

SERFF Tracking Number: BFLI-125819805 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
Company Tracking Number: AR B 20802
TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design
Product Name: Graded Face Amount - Modified Whole Life Policy
Project Name/Number: /

Filing at a Glance

Company: Bankers Fidelity Life Insurance Company

Product Name: Graded Face Amount - Modified SERFF Tr Num: BFLI-125819805 State: ArkansasLH

Whole Life Policy

TOI: L071 Individual Life - Whole

SERFF Status: Closed

State Tr Num: 40387

Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Co Tr Num: AR B 20802

State Status: Approved-Closed

Filing Type: Form

Co Status:

Reviewer(s): Linda Bird

Authors: Jill Jones, Tina Cunningham

Disposition Date: 12/02/2008

Date Submitted: 09/26/2008

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name:

Status of Filing in Domicile: Pending

Project Number:

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: submitted to GA DOI via SERFF 09-17-2008

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 12/02/2008

State Status Changed: 12/02/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

The enclosed forms are being submitted to your department for formal review and approval and will not replace any previously approved forms. An actuarial memorandum for each policy, demonstrating reserves and cash values in accordance with the 2001 CSO requirements, is included for your review. A readability certificate is also enclosed.

<i>SERFF Tracking Number:</i>	<i>BFLI-125819805</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Bankers Fidelity Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40387</i>
<i>Company Tracking Number:</i>	<i>AR B 20802</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design</i>
<i>Product Name:</i>	<i>Graded Face Amount - Modified Whole Life Policy</i>		
<i>Project Name/Number:</i>	/		

Neither of these policies are required to or will be illustrated; nor do they have any non-guaranteed elements.

The policy forms are computer-generated and laser-printed and presented in final print with “John Doe” information. The items bracketed for variability include only such items that will vary pertaining to the insured’s or owners individual personal information and the information specific to the policy as issued; a statement of variability is included in the supporting documentation.

The policies provide graded life insurance benefits over a two-year period with level premiums. Policy form B 20802 will be marketed through individual solicitation by personally producing licensed and contracted agents and brokers; policy form B 20802 DR will be marketed through direct response methods. A chart showing the optional rider(s) that may be sold with, and the application(s) that may be used to solicit, this policy is included in the supporting documentation.

Company and Contact

Filing Contact Information

Tina Cunningham, Compliance Analyst L1 4370 Peachtree Road NE Atlanta, GA 30319	tcunningham@atlam.com (404) 266-5723 [Phone] (404) 926-4092[FAX]
---	--

Filing Company Information

Bankers Fidelity Life Insurance Company 4370 Peachtree Rd NE Atlanta, GA 30319 (404) 266-5600 ext. [Phone]	CoCode: 61239 Group Code: 587 Group Name: 61239 FEIN Number: 58-0658963 -----	State of Domicile: Georgia Company Type: Life & Health State ID Number:
---	---	---

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	Yes
Fee Explanation:	
Per Company:	No

SERFF Tracking Number: BFLI-125819805 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
Company Tracking Number: AR B 20802
TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design
Product Name: Graded Face Amount - Modified Whole Life Policy
Project Name/Number: /

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Bankers Fidelity Life Insurance Company	\$50.00	09/26/2008	22759239

SERFF Tracking Number: BFLI-125819805 State: Arkansas
 Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
 Company Tracking Number: AR B 20802
 TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design
 Product Name: Graded Face Amount - Modified Whole Life Policy
 Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	12/02/2008	12/02/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	10/08/2008	10/08/2008	Tina Cunningham	12/01/2008	12/01/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Certificate of Compliance	Supporting Document	Tina Cunningham	12/01/2008	12/01/2008
Life & Annuity - Actuarial Memo	Supporting Document	Tina Cunningham	12/01/2008	12/01/2008

SERFF Tracking Number: *BFLI-125819805* *State:* *Arkansas*
Filing Company: *Bankers Fidelity Life Insurance Company* *State Tracking Number:* *40387*
Company Tracking Number: *AR B 20802*
TOI: *L071 Individual Life - Whole* *Sub-TOI:* *L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design*

Product Name: *Graded Face Amount - Modified Whole Life Policy*
Project Name/Number: /

Disposition

Disposition Date: 12/02/2008

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: BFLI-125819805 State: Arkansas
 Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
 Company Tracking Number: AR B 20802
 TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name: Graded Face Amount - Modified Whole Life Policy
 Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		Yes
Supporting Document (revised)	Life & Annuity - Acturial Memo		No
Supporting Document	Life & Annuity - Acturial Memo	Replaced	No
Supporting Document	Cover Letter		Yes
Supporting Document	Certificate of Compliance		Yes
Form (revised)	Graded Face Amount - Modified Whole Life Insurance Policy		Yes
Form	Graded Face Amount - Modified Whole Life Insurance Policy	Replaced	Yes
Form	Graded Face Amount - Modified Whole Life Insurance Policy		Yes

SERFF Tracking Number: BFLI-125819805 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
Company Tracking Number: AR B 20802
TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design
Product Name: Graded Face Amount - Modified Whole Life Policy
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 10/08/2008
Submitted Date 10/08/2008

Respond By Date

Dear Tina Cunningham,

This will acknowledge receipt of the captioned filing.

Objection 1

- Life & Annuity - Acturial Memo (Supporting Document)
- Graded Face Amount - Modified Whole Life Insurance Policy (Form)
- Graded Face Amount - Modified Whole Life Insurance Policy (Form)

Comment: Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. The contracts are in violation of Guideline Two of this bulletin. Please review the bulletin and make the necessary corrections.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

Response Letter

Response Letter Status Submitted to State
Response Letter Date 12/01/2008
Submitted Date 12/01/2008

Dear Linda Bird,

Comments:

Response 1

Comments: Dear Linda Bird,

Per Bulletin 8-85 the corrections have been made. Please feel free to contact me if you have any additional questions.

Sincerely,

Tina Cunningham

SERFF Tracking Number: BFLI-125819805 State: Arkansas
 Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
 Company Tracking Number: AR B 20802
 TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design
 Product Name: Graded Face Amount - Modified Whole Life Policy
 Project Name/Number: /

Related Objection 1

Applies To:

- Life & Annuity - Acturial Memo (Supporting Document)
- Graded Face Amount - Modified Whole Life Insurance Policy (Form)
- Graded Face Amount - Modified Whole Life Insurance Policy (Form)

Comment:

Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. The contracts are in violation of Guideline Two of this bulletin. Please review the bulletin and make the necessary corrections.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Graded Face Amount - B 20802 Modified Whole Life Insurance Policy			Policy/Contract/Fraternal Certificate	Initial		65	AR 20802r6 DOE.pdf
Previous Version							
Graded Face Amount - B 20802 Modified Whole Life Insurance Policy			Policy/Contract/Fraternal Certificate	Initial		65	20802r6 DOE.pdf

No Rate/Rule Schedule items changed.

Sincerely,
 Jill Jones, Tina Cunningham

SERFF Tracking Number: BFLI-125819805 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
Company Tracking Number: AR B 20802
TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design
Product Name: Graded Face Amount - Modified Whole Life Policy
Project Name/Number: /

Amendment Letter

Amendment Date:

Submitted Date: 12/01/2008

Comments:

Attached is the certificate of compliance.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Certificate of Compliance

Comment:

AR B 20802 Certificate of Compliance.pdf

SERFF Tracking Number: BFLI-125819805 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
Company Tracking Number: AR B 20802
TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design
Product Name: Graded Face Amount - Modified Whole Life Policy
Project Name/Number: /

Amendment Letter

Amendment Date:

Submitted Date: 12/01/2008

Comments:

Dear Linda Bird,

Per Bulletin 8-85 the corrections have been made. Please feel free to contact me if you have any additional questions.

Sincerely,

Tina Cunningham

Changed Items:

Supporting Document Schedule Item Changes:

Satisfied -Name: Life & Annuity - Acturial Memo

Comment:

B 20802 AR Act Memo 12-01-08.pdf

SERFF Tracking Number: BFLI-125819805 State: Arkansas
 Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
 Company Tracking Number: AR B 20802
 TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design
 Product Name: Graded Face Amount - Modified Whole Life Policy
 Project Name/Number: /

Form Schedule

Lead Form Number: B 20802

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	B 20802	Policy/Cont	Graded Face Amount Initial ract/Fratern - Modified Whole Life al Insurance Policy Certificate			65	AR 20802r6 DOE.pdf
	B 20802 DR	Policy/Cont	Graded Face Amount Initial ract/Fratern - Modified Whole Life al Insurance Policy Certificate			65	20802r6 dr DOE.pdf

BANKERS FIDELITY LIFE INSURANCE COMPANY
A STOCK COMPANY
4370 Peachtree Road, N.E., Atlanta, Georgia 30319

**GRADED FACE AMOUNT
MODIFIED WHOLE LIFE INSURANCE POLICY**

Bankers Fidelity Life Insurance Company (hereinafter referred to as “the Company”, “We”, “Our” or “Us”) promises to insure the Insured for the benefits described in this Policy. We make this promise in consideration of the application for this Policy and the payment of the required premium.

10-DAY RIGHT TO EXAMINE AND RETURN THIS POLICY - It is important to Us that You are satisfied with this Policy and that it meets Your insurance needs. If You are not satisfied, You may return it within ten (10) days of its receipt. Send it to Us or to Your agent and You will receive a full refund of any premiums you have paid. This Policy will then be void from its beginning.

If this Policy is a replacement of existing insurance, the 10-DAY FREE LOOK period is extended to a 30-DAY FREE LOOK. You must have completed a Replacement Form with your application.

PLEASE READ YOUR POLICY CAREFULLY.

IMPORTANT NOTICE GIVEN PURSUANT TO LAW: Please read the copy of the application attached to this Policy. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to Us within ten (10) days if any information shown on the application is not correct and complete or if any past medical history has been omitted from the application. The application is a part of this Policy, which was issued on the basis that the answers to all questions and the information shown on the application are correct and complete. No agent may change this Policy or waive any of its provisions.

