clemons), Signature of Additional Insured, Signature of Agent as Witness (D. J. ...), Agent's Code Stamp (A342, 40.1913), Date 5-21-10

28. Agreements

Coverage will be effective as of the Policy Date if the following conditions are met: the first premium is paid when this policy is delivered; the Proposed Insureds are living on the delivery date; and, on that delivery date, the information given to the Company is true and complete to the best of their knowledge and belief.

For changes in Basic Amount for a Universal Life Policy, the change will be effective on the Deduction Date on or next following acceptance of the change by the Company if on such Deduction Date the following conditions are met: there is enough Cash Surrender Value to make the required monthly deduction; the Proposed Insureds are all living; and the information given to the Company is true and complete to the best of their knowledge and belief.

However, if a binding receipt has been given and is in effect, its terms apply.

All Proposed Insureds and the Applicant state that the information in this Application and any medical history is true and complete to the best of their knowledge and belief. It is agreed that the Company can investigate the truth and completeness of such information while this policy is contestable.

By accepting this Policy, the Owner agrees to the beneficiaries named and corrections made. No change in plan, amount, benefits, or age at issue may be made on the Application unless the Owner agrees in writing. Only an authorized company officer may change the policy provisions. Neither the agent nor a medical examiner may pass on insurability.

Any policy issued on this Application will be owned by Proposed Insured 1 or the Applicant, if other than Proposed Insured 1.

I understand that state insurance law may prohibit the owner of a life insurance policy from entering into any agreement to sell, transfer or assign a life insurance policy prior to the date the policy was issued, or within a period of time specified by state law after the date the policy was issued. I understand that I should consult with legal advisors if I have any questions about these matters.

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Social Security or Tax Identification Number (TIN) Certification

By signing this application, I certify under penalties of perjury that (1) the TIN shown above is correct, and (2) I am exempt from backup withholding, or that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, (If you are subject to backup withholding, cross out item 2.) and (3) I am a U.S. person (including a U.S. resident alien).

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. (See instructions.)

Date Signed May 21, 2010

Signature of Proposed Insured 1 _____
Signature as required by state.

at Moncks Cr. Sc _____
City State

Signature of Proposed Insured 2 _____

Signature of Agent as Witness to all Signatures

X [Signature]

Signature of Applicant [Signature]
Not required unless applicant is other than Proposed Insured 1. If a firm or corporation is to be the owner, give its name and signature of authorized officer.

DEFENDANT'S EXHIBIT
 2 10-2-19
 Clemons

Part (D) - Term Conversion Form

To: State Farm Life Insurance Company State Farm Life and Accident Assurance Company
 Re: Policy Number(s) 2673-8762 Name of Insured Joe Clemons
 CONVERT: 250,000 Select Term (Plan and Amount) to 250,000 - 15 Pay Life (Plan and Amount)

If partial conversion, how should remaining coverage be handled? Converted coverage cannot be reinstated. (Value Earning Policies)
 Note: The new policy will be issued with any ratings or exclusions that were present on the original policy prior to the conversion.
 Universal Life Only
 Option 1 Option 2 Planned Premium \$ _____
 Riders to be transferred (if eligible):
 Children's Term Rider (CTR) 5 Year Term Rider
 Suspended Insurability Option (SIO) Additional Insured's 5 Year Term Rider
 WPD/VMD (If transferred, complete section below) Additional Insured's Level Term Rider (LTL)
 WPD/VMD:
 Is WPD or VMD desired? Yes No APL/CAL: (not applicable to Universal Life) Yes No
 Is the Principal Insured currently disabled? Yes No APL Provision elected, if applicable? Yes No
 CAL Provision elected (Assurance Co only) Yes No
 Tobacco Use:
 In the past 12 months, have you used tobacco, or any other nicotine products? Yes No AI Yes No
 If yes, please specify: _____

ADDITIONAL INSURED AND CHILDREN'S TERM RIDER CONVERSIONS
 Is this a conversion of an Additional Insured's Rider? Yes No. Converted coverage cannot be reinstated. (Value Earning Policies)
 Who will own the new policy? _____
 Is this a conversion of Children's Term Rider? Yes No
 Who will own the new policy? _____
 Will CTR remain in force after conversion? Yes No (If removing CTR coverage, complete Part C.)
 (Basic Information: Complete this information for CTR Conversions only)
 Name of Insured _____ Sex M F Date of Birth _____ Age _____

DIVIDEND OPTION (not applicable for Universal Life) Accumulate Paid in Cash Paid-up Additions Reduce Premium
 MODE OF PREMIUM PAYMENT Annually Semi-Annually Quarterly Special Monthly PAC
 SEPP Account Number 1134 7094 27

