



Sample: Proposal Letter and Specifications

SAMPLE

September 29, 20xx

Mr. John Consultant
XYZ Corporation
123 Main Street
Anywhere, IL 99999

RE: Retirement Plan for the Employees of XYZ Corporation
Non-Participating Single Premium Group Annuity Quotation

Dear Mr. Consultant:

In response to your recent request for a proposal, we will be providing a preliminary non-participating single premium quotation for your client by 9:00 a.m. PST on Thursday, September 25, 20xx and a final quotation on Tuesday, September 30, 20xx.

Our gross single premium quotation will be based on the specifications and plan provisions outlined in the attachments.

If our bid is accepted, any changes to the premium due to revisions in annuitant data or changes in plan provisions initiated by the client will be based on the same assumptions used in the original pricing, with the exception of the underlying market interest rate. The rate used in determining the net difference in premium will be an impartially determined rate equal to the original pricing interest rate, adjusted by the change in the yield to maturity of the 10-year U.S. Treasury Bond from the date of purchase to the date on which revised calculations are completed. In summary, the original interest rate is guaranteed only for the original premium agreed to and any additional premium subsequent to the sale will be subject to the current market rate.

If the total premium is not paid in one single deposit, the unpaid balance will be charged with interest at the pricing rate (the pricing rate will be treated as an annual effective rate of interest, and the interest calculation will reflect the actual number of days in the calendar year, i.e., an actual-over-actual method), and must be paid within 31 days of the date of bid acceptance. If your client would like to make other arrangements for premium payment, please call us to discuss their situation.

Financial information on Pacific Life may be found on our website www.PacificLife.com. We will provide any other information necessary upon request.

Sincerely,

(Name)
Business Development Analyst
Retirement Annuities