The provisions on the following pages are part of this Policy, which was signed at Atlanta, Georgia, on the Effective Date.



Vice President



President

**GRADED FACE AMOUNT
MODIFIED WHOLE LIFE INSURANCE**

- Premiums Payable for Period Shown on Policy Specifications Page or for Lifetime of the Insured
 - Non-Participating; No Dividends are Payable
- Reduced Face Amount Payable According to the Following Table upon the Death of the Insured
 - Year 1..... [25]% of the Ultimate Face Amount
 - Year 2..... [60]% of the Ultimate Face Amount
 - Year 3 and thereafter..... 100% of the Ultimate Face Amount

TABLE OF CONTENTS

This is a legal contract between You and Us.

PLEASE READ YOUR POLICY CAREFULLY!

	<u>Page</u>
Assignment	6
Beneficiary	4, 6
Change of Owner or Beneficiary	7
Death Benefits.....	4
Definitions	10
Grace Period	6
Guaranteed Values	7 & 8
Incontestability.....	6
Loans.....	9
Misstatement of Age or Sex.....	6
Payment of Benefits and Other Proceeds.....	4
Premiums	1, 3, 6
Reinstatement.....	9
Settlement Options.....	5
Suicide	6
Termination.....	10

Extra benefits provisions or restrictions, if any, and a copy of the application follow Page 10.

THE POLICY SPECIFICATIONS PAGE IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

BENEFITS

DEATH BENEFIT - The amount payable to the Beneficiary, determined on the date of the Insured's death and subject to the provisions and limitations of this Policy, is equal to the Graded Face Amount (Page 3), PLUS any additional insurance on the Insured's life provided by an optional benefit rider (Page 3), MINUS any Indebtedness (Page 9).

PAYMENT OF BENEFITS AND OTHER PROCEEDS

DEATH BENEFITS - The Death Benefit will be payable when We receive due proof satisfactory to Us of the Insured's death. The death must occur while this Policy is in force. Proof of any claim must be submitted in writing to Us at Our home office. The Death Benefit will be paid in a single sum or in accordance with the Settlement Option selected by either the Owner or the Beneficiary. All payments by Us are payable at Our home office.

INTEREST FROM DATE OF DEATH - If the Death Benefits due under this Policy are not paid within thirty (30) days after we receive due proof of the death of the Insured (or where required by law within thirty (30) days after the death of the Insured), We will pay interest on the Death Benefits from the date of death to the date of payment of the Death Benefits.

PREMIUM REFUND AT DEATH - We will refund that part of any premium paid which covers a period beyond the end of the month in which the death of the Insured occurred.

PROCEEDS EXEMPT FROM CLAIM OF CREDITORS - To the extent permitted by law, no payment of proceeds or interest We make will be subject to the claims of any creditors.

SETTLEMENT OPTIONS

The Owner may, during the Insured's lifetime, request that We pay the proceeds under one of the following settlement options; a Beneficiary may select a settlement option only after the Insured's death. We will also use any other method of payment that is agreeable to you and us. A settlement option may be selected only if the payments are to be made to a natural person in that person's own right.

Proceeds of less than \$2,000 may not be applied under any settlement option. We may change the payment frequency if payments under an option become less than \$200.

PAYMENT TERMS - If a Settlement Option is requested, we will prepare an agreement to be signed by the Owner or Beneficiary which will state the terms and conditions under which the payments will be made, including the person to whom payments will be made (hereinafter referred to as the "Payee"). Payments can be annual, semi-annual, quarterly or monthly, and will begin at the end of the first period chosen. This agreement will include a statement regarding the withdrawal value, if any, and to whom any remaining proceeds will be paid following the death of the Payee (hereinafter referred to as the "Contingent Payee"). The Contingent Payee may elect to receive the remaining proceeds in a lump sum or to continue the Settlement Option then in effect.

OPTION 1 - INTEREST INCOME - We will make periodic payments of interest earned from the proceeds left on deposit with Us. Proceeds left on deposit with Us under this option will earn interest at [2]% compounded annually. We may increase the interest rate and the amount of any payment. If the Payee dies, the amount of any lump sum payment will include interest that had been earned but unpaid at the time of death.

OPTION 2 - PAYMENTS FOR A FIXED PERIOD - We will make periodic payments for a fixed period for not longer than thirty (30) years. Payments will be made according to the table below. Guaranteed amounts payable under this option will be based on interest at [2]% compounded annually. We may increase the interest rate and the amount of any payment. If the Payee dies, the amount of any lump sum payment will be calculated based on the guaranteed remaining payments discounted to the date of the payee's death at an annual rate of [2]%. Discounted means We will deduct the amount of interest each remaining payment would have earned had it not been paid out early.

OPTION 2 TABLE										
<i>Monthly Payment Rates per \$1,000 of Proceeds Left on Deposit</i>										
Years Payable	1	2	3	4	5	6	7	8	9	10
Monthly Payment	[\$84.09]	[\$42.46]	[\$28.59]	[\$21.65]	[\$17.49]	[\$14.72]	[\$12.74]	[\$11.25]	[\$10.10]	[\$9.18]
Years Payable	11	12	13	14	15	16	17	18	19	20
Monthly Payment	[\$8.42]	[\$7.80]	[\$7.26]	[\$6.81]	[\$6.42]	[\$6.07]	[\$5.77]	[\$5.50]	[\$5.26]	[\$5.04]
Years Payable	21	22	23	24	25	26	27	28	29	30
Monthly Payment	[\$4.85]	[\$4.67]	[\$4.51]	[\$4.36]	[\$4.22]	[\$4.10]	[\$3.98]	[\$3.87]	[\$3.77]	[\$3.68]
<i>For payment options other than monthly, multiply the above monthly payment by the following factors: Annual = 11.892; Semi-Annual = 5.975; Quarterly = 2.995.</i>										

OPTION 3 - PAYMENT OF A SPECIFIED AMOUNT - We will may periodic payments of a specified amount. Payments will continue until the proceeds are exhausted. The last payment will equal the amount of any unpaid proceeds. Unpaid proceeds left on deposit with Us under this option will earn interest at [2]% compounded annually. We may increase the interest rate and the length of any payment period. If the Payee dies, the amount of any lump sum payment will include interest that had been earned but unpaid at the time of death.

GENERAL PROVISIONS

ENTIRE CONTRACT; CHANGES - This Policy, the application and any riders, endorsements, amendments or papers attached to it are the Entire Contract between You and Us. No change in this Policy will be effective until it is approved by one of Our executive officers. This approval must be noted on or attached to this Policy. No agent may change this Policy or waive any of its provisions. Any rider, endorsement or application which modifies, limits or excludes coverage must be signed by You to be effective. No statement shall be used in defense of a claim under the Policy unless it is contained in a written application that is endorsed upon or attached to the policy when issued or delivered. All statements made by the Insured shall, in the absence of fraud, be deemed representations and not warranties.

INCONTESTABILITY - We cannot contest this Policy after it has been in force during the lifetime of the Insured for two (2) years after the Effective Date, except for non-payment of premiums.

SUICIDE - If the Insured, whether sane or insane, dies by Suicide, within two (2) years from the Effective Date, Our liability will be limited to an amount equal to the premiums paid for this Policy.

MISSTATEMENT OF AGE OR SEX - If the Age or Sex of the Insured has been misstated, all amounts payable under this Policy shall be such as the premium would have purchased at the correct Age or Sex. If no coverage would have been issued or coverage would no longer be effective had the correct Age or Sex been stated, then Our liability will be limited to a refund of premium for the period during which no coverage was effective.

RENEWAL PREMIUMS - Renewal premiums are payable in advance to Us. The payment of any premium shall not continue this Policy in force beyond the next premium due date, except as provided in the Grace Period provision. If requested, We will provide a receipt, signed by the President or one of our Executive Officers, for the premium.

GRACE PERIOD - This policy has a 31-day Grace Period. This means that if a premium is not paid on or before the date it is due, You may pay that premium during the 31-day period immediately following the due date. Your premium payment must be received in Our home office within the 31-day period. This 31-day Grace Period does not apply to the first premium payment. The first premium payment must be paid when your policy is delivered.

The Insured's life will continue to be insured during this 31-day period. If the Insured dies during the Grace Period, We will deduct a premium for the 31-day Grace Period from the Death Benefits.

NON-PAYMENT OF PREMIUMS - If a premium is not paid by the end of the Grace Period, the Policy will lapse as of the premium due date and be out of force.

ASSIGNMENT OF THE POLICY PROCEEDS - This Policy may be assigned. The Assignment must be in writing and filed at Our home office. We assume no responsibility for the validity or effect of any Assignment of this Policy or of any interest in it. Any proceeds which become payable to an assignee will be payable in a single sum. Any claim made by an assignee will be subject to proof of the assignee's interest and the extent of the assignment.

BENEFICIARY - When We receive proof satisfactory to Us of the Insured's death, We will pay the Death Benefits of this Policy to the Beneficiary or Beneficiaries who are named in the application for this Policy unless You subsequently changed Your Beneficiary. In that event, We will pay the Death Benefits to the Beneficiary named in your last change of Beneficiary Request as provided for in this Policy.

If any Beneficiary dies before the Insured, that Beneficiary's interest in this Policy ends with that Beneficiary's death. Only those Beneficiaries who survive the Insured will be eligible to share in the Death Benefits. If no Beneficiary survives the Insured, We will pay the Death Benefits of this Policy to the Insured's estate. If benefits are payable to the Insured's estate, We may pay up to \$1,000 to any relative of the Insured whom We find is entitled to them. Any payment made in good faith will fully discharge Us to the extent of such payment.

General Provisions, continued

CHANGE OF OWNER OR BENEFICIARY - If You reserved the right to change the Owner or Beneficiary, You can file a written Request with Us to make such a change. If You have not reserved the right to change the Beneficiary, the written consent of the irrevocable Beneficiary will be required. Your Request will not be effective until it is recorded in Our home office records. After it has been so recorded, the Request will take effect as of the date You signed the Request. However, if You die before the Request has been so recorded, the Request will not be effective as to those benefits We have paid before Your Request was recorded in Our home office records.

