

SERFF Tracking Number: KCLF-125904995 State: Arkansas
Filing Company: Sunset Life Insurance Company of America State Tracking Number: 40930
Company Tracking Number: M636
TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.001 Fixed Premium
Variable
Product Name: M636 Tax Sheltered Annuity Endorsement
Project Name/Number: /M636

Filing at a Glance

Company: Sunset Life Insurance Company of America

Product Name: M636 Tax Sheltered Annuity Endorsement SERFF Tr Num: KCLF-125904995 State: ArkansasLH

TOI: A02I Individual Annuities- Deferred Non- Variable SERFF Status: Closed State Tr Num: 40930

Sub-TOI: A02I.001 Fixed Premium Co Tr Num: M636 State Status: Approved-Closed

Filing Type: Form Co Status: Reviewer(s): Linda Bird

Author: Cindy Dwigans Disposition Date: 11/25/2008

Date Submitted: 11/18/2008 Disposition Status: Approved

Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name:

Project Number: M636

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 11/25/2008

State Status Changed: 11/25/2008

Corresponding Filing Tracking Number:

Filing Description:

Form M636 is a new form that will be used with annuities in the tax-qualified 403(b) market. The content is regulated by the IRS.

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 11/17/2008

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Deemer Date:

Company and Contact

SERFF Tracking Number: KCLF-125904995 State: Arkansas
Filing Company: Sunset Life Insurance Company of America State Tracking Number: 40930
Company Tracking Number: M636
TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.001 Fixed Premium
Variable
Product Name: M636 Tax Sheltered Annuity Endorsement
Project Name/Number: /M636

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	11/25/2008	11/25/2008

SERFF Tracking Number: KCLF-125904995 *State:* Arkansas
Filing Company: Sunset Life Insurance Company of America *State Tracking Number:* 40930
Company Tracking Number: M636
TOI: A021 Individual Annuities- Deferred Non- *Sub-TOI:* A021.001 Fixed Premium
Variable
Product Name: M636 Tax Sheltered Annuity Endorsement
Project Name/Number: /M636

Disposition

Disposition Date: 11/25/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: KCLF-125904995 State: Arkansas
 Filing Company: Sunset Life Insurance Company of America State Tracking Number: 40930
 Company Tracking Number: M636
 TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.001 Fixed Premium
 Variable
 Product Name: M636 Tax Sheltered Annuity Endorsement
 Project Name/Number: /M636

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	M636 SSL Cover Letter		Yes
Form	Tax Sheltered Annuity Endorsement		Yes

SERFF Tracking Number: KCLF-125904995 State: Arkansas
 Filing Company: Sunset Life Insurance Company of America State Tracking Number: 40930
 Company Tracking Number: M636
 TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.001 Fixed Premium
 Variable
 Product Name: M636 Tax Sheltered Annuity Endorsement
 Project Name/Number: /M636

Form Schedule

Lead Form Number: M636

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	M636	Policy/Cont	Tax Sheltered ract/Fratern Annuity Endorsement al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		49	M636 SSL.pdf



Tax Sheltered Annuity Endorsement

This endorsement forms a part of the contract to which it is attached.

Your contract has been purchased as a Tax Sheltered Annuity as described in Section 403(b) of the Internal Revenue Code of 1986 ("Code"). The following provisions will apply to this contract in lieu of any provisions in the contract to the contrary:

- 1) Your contract may not be:
 - a) pledged as collateral for a loan;
 - b) pledged as security for the performance of any obligation or for any other purpose to any person other than to us; or
 - c) sold, assigned, transferred or discounted.

In addition, your rights under the contract shall be nonforfeitable (within the meaning of Regulations Section 1.403(b)-3(a)(2)).