ADDITIONAL ITEMS NEEDED (Additional forms must be signed by the owner of the NEW policy)
 • W-8 Form
 • Bank Disclosure Form (if applicable)
 • Change of Beneficiary request (required for Additional Insured and CTR conversions)
 • State Replacement Form (if applicable)
 • Illustration (if applicable)

Signatures Needed: The Original Policyowner's signature is required. If the new policy will be owned by someone other than the Original Policyowner, the New Policyowner should sign all other required forms. (For Ownership Changes, complete change ownership section on Part C.)
 • Principal Insured's signature is required when WPD/VMD is applied for (not including a transfer from the old policy) OR when a change of tobacco rating is requested.
 • Additional Insured's signature only required when AIA coverage is being transferred or converted AND a change of tobacco rating is requested.
 • Children's Term Rider Purchase Option at age 18 - The request should be signed by the original policyowner.
 • Children's Term Rider Conversion at age 25 - The request should be signed by the insured child.

Signature of Original Policyowner _____ Date _____	Agent's Code Stamp <u>9342</u> <u>40-1913</u>
Signature of Principal Insured <u>Joe Clemons</u> Date <u>5-21-10</u>	
Signature of Additional Insured _____ Date _____	
Signature of Agent as Witness (Not Required) <u>Deggy H. Parra</u> Date <u>5-21-10</u>	

CD COBB DILL &
&H HAMMETT, LLC

PARTNERS

William Hammett ♦
Michael Dill
Hal E. Cobb ♦
Sean Scapellato

♦ Admitted in CO
■ Admitted in FL
♦ Admitted in GA

LOCATION

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(P) 843-936-6680
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ATTORNEYS

Jason Taylor ■
Stefanie Huffer
Ryan Andrews
Bryan Raymond

November 14, 2017

Peggy H. Pinnell
313 N. Hwy 52
Moncks Corner, SC 29461

Via USPS Certified Return Receipt Requested

Re: Joe Clemons: Policy Number LF-2805-9088

Ms. Pinnell:

Our firm has been retained by Mr. Clemons in regards to discrepancies surrounding the above referenced policy. It is our understanding that Mr. Clemons applied to have a previous term life policy bearing policy number 2573-9762 converted to a 15 Pay Life which would ultimately bear the policy number referenced above. On the Part D - Term Conversion Form, Mr. Clemons selected that he desired the waiver of premium for disability ("WDP"). I have attached a copy of the Part D - Term Conversion Form hereto for your convenience and Mr. Clemons was under the assumption that the WDP was a part of his policy.

Randy Mr. Clemons was assured on numerous occasions that the WDP was in place including during a phone conversation on March 10, 2017 with you and another representative by the name of Patrick. We are in the process of obtaining Mr. Clemons's phone records to verify the existence of the call since you seem to not remember this conversation.

I understand that it is your stance that Mr. Clemons executed the Amendment of Application dated 7/6/10 to issue the policy without the WPD rider which I have again attached hereto for your convenience. We contend that Mr. Clemons did not execute that waiver. I have copied the signature from his Part D - Term Conversion Form and the signature from the Waiver below.

Part D - Term Conversion Form Signature

Joe Clemons

Waiver Signature:

Joe Clemons

Signature of Applicant

www.CDHLawFirm.com

I believe that even to an untrained eye, the signatures bear significant differences. Most notably the J in Joe, the lack of the slant to the right of the Joe in the Waiver signature, and the spacing of the letters in comparison to Mr. Clemons' smooth and widely spaced signature from the Part D - Term Conversion Form.

It is understood that mistakes can be made, however, Mr. Clemons did everything in his power to ensure that his family was taken care of the event of his death and/or disability. We are willing to pursue any and all remedies available to Mr. Clemons at law or in equity. However, as a courtesy, we wanted to reach out to you and offer a remedy without the hassle and expense of litigation.

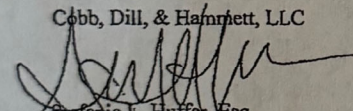
I believe there are several options available, please review the options outlined below and let us know if you any are amenable to you.

- 1.) State Farm waives the premiums on the policy going forward as if the WPD was issued.
- 2.) You and/or your E&O Insurance pays the premiums going forward.
- 3.) Mr. Clemmons is issued a full refund of all premiums paid on this policy.

If you like me to discuss this matter with your E&O carrier, please forward that information along. If we do not receive a response from you by December 1, 2017, we will explore all legal options available.

Sincerely,

Cobb, Dill, & Hammett, LLC



Stefanie L. Huffer, Esq.

cc: Client

Encl.: As stated