CONFORMITY WITH STATE STATUTES - Any provision of this Policy which, on its Effective Date is in conflict with the laws of the State in which it is issued, on that date is amended to conform to the minimum requirements of such laws.

GUARANTEED VALUE OPTIONS - NON-FORFEITURE BENEFITS

BASIS USED FOR CALCULATIONS - Cash Values are calculated according to the Standard Non-forfeiture Law using the Cash Value Basis indicated on Page 8. Reduced Paid-Up and Extended Term Insurance options are calculated on the same basis as Cash Values. All values are at least equal to those required by the law of the state in which this policy is delivered. We have filed with that state a detailed statement of the method of calculating values. The values shown in the Table of Guaranteed Values are for completed Policy years. They assume that there is no Indebtedness and that premiums are paid to the end of the Policy year.

After the policy year in which a value is first shown, the values between any two Policy years shown will be determined by interpolation with allowance for the premiums paid for the period between such consecutive years. Values for policy years not shown will be furnished upon request. The cash or loan values shown are for \$1,000 Face Amount of insurance, for other Face Amounts any such value will be in proportion. The periods of Extended Term Insurance will be the same for any Face Amount. The cash value of any Extended Term Insurance is the net single premium for such insurance at the attained age of the insured.

A premium may be paid in cash or by an Automatic Premium Loan. If a premium is not paid by the end of the Grace Period, the Extended Term Insurance Option shall become effective as of the date of the unpaid premium, unless another option has been selected by You prior to the Extended Term Insurance Option becoming effective.

EXTENDED TERM INSURANCE OPTION - You may continue this Policy as non-participating term insurance. No further premium will be due. The amount of Extended Term Insurance will be: The Graded Face Amount of this policy MINUS any Indebtedness.

The term period begins on the date to which premiums are paid. The Cash Value, MINUS and Indebtedness is applied as a net single premium at the Insured's attained age to determine the length of the term. For this purpose, the attained age will be the Insured's Age on the date of the first unpaid premium. If a policy on Extended Term Insurance is surrendered for its Cash Surrender Value within 30 days after a Policy Anniversary, the Cash Value will be equal to the Cash Value on that Policy Anniversary.

REDUCED PAID-UP INSURANCE OPTION - You may continue Your Policy as paid-up insurance for a reduced amount, payable under the same conditions as this Policy. We will use the Cash Value MINUS any Indebtedness to buy non-participating paid-up insurance at the net single premium rate for the Insured's attained age. For this purpose, the attained age will be the Insured's Age on the date of the first unpaid premium. If a Reduced Paid-Up Policy is surrendered for its Cash Surrender Value within 30 days after a Policy Anniversary, the Cash Value will be equal to the Cash Value on that Policy Anniversary.

CASH VALUE SURRENDER OPTION - You may surrender Your Policy for its Cash Value. Your Cash Surrender Value is: The Cash Value of your Policy MINUS any Indebtedness. Surrender will be effective on the date of your written request. We require that Your Policy be sent in with Your written request before making surrender payment. We may defer payment of any Cash Value for not more than six months, excluding the use of Cash Values to exercise the Automatic Premium Loan. When you surrender your policy for its cash value, your policy will terminate.

TABLE OF GUARANTEED VALUES PER \$1,000 FACE AMOUNT OF INSURANCE

[MALE] - Issue Age [55]

POLICY YEAR	CASH VALUE	REDUCED PAID-UP	EXTENDED TERM	
			YEARS	DAYS
1	[0.00]	[0]	[0]	[0]
2	[8.34]	[23]	[1]	[36]
3	[28.70]	[77]	[3]	[124]
4	[49.61]	[128]	[5]	[10]
5	[71.01]	[177]	[6]	[113]
6	[92.79]	[223]	[7]	[137]
7	[114.85]	[267]	[8]	[102]
8	[137.06]	[308]	[9]	[8]
9	[159.42]	[347]	[9]	[215]
10	[181.94]	[384]	[10]	[18]
11	[204.67]	[419]	[10]	[144]
12	[227.69]	[453]	[10]	[236]
13	[251.05]	[485]	[10]	[297]
14	[274.78]	[515]	[10]	[330]
15	[298.88]	[545]	[10]	[339]
16	[323.27]	[573]	[10]	[329]
17	[347.72]	[599]	[10]	[305]
18	[372.09]	[625]	[10]	[267]
19	[396.45]	[648]	[10]	[219]
20	[420.80]	[671]	[10]	[160]
Age 60	[71.01]	[177]	[6]	[113]
Age 65	[181.94]	[384]	[10]	[18]
Non-Forfeiture Factor: [26.35335]				

Cash Value Basis: 2001 CSO (F) for Females and 2001 CSO (M) for Males, Composite U ALB with interest at 5%

The Extended Term Period is the same regardless of the face amount of the policy.

LOAN VALUES

The Loan Value of Your Policy is: The Cash Value MINUS any Indebtedness. Your Policy has two loan privileges. You may borrow the Cash Value or have past due premiums paid by Automatic Premium Loan. Loans have priority over the claims of any assignee or other person. Your policy is the sole security for all loans.

AUTOMATIC PREMIUM LOANS - If You asked for this provision in Your application, or by later written request, We will automatically make a loan to you from the Cash Value of this Policy to pay any premium not paid by the end of the Grace Period. Your policy must be in force and have enough Loan Value. If there is not enough Loan Value to pay a premium, the policy will lapse and the Guaranteed Value Options provision will apply. You can also make written request to cancel this service.

POLICY LOANS - You can borrow up to the available Loan Value of your Policy unless your Policy is on Extended Term Insurance. At Your request, We will send You a loan agreement for Your signature. We have the right to postpone Your loan for up to six months unless the loan is to be used to pay premiums on any policies You have with Us.

INDEBTEDNESS - Indebtedness includes all Policy and Automatic Premium loans, accrued interest and any due and unpaid premiums. If Indebtedness exceeds the Cash Value of Your Policy, We will mail notice to Your last known address and that of any assignee of record. If the excess is not paid within 31 days, the Policy will terminate. You may repay all or any part of the Indebtedness while the Insured is alive and no Guaranteed Value Option is in effect. Any outstanding Indebtedness at the time of the Insured's death will be deducted from policy proceeds.

LOAN INTEREST PROVISION - Policy loans will bear interest at the Policy Loan Interest Rate shown on Page 3. If You do not pay the interest on Your loan when it is due, the unpaid interest will be added to Your loan and charged the same rate of interest as Your loan.

REINSTATEMENT

If a premium is not paid before the end of the 31-day Grace Period, Your Policy will lapse, and no further premium payments may be made. However, even if Your Policy lapses, the values provided for in the Guaranteed Values Options may be available to you. You may also ask Us within 5 years of lapse to restore Your Policy to a premium paying basis. We will require:

1. Your written request to reinstate the Policy;
2. Evidence of insurability satisfactory to Us;
3. Payment or reinstatement of any Indebtedness;
4. Payment of all past due premiums on Your Policy; and
5. Payment of interest compounded annually on all past due premiums and any Indebtedness at the Reinstatement Interest Rate shown on Page 3.

Our determination of the Insured's continued insurability and the payment of all past due premiums with interest must occur during the Insured's lifetime. Your Policy cannot be reinstated if Your Policy was placed on Extended Term Insurance and the term period has expired or if Your Policy was surrendered for cash.

We may contest the reinstatement of this Policy until it has been in force during the lifetime of the Insured for two years from the date of reinstatement for material misrepresentations on the application for reinstatement.

DEFINITIONS

AGE - Age of the Insured at the Insured's last birthday on the Effective Date.

BENEFICIARY - the person designated by the Owner to receive the Death Benefits.

EFFECTIVE DATE - is shown on the Policy Specifications Page. It is the date coverage begins. It starts at 12:00 a.m., Standard Time, at the Insured's residence.

INSURED - the person whose life is insured under this Policy as shown on the Policy Specifications Page.

LAPSE OR LAPSED - a premium is in default, and the Insured's life is no longer insured under the terms of this Policy.

OWNER; YOU, YOUR OR YOURS - is shown on the Policy Specifications Page, as named in the application, unless subsequently changed as provided for in this Policy.

POLICY ANNIVERSARY - the same date and month as Your Effective Date for each succeeding year Your Policy remains in force.

REQUEST - a Request in writing signed by the Owner on a form acceptable by Us. We also may require that this Policy accompany Your Request.

TERMINATE - the Insured's life is no longer insured under any of the terms of this Policy.

TERMINATION

This Policy shall terminate on the earliest of:

1. the end of the Grace Period in which a renewal premium remains unpaid; or
2. the date the Insured dies.

Termination will be effective as of 11:59 p.m. Standard Time at the Insured's residence on the termination date.

PAGE 10 IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

THE BACK COVER PAGE OF THE POLICY IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

BANKERS FIDELITY LIFE INSURANCE COMPANY

4370 Peachtree Road, N.E., Atlanta, Georgia 30319

GRADED FACE AMOUNT MODIFIED WHOLE LIFE INSURANCE

- Premiums Payable for Period Shown on Policy Specifications Page or for Lifetime of the Insured
 - Non-Participating; No Dividends are Payable
- Reduced Face Amount Payable According to the Following Table upon the Death of the Insured
 - Year 1..... [25]% of the Ultimate Face Amount
 - Year 2..... [60]% of the Ultimate Face Amount
 - Year 3 and thereafter..... 100% of the Ultimate Face Amount

BANKERS FIDELITY LIFE INSURANCE COMPANY
A STOCK COMPANY
4370 Peachtree Road, N.E., Atlanta, Georgia 30319

**GRADED FACE AMOUNT
MODIFIED WHOLE LIFE INSURANCE POLICY**

Bankers Fidelity Life Insurance Company (hereinafter referred to as “the Company”, “We”, “Our” or “Us”) promises to insure the Insured for the benefits described in this Policy. We make this promise in consideration of the application for this Policy and the payment of the required premium.