- 2) Premiums paid on this contract after December 31, 1988 under a salary reduction agreement, plus all earnings after December 31, 1988, may not be withdrawn by you unless you:
 - a) attain age 59 ½;
 - b) have a severance of employment;
 - c) die;
 - d) become disabled (within the meaning of Code Section 72(m)(7); or
 - e) have a financial hardship (but earnings may not be withdrawn due to financial hardship).
- 3) Distribution of the proceeds of this contract must commence by April 1 of the calendar year following the later of (i) the calendar year in which you attain age 70 ½, or (ii) the calendar year in which you retire from employment with the employer maintaining the plan. If this contract is not part of a governmental plan or church plan, and you are a 5-percent owner of the employer sponsoring the plan, distribution must commence on April 1 of the calendar year following the calendar year in which you attain age 70 ½. The distribution requirements in Paragraphs (4), (5) and (6) below will apply only to amounts contributed to this contract after December 31, 1986, plus all earnings after December 31, 1986. However, the pre-1987 account balance must be distributed in accordance with the incidental benefit requirement under Regulations Section 1.401-1(b)(1)(i).
- 4) The distribution of your interest in the contract (as determined under Paragraph 7) will be made in accordance with the requirements of Code Section 403(b)(10) and the regulations thereunder, including the incidental benefit requirement of Regulations Section 1.401-1(b)(1)(ii). Under Section 403(b)(10), the distribution of your interest in the contract must be made in accordance with the minimum distribution requirements of Code Section 401(a)(9), but applied in accordance with the provisions of Regulations Section 1.408-8 (regarding required minimum distributions from individual retirement annuities described in Code Section 408(b) and individual retirement accounts described in Code Section 408(a)). If distributions are made in the form of an annuity on an irrevocable basis (except for acceleration), the distribution must satisfy the minimum distribution requirements under Regulations Section 1.401(a)(9)-6, some of which are set forth in Paragraph 5, below. If distributions are not made in the form of an annuity then distributions of your interest in the contract must satisfy the requirements of Code Section 401(a)(9) and the regulations thereunder as if this contract were an account instead of an annuity. See Paragraph 6, below, for a summary of those requirements.
- 5) Any amount becoming payable under this contract during your lifetime that is distributed in the form of an annuity on an irrevocable basis (except for acceleration) is subject to the following requirements:

- a) Payments will be in equal or substantially equal amounts except for joint and survivor annuities which provide for reduced payments to a survivor; and
- b) Payments must be periodic at uniform intervals of no longer than one (1) year. In addition, payments must be either non-increasing or may increase only as provided in Q&As-1 and -14 of Regulations Section 1.401(a)(9)-6.

For purposes of distributions after your death, required distributions are considered to commence on your required beginning date or, if applicable, on the date distributions are required to begin to your surviving spouse under Paragraph 6)c)ii)b) below. However, if distributions start prior to the applicable date in the preceding sentence on an irrevocable basis (except for acceleration) under an annuity contract meeting the requirements of Section 1.401(a)(9)-6, then required distributions are considered to commence on the maturity date.