30-DAY RIGHT TO EXAMINE AND RETURN THIS POLICY - It is important to Us that You are satisfied with this Policy and that it meets Your insurance needs. If You are not satisfied, You may return it within thirty (30) days of its receipt. Send it to Us and You will receive a full refund of any premiums you have paid. This Policy will then be void from its beginning.

PLEASE READ YOUR POLICY CAREFULLY.

IMPORTANT NOTICE GIVEN PURSUANT TO LAW: Please read the copy of the application attached to this Policy. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to Us within ten (10) days if any information shown on the application is not correct and complete or if any past medical history has been omitted from the application. The application is a part of this Policy, which was issued on the basis that the answers to all questions and the information shown on the application are correct and complete.

The provisions on the following pages are part of this Policy, which was signed at Atlanta, Georgia, on the Effective Date.



Vice President



President

**GRADED FACE AMOUNT
MODIFIED WHOLE LIFE INSURANCE**

- Premiums Payable for Period Shown on Policy Specifications Page or for Lifetime of the Insured
 - Non-Participating; No Dividends are Payable
- Reduced Face Amount Payable According to the Following Table upon the Death of the Insured
 - Year 1..... [25]% of the Ultimate Face Amount
 - Year 2..... [60]% of the Ultimate Face Amount
 - Year 3 and thereafter..... 100% of the Ultimate Face Amount

TABLE OF CONTENTS

This is a legal contract between You and Us.

PLEASE READ YOUR POLICY CAREFULLY!

	<u>Page</u>
Accidental Death Benefits	4
Assignment	6
Beneficiary	4, 6
Change of Owner or Beneficiary	7
Death Benefits.....	4
Definitions	10
Grace Period	6
Guaranteed Values	7 & 8
Incontestability.....	6
Loans.....	9
Misstatement of Age or Sex.....	6
Payment of Benefits and Other Proceeds.....	4
Premiums	1, 3, 6
Reinstatement.....	9
Settlement Options.....	5
Suicide	6
Termination.....	10

Extra benefits provisions or restrictions, if any, and a copy of the application follow Page 10.

THE POLICY SPECIFICATIONS PAGE IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

BENEFITS

DEATH BENEFIT - The amount payable to the Beneficiary, determined on the date of the Insured's death and subject to the provisions and limitations of this Policy, is equal to the Graded Face Amount (Page 3), PLUS any additional insurance on the Insured's life provided by an optional benefit rider (Page 3), MINUS any Indebtedness (Page 9).

ACCIDENTAL DEATH BENEFIT - The amount payable to the Beneficiary, determined on the date of the Insured's death and subject to the provisions and limitations of this Policy, is an additional amount equal to the difference between the Graded Face Amount and the Ultimate Face Amount.

EXCEPTIONS - The Accidental Death Benefit is not payable for death resulting directly or indirectly from:

1. suicide, while sane or insane;
2. war or any act incident to war, declared or undeclared;
3. operating, riding in, descending or falling from or with any kind of aircraft, except as a passenger, without duties of any kind, on a civilian aircraft flown by a licensed pilot;
4. bodily or mental infirmity; or disease, or medical or surgical treatment thereof;
5. service in the military, naval, or air forces of any country, combination of countries, or international organization while such country, combination of countries, or international organization is engaged in war, declared or undeclared; or
6. voluntary poisoning, or intentional inhalation of gas or fumes.

TERMINATION - The Accidental Death Benefit shall terminate on the earliest of the following dates:

1. the third Policy Anniversary;
2. the expiration of the Grace Period; or
3. the date this Policy terminates.

POLICY VALUES - The Accidental Death Benefit shall not be considered when determining loan or non-forfeiture values under the policy.

PAYMENT OF BENEFITS AND OTHER PROCEEDS

DEATH BENEFITS - The Death Benefit will be payable when We receive due proof satisfactory to Us of the Insured's death. The death must occur while this Policy is in force. Proof of any claim must be submitted in writing to Us at Our home office. The Death Benefit will be paid in a single sum or in accordance with the Settlement Option selected by either the Owner or the Beneficiary. All payments by Us are payable at Our home office.

ACCIDENTAL DEATH BENEFITS - The Accidental Death Benefit will be payable when We receive due proof satisfactory to Us of the Insured's death. The death must have: 1) resulted, directly and independently of all other causes, from bodily injuries caused by an accident occurring while this Policy was in force and 2) occurred within 90 days following the date of the accident and while this Policy was in force. Proof of any claim must be submitted in writing to Us at Our home office. The Accidental Death Benefit will be paid in a single sum or in accordance with the Settlement Option selected by either the Owner or the Beneficiary. All payments by Us are payable at Our home office.

INTEREST FROM DATE OF DEATH - If the Death Benefits due under this Policy are not paid within thirty (30) days after we receive due proof of the death of the Insured (or where required by law within thirty (30) days after the death of the Insured), We will pay interest on the Death Benefits from the date of death to the date of payment of the Death Benefits.

PREMIUM REFUND AT DEATH - We will refund that part of any premium paid which covers a period beyond the end of the month in which the death of the Insured occurred.

PROCEEDS EXEMPT FROM CLAIM OF CREDITORS - To the extent permitted by law, no payment of proceeds or interest We make will be subject to the claims of any creditors.

SETTLEMENT OPTIONS

The Owner may, during the Insured's lifetime, request that We pay the proceeds under one of the following settlement options; a Beneficiary may select a settlement option only after the Insured's death. We will also use any other method of payment that is agreeable to you and us. A settlement option may be selected only if the payments are to be made to a natural person in that person's own right.

Proceeds of less than \$2,000 may not be applied under any settlement option. We may change the payment frequency if payments under an option become less than \$200.

PAYMENT TERMS - If a Settlement Option is requested, we will prepare an agreement to be signed by the Owner or Beneficiary which will state the terms and conditions under which the payments will be made, including the person to whom payments will be made (hereinafter referred to as the "Payee"). Payments can be annual, semi-annual, quarterly or monthly, and will begin at the end of the first period chosen. This agreement will include a statement regarding the withdrawal value, if any, and to whom any remaining proceeds will be paid following the death of the Payee (hereinafter referred to as the "Contingent Payee"). The Contingent Payee may elect to receive the remaining proceeds in a lump sum or to continue the Settlement Option then in effect.

OPTION 1 - INTEREST INCOME - We will make periodic payments of interest earned from the proceeds left on deposit with Us. Proceeds left on deposit with Us under this option will earn interest at [2]% compounded annually. We may increase the interest rate and the amount of any payment. If the Payee dies, the amount of any lump sum payment will include interest that had been earned but unpaid at the time of death.

OPTION 2 - PAYMENTS FOR A FIXED PERIOD - We will make periodic payments for a fixed period for not longer than thirty (30) years. Payments will be made according to the table below. Guaranteed amounts payable under this option will be based on interest at [2]% compounded annually. We may increase the interest rate and the amount of any payment. If the Payee dies, the amount of any lump sum payment will be calculated based on the guaranteed remaining payments discounted to the date of the payee's death at an annual rate of [2]%. Discounted means We will deduct the amount of interest each remaining payment would have earned had it not been paid out early.

OPTION 2 TABLE										
<i>Monthly Payment Rates per \$1,000 of Proceeds Left on Deposit</i>										
Years Payable	1	2	3	4	5	6	7	8	9	10
Monthly Payment	[\$84.09]	[\$42.46]	[\$28.59]	[\$21.65]	[\$17.49]	[\$14.72]	[\$12.74]	[\$11.25]	[\$10.10]	[\$9.18]
Years Payable	11	12	13	14	15	16	17	18	19	20
Monthly Payment	[\$8.42]	[\$7.80]	[\$7.26]	[\$6.81]	[\$6.42]	[\$6.07]	[\$5.77]	[\$5.50]	[\$5.26]	[\$5.04]
Years Payable	21	22	23	24	25	26	27	28	29	30
Monthly Payment	[\$4.85]	[\$4.67]	[\$4.51]	[\$4.36]	[\$4.22]	[\$4.10]	[\$3.98]	[\$3.87]	[\$3.77]	[\$3.68]
<i>For payment options other than monthly, multiply the above monthly payment by the following factors: Annual = 11.892; Semi-Annual = 5.975; Quarterly = 2.995.</i>										

OPTION 3 - PAYMENT OF A SPECIFIED AMOUNT - We will may periodic payments of a specified amount. Payments will continue until the proceeds are exhausted. The last payment will equal the amount of any unpaid proceeds. Unpaid proceeds left on deposit with Us under this option will earn interest at [2]% compounded annually. We may increase the interest rate and the length of any payment period. If the Payee dies, the amount of any lump sum payment will include interest that had been earned but unpaid at the time of death.

GENERAL PROVISIONS

ENTIRE CONTRACT; CHANGES - This Policy, the application and any riders, endorsements, amendments or papers attached to it are the Entire Contract between You and Us. No change in this Policy will be effective until it is approved by one of Our executive officers. This approval must be noted on or attached to this Policy. Any rider, endorsement or application which modifies, limits or excludes coverage must be signed by You to be effective. No statement shall be used in defense of a claim under the Policy unless it is contained in a written application that is endorsed upon or attached to the policy when issued or delivered. All statements made by the Insured shall, in the absence of fraud, be deemed representations and not warranties.

INCONTESTABILITY - We cannot contest this Policy after it has been in force during the lifetime of the Insured for two (2) years after the Effective Date, except for non-payment of premiums.

SUICIDE - If the Insured, whether sane or insane, dies by Suicide, within two (2) years from the Effective Date, Our liability will be limited to an amount equal to the premiums paid for this Policy.

MISSTATEMENT OF AGE OR SEX - If the Age or Sex of the Insured has been misstated, all amounts payable under this Policy shall be such as the premium would have purchased at the correct Age or Sex. If no coverage would have been issued or coverage would no longer be effective had the correct Age or Sex been stated, then Our liability will be limited to a refund of premium for the period during which no coverage was effective.

RENEWAL PREMIUMS - Renewal premiums are payable in advance to Us. The payment of any premium shall not continue this Policy in force beyond the next premium due date, except as provided in the Grace Period provision. If requested, We will provide a receipt, signed by the President or one of our Executive Officers, for the premium.

GRACE PERIOD - This policy has a 31-day Grace Period. This means that if a premium is not paid on or before the date it is due, You may pay that premium during the 31-day period immediately following the due date. Your premium payment must be received in Our home office within the 31-day period. This 31-day Grace Period does not apply to the first premium payment. The first premium payment must be paid when your policy is delivered.

The Insured's life will continue to be insured during this 31-day period. If the Insured dies during the Grace Period, We will deduct a premium for the 31-day Grace Period from the Death Benefits.

NON-PAYMENT OF PREMIUMS - If a premium is not paid by the end of the Grace Period, the Policy will lapse as of the premium due date and be out of force.

ASSIGNMENT OF THE POLICY PROCEEDS - This Policy may be assigned. The Assignment must be in writing and filed at Our home office. We assume no responsibility for the validity or effect of any Assignment of this Policy or of any interest in it. Any proceeds which become payable to an assignee will be payable in a single sum. Any claim made by an assignee will be subject to proof of the assignee's interest and the extent of the assignment.

BENEFICIARY - When We receive proof satisfactory to Us of the Insured's death, We will pay the Death Benefits of this Policy to the Beneficiary or Beneficiaries who are named in the application for this Policy unless You subsequently changed Your Beneficiary. In that event, We will pay the Death Benefits to the Beneficiary named in your last change of Beneficiary Request as provided for in this Policy.

If any Beneficiary dies before the Insured, that Beneficiary's interest in this Policy ends with that Beneficiary's death. Only those Beneficiaries who survive the Insured will be eligible to share in the Death Benefits. If no Beneficiary survives the Insured, We will pay the Death Benefits of this Policy to the Insured's estate. If benefits are payable to the Insured's estate, We may pay up to \$1,000 to any relative of the Insured whom We find is entitled to them. Any payment made in good faith will fully discharge Us to the extent of such payment.

General Provisions, continued

CHANGE OF OWNER OR BENEFICIARY - If You reserved the right to change the Owner or Beneficiary, You can file a written Request with Us to make such a change. If You have not reserved the right to change the Beneficiary, the written consent of the irrevocable Beneficiary will be required. Your Request will not be effective until it is recorded in Our home office records. After it has been so recorded, the Request will take effect as of the date You signed the Request. However, if You die before the Request has been so recorded, the Request will not be effective as to those benefits We have paid before Your Request was recorded in Our home office records.

CONFORMITY WITH STATE STATUTES - Any provision of this Policy which, on its Effective Date is in conflict with the laws of the State in which it is issued, on that date is amended to conform to the minimum requirements of such laws.

GUARANTEED VALUE OPTIONS - NON-FORFEITURE BENEFITS

BASIS USED FOR CALCULATIONS - Cash Values are calculated according to the Standard Non-forfeiture Law using the Cash Value Basis indicated on Page 8. Reduced Paid-Up and Extended Term Insurance options are calculated on the same basis as Cash Values. All values are at least equal to those required by the law of the state in which this policy is delivered. We have filed with that state a detailed statement of the method of calculating values. The values shown in the Table of Guaranteed Values are for completed Policy years. They assume that there is no Indebtedness and that premiums are paid to the end of the Policy year.

After the policy year in which a value is first shown, the values between any two Policy years shown will be determined by interpolation with allowance for the premiums paid for the period between such consecutive years. Values for policy years not shown will be furnished upon request. The cash or loan values shown are for \$1,000 Face Amount of insurance, for other Face Amounts any such value will be in proportion. The periods of Extended Term Insurance will be the same for any Face Amount. The cash value of any Extended Term Insurance is the net single premium for such insurance at the attained age of the insured.

A premium may be paid in cash or by an Automatic Premium Loan. If a premium is not paid by the end of the Grace Period, the Extended Term Insurance Option shall become effective as of the date of the unpaid premium, unless another option has been selected by You prior to the Extended Term Insurance Option becoming effective.

EXTENDED TERM INSURANCE OPTION - You may continue this Policy as non-participating term insurance. No further premium will be due. The amount of Extended Term Insurance will be: The Graded Face Amount of this policy MINUS any Indebtedness.

The term period begins on the date to which premiums are paid. The Cash Value, MINUS and Indebtedness is applied as a net single premium at the Insured's attained age to determine the length of the term. For this purpose, the attained age will be the Insured's Age on the date of the first unpaid premium. If a policy on Extended Term Insurance is surrendered for its Cash Surrender Value within 30 days after a Policy Anniversary, the Cash Value will be equal to the Cash Value on that Policy Anniversary.

REDUCED PAID-UP INSURANCE OPTION - You may continue Your Policy as paid-up insurance for a reduced amount, payable under the same conditions as this Policy. We will use the Cash Value MINUS any Indebtedness to buy non-participating paid-up insurance at the net single premium rate for the Insured's attained age. For this purpose, the attained age will be the Insured's Age on the date of the first unpaid premium. If a Reduced Paid-Up Policy is surrendered for its Cash Surrender Value within 30 days after a Policy Anniversary, the Cash Value will be equal to the Cash Value on that Policy Anniversary.

CASH VALUE SURRENDER OPTION - You may surrender Your Policy for its Cash Value. Your Cash Surrender Value is: The Cash Value of your Policy MINUS any Indebtedness. Surrender will be effective on the date of your written request. We require that Your Policy be sent in with Your written request before making surrender payment. We may defer payment of any Cash Value for not more than six months, excluding the use of Cash Values to exercise the Automatic Premium Loan. When you surrender your policy for its cash value, your policy will terminate.

TABLE OF GUARANTEED VALUES PER \$1,000 FACE AMOUNT OF INSURANCE

[MALE] - Issue Age [55]

POLICY YEAR	CASH VALUE	REDUCED PAID-UP	EXTENDED TERM	
			YEARS	DAYS
1	[0.00]	[0]	[0]	[0]
2	[8.34]	[23]	[1]	[36]
3	[28.70]	[77]	[3]	[124]
4	[49.61]	[128]	[5]	[10]
5	[71.01]	[177]	[6]	[113]
6	[92.79]	[223]	[7]	[137]
7	[114.85]	[267]	[8]	[102]
8	[137.06]	[308]	[9]	[8]
9	[159.42]	[347]	[9]	[215]
10	[181.94]	[384]	[10]	[18]
11	[204.67]	[419]	[10]	[144]
12	[227.69]	[453]	[10]	[236]
13	[251.05]	[485]	[10]	[297]
14	[274.78]	[515]	[10]	[330]
15	[298.88]	[545]	[10]	[339]
16	[323.27]	[573]	[10]	[329]
17	[347.72]	[599]	[10]	[305]
18	[372.09]	[625]	[10]	[267]
19	[396.45]	[648]	[10]	[219]
20	[420.80]	[671]	[10]	[160]
Age 60	[71.01]	[177]	[6]	[113]
Age 65	[181.94]	[384]	[10]	[18]
Non-Forfeiture Factor: [26.35335]				

Cash Value Basis: [2001 CSO (F) / 2001 CSO (M) / 2001 CSO (E)] Composite U ALB with interest at [5]%

The Extended Term Period is the same regardless of the face amount of the policy.

LOAN VALUES

The Loan Value of Your Policy is: The Cash Value MINUS any Indebtedness. Your Policy has two loan privileges. You may borrow the Cash Value or have past due premiums paid by Automatic Premium Loan. Loans have priority over the claims of any assignee or other person. Your policy is the sole security for all loans.

AUTOMATIC PREMIUM LOANS - If You asked for this provision in Your application, or by later written request, We will automatically make a loan to you from the Cash Value of this Policy to pay any premium not paid by the end of the Grace Period. Your policy must be in force and have enough Loan Value. If there is not enough Loan Value to pay a premium, the policy will lapse and the Guaranteed Value Options provision will apply. You can also make written request to cancel this service.

POLICY LOANS - You can borrow up to the available Loan Value of your Policy unless your Policy is on Extended Term Insurance. At Your request, We will send You a loan agreement for Your signature. We have the right to postpone Your loan for up to six months unless the loan is to be used to pay premiums on any policies You have with Us.

INDEBTEDNESS - Indebtedness includes all Policy and Automatic Premium loans, accrued interest and any due and unpaid premiums. If Indebtedness exceeds the Cash Value of Your Policy, We will mail notice to Your last known address and that of any assignee of record. If the excess is not paid within 31 days, the Policy will terminate. You may repay all or any part of the Indebtedness while the Insured is alive and no Guaranteed Value Option is in effect. Any outstanding Indebtedness at the time of the Insured's death will be deducted from policy proceeds.

LOAN INTEREST PROVISION - Policy loans will bear interest at the Policy Loan Interest Rate shown on Page 3. If You do not pay the interest on Your loan when it is due, the unpaid interest will be added to Your loan and charged the same rate of interest as Your loan.

REINSTATEMENT

If a premium is not paid before the end of the 31-day Grace Period, Your Policy will lapse, and no further premium payments may be made. However, even if Your Policy lapses, the values provided for in the Guaranteed Values Options may be available to you. You may also ask Us within 5 years of lapse to restore Your Policy to a premium paying basis. We will require:

1. Your written request to reinstate the Policy;
2. Evidence of insurability satisfactory to Us;
3. Payment or reinstatement of any Indebtedness;
4. Payment of all past due premiums on Your Policy; and
5. Payment of interest compounded annually on all past due premiums and any Indebtedness at the Reinstatement Interest Rate shown on Page 3.

Our determination of the Insured's continued insurability and the payment of all past due premiums with interest must occur during the Insured's lifetime. Your Policy cannot be reinstated if Your Policy was placed on Extended Term Insurance and the term period has expired or if Your Policy was surrendered for cash.

We may contest the reinstatement of this Policy until it has been in force during the lifetime of the Insured for two years from the date of reinstatement for material misrepresentations on the application for reinstatement.

DEFINITIONS

AGE - Age of the Insured at the Insured's last birthday on the Effective Date.