- 6) If distributions are not made in the form of an annuity on an irrevocable basis, distributions must be made in accordance with the following terms:
 - a) Distribution during your lifetime must commence by the date set forth in Paragraph 3, above, and the minimum amount that must be distributed for each calendar year is the lesser of (a) the quotient obtained by dividing your account balance by the distribution period in the Uniform Lifetime Table set forth in Regulations Section 1.401(a)(9)-9, using your age as of your birthday in the distribution calendar year; or (b) if your sole designated beneficiary for the distribution calendar year is your spouse, the quotient obtained by dividing your account balance by the number in the Joint and Last Survivor Table set forth in Regulations Section 1.401(a)(9)-9, using your attained age and your spouse's attained age as of your respective birthdays in the distribution calendar year.
 - b) Unless payment is made in a single lump sum, distributions after the initial amount is received by April 1 following the calendar year in which you reach age 70 ½ (or the calendar year you retire, if later) must be made on or before December 31 each year.
 - c) Any amount which becomes payable under this contract because of your death or your designated beneficiary's death must be distributed as set forth below:
 - i) If you die after distribution of your interest has started, the remaining portion of your interest must be distributed over a period that does not exceed the life expectancy of your designated beneficiary, or, if there is no designated beneficiary by September 30 of the year following the year of your death, by December 31 of the calendar year containing the fifth anniversary of your death.
 - ii) If you die before distribution of your interest starts, your entire interest must be distributed under one of the following provisions:
 - (a) If your designated beneficiary is someone other than your surviving spouse, your entire interest must be distributed, starting by the end of the calendar year following the calendar year of your death, over the longer of your remaining life expectancy or the remaining life expectancy of your designated beneficiary, with such life expectancy determined in accordance with Paragraph 9 below or, if elected, in accordance with subparagraph (c), below.
 - (b) If your sole designated beneficiary is your surviving spouse, your entire interest must be distributed starting by the end of the calendar year following the calendar year of your death (or by the end of the calendar year in which you would have attained age 70 ½, if later), over your surviving spouse's life or, if elected, in accordance with subparagraph (c) below. If your surviving spouse dies before required distributions commence to him or her, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of your spouse's death, over your spouse's designated beneficiary's remaining life expectancy, determined using such beneficiary's age as of his or her birthday in the year following the death of your spouse or, if elected, in accordance with subparagraph (c) below. If your surviving spouse dies after required distributions commence to him or her, any remaining interest will be distributed over your spouse's remaining life expectancy, determined on the basis of your spouse's age in the year of his or her death.
 - (c) If there is no designated beneficiary, or if elected under subparagraphs (a) or (b) above, the entire interest must be distributed by the end of the calendar year containing the fifth anniversary of your death (or of your surviving spouse's death in the case of your surviving spouse's death before distributions are required to begin).
- 7) The "interest" in the contract is the value of the contract on the last day of a calendar year. This includes any contributions during the year.

- 8) The “designated beneficiary” shall be the person you designate to receive the proceeds of the contract upon your death and who is the designated beneficiary under Code Section 401(a)(9) and Regulations Section 1.401(a)(9)-1, Q&A 4.
- 9) Life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the regulations. If distributions are being made to your surviving spouse as the sole designated beneficiary, your spouse’s remaining life expectancy for a year is the number in the Single Life Table corresponding to your spouse’s age as of your spouse’s birthday in that year. In all other cases, remaining life expectancy for the year is the number in the Single Life Table corresponding to the beneficiary’s age in the year following your death and reduced by 1 for each subsequent year.
- 10) With respect to distributions made after December 31, 1992, you may elect to have any eligible rollover distribution transferred directly to an eligible retirement plan that you specify. You shall specify the amount to be directly transferred and the eligible retirement plan to receive the transfer. Any portion of a distribution which is not transferred shall be distributed to you.
 - a) The term “eligible rollover distribution” means any distribution other than:
 - i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for your life or life expectancy or the joint lives or joint lives expectancies of you and your beneficiary, or for a specified period or ten (10) years or more;
 - ii) amounts required to be distributed under Code Section 401(a)(9); and
 - iii) any hardship distribution.
 - b) The term “eligible retirement plan” means:
 - i) an Individual Retirement Account described in Code Section 408(a), or an Individual Retirement Annuity described in Code Section 408(b);
 - ii) a Tax Sheltered Annuity described in Code Section 403(b);
 - iii) an Annuity Plan described in Code Section 403(a);
 - iv) a Qualified Trust described in Code Section 401(a); or
 - v) an eligible plan described in Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this contract.

The election described in this Paragraph (9) shall also apply to your surviving spouse after your death, and to a spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in Code Section 414(p).

In the event of your death, if your designated beneficiary is someone other than your surviving spouse, your beneficiary may elect to have any portion of your interest in the contract transferred directly to an Individual Retirement Account described in Code Section 408(a) or an Individual Retirement Annuity described in Code Section 408(b) that is treated as an “inherited” Individual Retirement Account or Individual Retirement Annuity (within the meaning of Code Section 408(d)(3)(C)).