BENEFICIARY - the person designated by the Owner to receive the Death Benefits.

EFFECTIVE DATE - is shown on the Policy Specifications Page. It is the date coverage begins. It starts at 12:00 a.m., Standard Time, at the Insured's residence.

INSURED - the person whose life is insured under this Policy as shown on the Policy Specifications Page.

LAPSE OR LAPSED - a premium is in default, and the Insured's life is no longer insured under the terms of this Policy.

OWNER; YOU, YOUR OR YOURS - is shown on the Policy Specifications Page, as named in the application, unless subsequently changed as provided for in this Policy.

POLICY ANNIVERSARY - the same date and month as Your Effective Date for each succeeding year Your Policy remains in force.

REQUEST - a Request in writing signed by the Owner on a form acceptable by Us. We also may require that this Policy accompany Your Request.

TERMINATE - the Insured's life is no longer insured under any of the terms of this Policy.

TERMINATION

This Policy shall terminate on the earliest of:

1. the end of the Grace Period in which a renewal premium remains unpaid; or
2. the date the Insured dies.

Termination will be effective as of 11:59 p.m. Standard Time at the Insured's residence on the termination date.

PAGE 10 IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

THE BACK COVER PAGE OF THE POLICY IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

BANKERS FIDELITY LIFE INSURANCE COMPANY

4370 Peachtree Road, N.E., Atlanta, Georgia 30319

GRADED FACE AMOUNT MODIFIED WHOLE LIFE INSURANCE

- Premiums Payable for Period Shown on Policy Specifications Page or for Lifetime of the Insured
 - Non-Participating; No Dividends are Payable
- Reduced Face Amount Payable According to the Following Table upon the Death of the Insured
 - Year 1..... [25]% of the Ultimate Face Amount
 - Year 2..... [60]% of the Ultimate Face Amount
 - Year 3 and thereafter..... 100% of the Ultimate Face Amount

SERFF Tracking Number: *BFLI-125819805* *State:* *Arkansas*
Filing Company: *Bankers Fidelity Life Insurance Company* *State Tracking Number:* *40387*
Company Tracking Number: *AR B 20802*
TOI: *L071 Individual Life - Whole* *Sub-TOI:* *L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design*

Product Name: *Graded Face Amount - Modified Whole Life Policy*
Project Name/Number: /

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: BFLI-125819805 State: Arkansas
Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
Company Tracking Number: AR B 20802
TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level
Premium - Any Policy Design
Product Name: Graded Face Amount - Modified Whole Life Policy
Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: Certification/Notice	Review Status:	09/17/2008
Comments:		
Attachments:		
B 20802 Flesch Cert.pdf		
Consumer Notice.pdf		
Guaranty Association.pdf		
Satisfied -Name: Application	Review Status:	09/17/2008
Comments:		
Attachment:		
AR B 20802 Optional Riders & Applications 9-26-08.pdf		
Satisfied -Name: Cover Letter	Review Status:	09/26/2008
Comments:		
Attachment:		
AR B 20802 cvr ltr 9-26-08.pdf		
Satisfied -Name: Certificate of Compliance	Review Status:	12/01/2008
Comments:		
Attachment:		
AR B 20802 Certificate of Compliance.pdf		

BANKERS FIDELITY LIFE INSURANCE COMPANY

Atlanta, Georgia

FLESCH SCORE CERTIFICATION

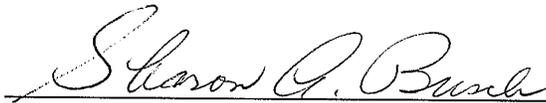
B 20802 – Graded Face Amount Modified Whole Life Insurance Policy

Words: 2,805
Sentences: 160
Syllables: 4,115
Score: 64.93

B 20802 DR – Graded Face Amount Modified Whole Life Insurance Policy

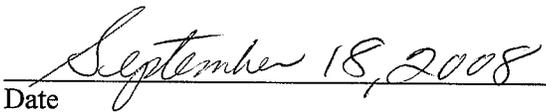
Words: 2,793
Sentences: 159
Syllables: 4,094
Score: 64.99

I hereby certify that the Flesch reading ease score of the above forms is as shown.



Sharon A. Busch

Vice President; Legal/Compliance



Date

BANKERS FIDELITY LIFE INSURANCE COMPANY

Atlanta, Georgia

The following information is being provided to you in accordance with Act 197 of the Arkansas Department of Insurance Regulations:

Bankers Fidelity Life Insurance Company

Policyholder Service Department

4370 Peachtree Road, N.E.

Atlanta, Georgia 30319

Toll-Free: 866-458-7500

Fax: (404) 926-4033

bflphs@atlam.com

If we at Bankers Fidelity Life Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Department of Insurance

Consumer Service Division

1200 West Third Street

Little Rock, Arkansas 72201-1904

(510) 371-2640, (800) 852-5494

Fax: (501) 371-2749

insurance.consumers@arkansas.gov

Your Agent:

{FId0240}

{FId0241} {FId0242}

{FId0243} {FId0244}

{FId0245}

This notice is for information only and does not become a part or condition of your policy.

LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are member of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting the insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice.

The Arkansas Life and Health Insurance Guaranty Association
C/o The Liquidation Division
1023 West Capitol, Suite 2
Little Rock, Arkansas 72202

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contract holders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliated benefit plan or its trustees).

LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 – no matter how many policies and contracts there were with the same company, even if they provided different type of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values – again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

OPTIONAL RIDERS AND APPLICATIONS

The following riders may be issued with either the B 20802 or B 20802 DR policy form:

<u>Form Number</u>	<u>Description / Title</u>	<u>Approved by State</u>
BFL-ADB	Accidental Death Benefit	01-18-1988
BFL-CIR	Children's Insured Rider	01-18-1988
BFL-FIR	Family Insurance Rider	01-18-1989
BFL-WPD	Waiver of Premium Rider	01-18-1989
B 0108 WP NHC	Waiver of Premium Rider	07-01-1997
B 0109 TI ADB 25	Accelerated Death Benefit Rider	07-22-1997
B 0109 TI ADB 25/50	Accelerated Death Benefit Rider	07-22-1997
B 0109 TI ADB 50	Accelerated Death Benefit Rider	07-22-1997
B 0109 TI ADB 50/50	Accelerated Death Benefit Rider	07-22-1997

The following applications will be used to solicit policy form B 20801:

<u>Form Number</u>	<u>Approved by State</u>
B 1027 STND AP2008	04-28-2008
B 1027 SM AP2008	04-11-2008
B 9502 AP99	01-19-1999
B 2-1086 AP2006	03-28-2006
B 1027 SS AP2004	07-14-2004
B 0182 SM AP2006	08-29-2006
B 0115 STND AP2008	06-23-2008
B 0093 AP2006	09-27-2006
B 0093 AP2007	03-23-2007

The following applications will be used to solicit policy form B 20801 DR:

<u>Form Number</u>	<u>Approved by State</u>
B 1027 STND AP2006 DR	03-24-2006
B 1027 FND AP2006 DR	03-24-2006



September 26, 2008

Mr. Joe Musgrove
Department of Insurance
1200 W Third Street
Little Rock, AR 72201-1904

RE: Bankers Fidelity Life Insurance Company NAIC # 587-61239 FEIN # 58-0658963
Graded Face Amount - Modified Whole Life Insurance Product
New Forms: B 20802 - Level Whole Life Insurance Policy
B 20802 DR - Level Whole Life Insurance Policy

Dear Mr. Musgrove:

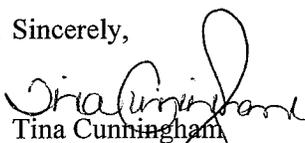
The enclosed forms are being submitted to your department for formal review and approval and will not replace any previously approved forms. An actuarial memorandum for each policy, demonstrating reserves and cash values in accordance with the 2001 CSO requirements, is included for your review. A readability certificate is also enclosed. Neither of these policies are required to or will be illustrated; nor do they have any non-guaranteed elements.

The policy forms are computer-generated and laser-printed and presented in final print with "John Doe" information. The items bracketed for variability include only such items that will vary pertaining to the insured's or owners individual personal information and the information specific to the policy as issued; a statement of variability is attached.

The policies provide graded life insurance benefits over a two-year period with level premiums. Policy form B 20802 will be marketed through individual solicitation by personally producing licensed and contracted agents and brokers; policy form B 20802 DR will be marketed through direct response methods. A chart showing the optional rider(s) that may be sold with, and the application(s) that may be used to solicit, this policy is attached for your convenience.

Thank you for your time in review of this filing. If you should have any questions or need any additional information, please do not hesitate to contact me at: (404) 266-5723; toll-free 1-800-241-1439, ext. 5723; fax (404) 926-4092; email tcunningham@atlam.com.

Sincerely,

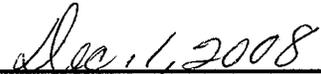

Tina Cunningham
Compliance Analyst I
Legal/Compliance

Certificate of Compliance

I, the undersigned, declare that I am an officer, or authorized representative of an officer, of Bankers Fidelity Life Insurance Company, and that I have the authority to bind that organization by my signature. I have reviewed the contents of this filing and all applicable sections of the Arkansas Insurance code, rules and bulletins. I certify that all documents contained herein comply with said code, rules and bulletins, are in final printed format and all terms contained therein appear exactly as they will appear when offered for issuance of delivery in the State of Arkansas.



Officer Signature



Date

Sharon A. Busch

Print Name of Officer

Vice President, Legal/Compliance

Officer's Title

SERFF Tracking Number: BFLI-125819805 State: Arkansas
 Filing Company: Bankers Fidelity Life Insurance Company State Tracking Number: 40387
 Company Tracking Number: AR B 20802
 TOI: L071 Individual Life - Whole Sub-TOI: L071.201 Early Duration Reduced Benefit - Level
 Premium - Any Policy Design
 Product Name: Graded Face Amount - Modified Whole Life Policy
 Project Name/Number: /

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Graded Face Amount - Modified Whole Life Insurance Policy	09/18/2008	20802r6 DOE.pdf

BANKERS FIDELITY LIFE INSURANCE COMPANY
A STOCK COMPANY
4370 Peachtree Road, N.E., Atlanta, Georgia 30319

**GRADED FACE AMOUNT
MODIFIED WHOLE LIFE INSURANCE POLICY**

Bankers Fidelity Life Insurance Company (hereinafter referred to as “the Company”, “We”, “Our” or “Us”) promises to insure the Insured for the benefits described in this Policy. We make this promise in consideration of the application for this Policy and the payment of the required premium.

10-DAY RIGHT TO EXAMINE AND RETURN THIS POLICY - It is important to Us that You are satisfied with this Policy and that it meets Your insurance needs. If You are not satisfied, You may return it within ten (10) days of its receipt. Send it to Us or to Your agent and You will receive a full refund of any premiums you have paid. This Policy will then be void from its beginning.

If this Policy is a replacement of existing insurance, the 10-DAY FREE LOOK period is extended to a 30-DAY FREE LOOK. You must have completed a Replacement Form with your application.

PLEASE READ YOUR POLICY CAREFULLY.

IMPORTANT NOTICE GIVEN PURSUANT TO LAW: Please read the copy of the application attached to this Policy. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to Us within ten (10) days if any information shown on the application is not correct and complete or if any past medical history has been omitted from the application. The application is a part of this Policy, which was issued on the basis that the answers to all questions and the information shown on the application are correct and complete. No agent may change this Policy or waive any of its provisions.

The provisions on the following pages are part of this Policy, which was signed at Atlanta, Georgia, on the Effective Date.



Vice President



President

**GRADED FACE AMOUNT
MODIFIED WHOLE LIFE INSURANCE**

- Premiums Payable for Period Shown on Policy Specifications Page or for Lifetime of the Insured
 - Non-Participating; No Dividends are Payable
- Reduced Face Amount Payable According to the Following Table upon the Death of the Insured
 - Year 1..... [25]% of the Ultimate Face Amount
 - Year 2..... [60]% of the Ultimate Face Amount
 - Year 3 and thereafter..... 100% of the Ultimate Face Amount

TABLE OF CONTENTS

**This is a legal contract between You and Us.
PLEASE READ YOUR POLICY CAREFULLY!**

	<u>Page</u>
Accidental Death Benefits	4
Assignment	6
Beneficiary	4, 6
Change of Owner or Beneficiary	7
Death Benefits.....	4
Definitions	10
Grace Period	6
Guaranteed Values	7 & 8
Incontestability.....	6
Loans.....	9
Misstatement of Age or Sex.....	6
Payment of Benefits and Other Proceeds.....	4
Premiums	1, 3, 6
Reinstatement.....	9
Settlement Options.....	5
Suicide	6
Termination.....	10

Extra benefits provisions or restrictions, if any, and a copy of the application follow Page 10.

THE POLICY SPECIFICATIONS PAGE IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

BENEFITS

DEATH BENEFIT - The amount payable to the Beneficiary, determined on the date of the Insured's death and subject to the provisions and limitations of this Policy, is equal to the Graded Face Amount (Page 3), PLUS any additional insurance on the Insured's life provided by an optional benefit rider (Page 3), MINUS any Indebtedness (Page 9).

ACCIDENTAL DEATH BENEFIT - The amount payable to the Beneficiary, determined on the date of the Insured's death and subject to the provisions and limitations of this Policy, is an additional amount equal to the difference between the Graded Face Amount and the Ultimate Face Amount.

EXCEPTIONS - The Accidental Death Benefit is not payable for death resulting directly or indirectly from:

1. suicide, while sane or insane;
2. war or any act incident to war, declared or undeclared;
3. operating, riding in, descending or falling from or with any kind of aircraft, except as a passenger, without duties of any kind, on a civilian aircraft flown by a licensed pilot;
4. bodily or mental infirmity; or disease, or medical or surgical treatment thereof;
5. service in the military, naval, or air forces of any country, combination of countries, or international organization while such country, combination of countries, or international organization is engaged in war, declared or undeclared; or
6. voluntary poisoning, or intentional inhalation of gas or fumes.

TERMINATION - The Accidental Death Benefit shall terminate on the earliest of the following dates:

1. the third Policy Anniversary;
2. the expiration of the Grace Period; or
3. the date this Policy terminates.

POLICY VALUES - The Accidental Death Benefit shall not be considered when determining loan or non-forfeiture values under the policy.

PAYMENT OF BENEFITS AND OTHER PROCEEDS

DEATH BENEFITS - The Death Benefit will be payable when We receive due proof satisfactory to Us of the Insured's death. The death must occur while this Policy is in force. Proof of any claim must be submitted in writing to Us at Our home office. The Death Benefit will be paid in a single sum or in accordance with the Settlement Option selected by either the Owner or the Beneficiary. All payments by Us are payable at Our home office.

ACCIDENTAL DEATH BENEFITS - The Accidental Death Benefit will be payable when We receive due proof satisfactory to Us of the Insured's death. The death must have: 1) resulted, directly and independently of all other causes, from bodily injuries caused by an accident occurring while this Policy was in force and 2) occurred within 90 days following the date of the accident and while this Policy was in force. Proof of any claim must be submitted in writing to Us at Our home office. The Accidental Death Benefit will be paid in a single sum or in accordance with the Settlement Option selected by either the Owner or the Beneficiary. All payments by Us are payable at Our home office.

INTEREST FROM DATE OF DEATH - If the Death Benefits due under this Policy are not paid within thirty (30) days after we receive due proof of the death of the Insured (or where required by law within thirty (30) days after the death of the Insured), We will pay interest on the Death Benefits from the date of death to the date of payment of the Death Benefits.

PREMIUM REFUND AT DEATH - We will refund that part of any premium paid which covers a period beyond the end of the month in which the death of the Insured occurred.

PROCEEDS EXEMPT FROM CLAIM OF CREDITORS - To the extent permitted by law, no payment of proceeds or interest We make will be subject to the claims of any creditors.

SETTLEMENT OPTIONS

The Owner may, during the Insured's lifetime, request that We pay the proceeds under one of the following settlement options; a Beneficiary may select a settlement option only after the Insured's death. We will also use any other method of payment that is agreeable to you and us. A settlement option may be selected only if the payments are to be made to a natural person in that person's own right.

Proceeds of less than \$2,000 may not be applied under any settlement option. We may change the payment frequency if payments under an option become less than \$200.

PAYMENT TERMS - If a Settlement Option is requested, we will prepare an agreement to be signed by the Owner or Beneficiary which will state the terms and conditions under which the payments will be made, including the person to whom payments will be made (hereinafter referred to as the "Payee"). Payments can be annual, semi-annual, quarterly or monthly, and will begin at the end of the first period chosen. This agreement will include a statement regarding the withdrawal value, if any, and to whom any remaining proceeds will be paid following the death of the Payee (hereinafter referred to as the "Contingent Payee"). The Contingent Payee may elect to receive the remaining proceeds in a lump sum or to continue the Settlement Option then in effect.

OPTION 1 - INTEREST INCOME - We will make periodic payments of interest earned from the proceeds left on deposit with Us. Proceeds left on deposit with Us under this option will earn interest at [2]% compounded annually. We may increase the interest rate and the amount of any payment. If the Payee dies, the amount of any lump sum payment will include interest that had been earned but unpaid at the time of death.

OPTION 2 - PAYMENTS FOR A FIXED PERIOD - We will make periodic payments for a fixed period for not longer than thirty (30) years. Payments will be made according to the table below. Guaranteed amounts payable under this option will be based on interest at [2]% compounded annually. We may increase the interest rate and the amount of any payment. If the Payee dies, the amount of any lump sum payment will be calculated based on the guaranteed remaining payments discounted to the date of the payee's death at an annual rate of [2]%. Discounted means We will deduct the amount of interest each remaining payment would have earned had it not been paid out early.

OPTION 2 TABLE										
<i>Monthly Payment Rates per \$1,000 of Proceeds Left on Deposit</i>										
Years Payable	1	2	3	4	5	6	7	8	9	10
Monthly Payment	[\$84.09]	[\$42.46]	[\$28.59]	[\$21.65]	[\$17.49]	[\$14.72]	[\$12.74]	[\$11.25]	[\$10.10]	[\$9.18]
Years Payable	11	12	13	14	15	16	17	18	19	20
Monthly Payment	[\$8.42]	[\$7.80]	[\$7.26]	[\$6.81]	[\$6.42]	[\$6.07]	[\$5.77]	[\$5.50]	[\$5.26]	[\$5.04]
Years Payable	21	22	23	24	25	26	27	28	29	30
Monthly Payment	[\$4.85]	[\$4.67]	[\$4.51]	[\$4.36]	[\$4.22]	[\$4.10]	[\$3.98]	[\$3.87]	[\$3.77]	[\$3.68]
<i>For payment options other than monthly, multiply the above monthly payment by the following factors: Annual = 11.892; Semi-Annual = 5.975; Quarterly = 2.995.</i>										

OPTION 3 - PAYMENT OF A SPECIFIED AMOUNT - We will may periodic payments of a specified amount. Payments will continue until the proceeds are exhausted. The last payment will equal the amount of any unpaid proceeds. Unpaid proceeds left on deposit with Us under this option will earn interest at [2]% compounded annually. We may increase the interest rate and the length of any payment period. If the Payee dies, the amount of any lump sum payment will include interest that had been earned but unpaid at the time of death.

GENERAL PROVISIONS

ENTIRE CONTRACT; CHANGES - This Policy, the application and any riders, endorsements, amendments or papers attached to it are the Entire Contract between You and Us. No change in this Policy will be effective until it is approved by one of Our executive officers. This approval must be noted on or attached to this Policy. No agent may change this Policy or waive any of its provisions. Any rider, endorsement or application which modifies, limits or excludes coverage must be signed by You to be effective. No statement shall be used in defense of a claim under the Policy unless it is contained in a written application that is endorsed upon or attached to the policy when issued or delivered. All statements made by the Insured shall, in the absence of fraud, be deemed representations and not warranties.