- 11) You may elect to have any part of an eligible rollover distribution directly transferred and immediately converted to a Roth IRA. Amounts converted are included as taxable income for the year of distribution.
- 12) Elective deferrals may not exceed the annual limit on elective deferrals provided in Code Section 402(g), subject to any annual adjustments provided in Code Sections 415(d), 402(g) and regulations. If you attain age 50 before the close of a calendar year, you may also make “catch-up” elective contributions as provided in Code Section 414(v). The premium for any insurance death benefit provided by this contract must be less than fifty percent (50%) of the amount contributed if this contract is whole, or ordinary life, and the cost for the life insurance benefit if this is a universal life or variable universal life contract may not exceed twenty-five percent (25%) of the total cost of all benefits provided for you under Code Section 403(b).
- 13) No contract may be issued after September 24, 2007 that provides a life insurance death benefit.

The effective date of this Endorsement is the same as the effective date of the contract.

Signed for Sunset Life Insurance Company of America, a stock company, at its Home Office, 3520 Broadway, PO Box 219532, Kansas City, Missouri 64121-9532.

A handwritten signature in black ink, appearing to read "James F. Redman". The signature is fluid and cursive, with a large initial "J" and a distinct "F".

Secretary

A handwritten signature in black ink, appearing to read "R. P. Bishop". The signature is cursive and stylized, with a large initial "R" and a distinct "B".

President

SERFF Tracking Number: KCLF-125904995 *State:* Arkansas
Filing Company: Sunset Life Insurance Company of America *State Tracking Number:* 40930
Company Tracking Number: M636
TOI: A021 Individual Annuities- Deferred Non- *Sub-TOI:* A021.001 Fixed Premium
Variable
Product Name: M636 Tax Sheltered Annuity Endorsement
Project Name/Number: /M636

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: KCLF-125904995 State: Arkansas
Filing Company: Sunset Life Insurance Company of America State Tracking Number: 40930
Company Tracking Number: M636
TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.001 Fixed Premium
Variable
Product Name: M636 Tax Sheltered Annuity Endorsement
Project Name/Number: /M636

Supporting Document Schedules

Review Status:
Satisfied -Name: Certification/Notice 11/14/2008
Comments:
Attachment:
J172 ArCert - Reg. 19.pdf

Review Status:
Satisfied -Name: M636 SSL Cover Letter 11/14/2008
Comments:
Attachment:
M636 filing letter SSL.pdf

**STATE OF ARKANSAS
COMPLIANCE CERTIFICATION**

COMPANY NAME: Kansas City Life Insurance

FORM TITLE(S): Tax Sheltered Annuity Endorsement

FORM NUMBER(S): M636

I hereby certify that to the best of my knowledge and belief, the above form and submission is in compliance with Regulation 19 and Regulation 49, as well as the other laws, rules and regulations of the State of Arkansas.



Marc Bensing
Assistant Vice President
Kansas City Life Insurance Company

Date: November 18, 2008



The Sunset Life Insurance Company of America
PO Box 219532
Kansas City, Missouri 64121-9532
www.sunsetlife.com

November 14, 2008

RE: Sunset Life Insurance Company of America
FEIN # 91-0431975 NAIC # 69272-588
Form: M636 Tax Sheltered Annuity Endorsement

Dear Sir or Madam:

Submitted for your review and approval is the above form. This form contains no unusual features in relation to products being sold by other companies.

Form M636 is a new form that will be used with annuities in the tax-qualified 403(b) market. The content is regulated by the IRS.

We hope this will allow you to grant final approval to this filing. If you have any questions, please call me at 800 821-5529 ext. 8514. My fax number is 816 753-3018 and email address is cdwigans@kclife.com.

Sincerely,

Cindy Dwigans, FLMI, HIA, ACP
Assistant Director
State Compliance