INCONTESTABILITY - We cannot contest this Policy after it has been in force during the lifetime of the Insured for two (2) years after the Effective Date, except for non-payment of premiums.

SUICIDE - If the Insured, whether sane or insane, dies by Suicide, within two (2) years from the Effective Date, Our liability will be limited to an amount equal to the premiums paid for this Policy.

MISSTATEMENT OF AGE OR SEX - If the Age or Sex of the Insured has been misstated, all amounts payable under this Policy shall be such as the premium would have purchased at the correct Age or Sex. If no coverage would have been issued or coverage would no longer be effective had the correct Age or Sex been stated, then Our liability will be limited to a refund of premium for the period during which no coverage was effective.

RENEWAL PREMIUMS - Renewal premiums are payable in advance to Us. The payment of any premium shall not continue this Policy in force beyond the next premium due date, except as provided in the Grace Period provision. If requested, We will provide a receipt, signed by the President or one of our Executive Officers, for the premium.

GRACE PERIOD - This policy has a 31-day Grace Period. This means that if a premium is not paid on or before the date it is due, You may pay that premium during the 31-day period immediately following the due date. Your premium payment must be received in Our home office within the 31-day period. This 31-day Grace Period does not apply to the first premium payment. The first premium payment must be paid when your policy is delivered.

The Insured's life will continue to be insured during this 31-day period. If the Insured dies during the Grace Period, We will deduct a premium for the 31-day Grace Period from the Death Benefits.

NON-PAYMENT OF PREMIUMS - If a premium is not paid by the end of the Grace Period, the Policy will lapse as of the premium due date and be out of force.

ASSIGNMENT OF THE POLICY PROCEEDS - This Policy may be assigned. The Assignment must be in writing and filed at Our home office. We assume no responsibility for the validity or effect of any Assignment of this Policy or of any interest in it. Any proceeds which become payable to an assignee will be payable in a single sum. Any claim made by an assignee will be subject to proof of the assignee's interest and the extent of the assignment.

BENEFICIARY - When We receive proof satisfactory to Us of the Insured's death, We will pay the Death Benefits of this Policy to the Beneficiary or Beneficiaries who are named in the application for this Policy unless You subsequently changed Your Beneficiary. In that event, We will pay the Death Benefits to the Beneficiary named in your last change of Beneficiary Request as provided for in this Policy.

If any Beneficiary dies before the Insured, that Beneficiary's interest in this Policy ends with that Beneficiary's death. Only those Beneficiaries who survive the Insured will be eligible to share in the Death Benefits. If no Beneficiary survives the Insured, We will pay the Death Benefits of this Policy to the Insured's estate. If benefits are payable to the Insured's estate, We may pay up to \$1,000 to any relative of the Insured whom We find is entitled to them. Any payment made in good faith will fully discharge Us to the extent of such payment.

General Provisions, continued

CHANGE OF OWNER OR BENEFICIARY - If You reserved the right to change the Owner or Beneficiary, You can file a written Request with Us to make such a change. If You have not reserved the right to change the Beneficiary, the written consent of the irrevocable Beneficiary will be required. Your Request will not be effective until it is recorded in Our home office records. After it has been so recorded, the Request will take effect as of the date You signed the Request. However, if You die before the Request has been so recorded, the Request will not be effective as to those benefits We have paid before Your Request was recorded in Our home office records.

CONFORMITY WITH STATE STATUTES - Any provision of this Policy which, on its Effective Date is in conflict with the laws of the State in which it is issued, on that date is amended to conform to the minimum requirements of such laws.

GUARANTEED VALUE OPTIONS - NON-FORFEITURE BENEFITS

BASIS USED FOR CALCULATIONS - Cash Values are calculated according to the Standard Non-forfeiture Law using the Cash Value Basis indicated on Page 8. Reduced Paid-Up and Extended Term Insurance options are calculated on the same basis as Cash Values. All values are at least equal to those required by the law of the state in which this policy is delivered. We have filed with that state a detailed statement of the method of calculating values. The values shown in the Table of Guaranteed Values are for completed Policy years. They assume that there is no Indebtedness and that premiums are paid to the end of the Policy year.

After the policy year in which a value is first shown, the values between any two Policy years shown will be determined by interpolation with allowance for the premiums paid for the period between such consecutive years. Values for policy years not shown will be furnished upon request. The cash or loan values shown are for \$1,000 Face Amount of insurance, for other Face Amounts any such value will be in proportion. The periods of Extended Term Insurance will be the same for any Face Amount. The cash value of any Extended Term Insurance is the net single premium for such insurance at the attained age of the insured.

A premium may be paid in cash or by an Automatic Premium Loan. If a premium is not paid by the end of the Grace Period, the Extended Term Insurance Option shall become effective as of the date of the unpaid premium, unless another option has been selected by You prior to the Extended Term Insurance Option becoming effective.

EXTENDED TERM INSURANCE OPTION - You may continue this Policy as non-participating term insurance. No further premium will be due. The amount of Extended Term Insurance will be: The Graded Face Amount of this policy MINUS any Indebtedness.

The term period begins on the date to which premiums are paid. The Cash Value, MINUS and Indebtedness is applied as a net single premium at the Insured's attained age to determine the length of the term. For this purpose, the attained age will be the Insured's Age on the date of the first unpaid premium. If a policy on Extended Term Insurance is surrendered for its Cash Surrender Value within 30 days after a Policy Anniversary, the Cash Value will be equal to the Cash Value on that Policy Anniversary.

REDUCED PAID-UP INSURANCE OPTION - You may continue Your Policy as paid-up insurance for a reduced amount, payable under the same conditions as this Policy. We will use the Cash Value MINUS any Indebtedness to buy non-participating paid-up insurance at the net single premium rate for the Insured's attained age. For this purpose, the attained age will be the Insured's Age on the date of the first unpaid premium. If a Reduced Paid-Up Policy is surrendered for its Cash Surrender Value within 30 days after a Policy Anniversary, the Cash Value will be equal to the Cash Value on that Policy Anniversary.

CASH VALUE SURRENDER OPTION - You may surrender Your Policy for its Cash Value. Your Cash Surrender Value is: The Cash Value of your Policy MINUS any Indebtedness. Surrender will be effective on the date of your written request. We require that Your Policy be sent in with Your written request before making surrender payment. We may defer payment of any Cash Value for not more than six months, excluding the use of Cash Values to exercise the Automatic Premium Loan. When you surrender your policy for its cash value, your policy will terminate.

TABLE OF GUARANTEED VALUES PER \$1,000 FACE AMOUNT OF INSURANCE

[MALE] - Issue Age [55]

POLICY YEAR	CASH VALUE	REDUCED PAID-UP	EXTENDED TERM	
			YEARS	DAYS
1	[0.00]	[0]	[0]	[0]
2	[8.34]	[23]	[1]	[36]
3	[28.70]	[77]	[3]	[124]
4	[49.61]	[128]	[5]	[10]
5	[71.01]	[177]	[6]	[113]
6	[92.79]	[223]	[7]	[137]
7	[114.85]	[267]	[8]	[102]
8	[137.06]	[308]	[9]	[8]
9	[159.42]	[347]	[9]	[215]
10	[181.94]	[384]	[10]	[18]
11	[204.67]	[419]	[10]	[144]
12	[227.69]	[453]	[10]	[236]
13	[251.05]	[485]	[10]	[297]
14	[274.78]	[515]	[10]	[330]
15	[298.88]	[545]	[10]	[339]
16	[323.27]	[573]	[10]	[329]
17	[347.72]	[599]	[10]	[305]
18	[372.09]	[625]	[10]	[267]
19	[396.45]	[648]	[10]	[219]
20	[420.80]	[671]	[10]	[160]
Age 60	[71.01]	[177]	[6]	[113]
Age 65	[181.94]	[384]	[10]	[18]
Non-Forfeiture Factor: [26.35335]				

Cash Value Basis: [2001 CSO (F) / 2001 CSO (M) / 2001 CSO (E)] Composite U ALB with interest at [5]%

The Extended Term Period is the same regardless of the face amount of the policy.

LOAN VALUES

The Loan Value of Your Policy is: The Cash Value MINUS any Indebtedness. Your Policy has two loan privileges. You may borrow the Cash Value or have past due premiums paid by Automatic Premium Loan. Loans have priority over the claims of any assignee or other person. Your policy is the sole security for all loans.

AUTOMATIC PREMIUM LOANS - If You asked for this provision in Your application, or by later written request, We will automatically make a loan to you from the Cash Value of this Policy to pay any premium not paid by the end of the Grace Period. Your policy must be in force and have enough Loan Value. If there is not enough Loan Value to pay a premium, the policy will lapse and the Guaranteed Value Options provision will apply. You can also make written request to cancel this service.

POLICY LOANS - You can borrow up to the available Loan Value of your Policy unless your Policy is on Extended Term Insurance. At Your request, We will send You a loan agreement for Your signature. We have the right to postpone Your loan for up to six months unless the loan is to be used to pay premiums on any policies You have with Us.

INDEBTEDNESS - Indebtedness includes all Policy and Automatic Premium loans, accrued interest and any due and unpaid premiums. If Indebtedness exceeds the Cash Value of Your Policy, We will mail notice to Your last known address and that of any assignee of record. If the excess is not paid within 31 days, the Policy will terminate. You may repay all or any part of the Indebtedness while the Insured is alive and no Guaranteed Value Option is in effect. Any outstanding Indebtedness at the time of the Insured's death will be deducted from policy proceeds.

LOAN INTEREST PROVISION - Policy loans will bear interest at the Policy Loan Interest Rate shown on Page 3. If You do not pay the interest on Your loan when it is due, the unpaid interest will be added to Your loan and charged the same rate of interest as Your loan.

REINSTATEMENT

If a premium is not paid before the end of the 31-day Grace Period, Your Policy will lapse, and no further premium payments may be made. However, even if Your Policy lapses, the values provided for in the Guaranteed Values Options may be available to you. You may also ask Us within 5 years of lapse to restore Your Policy to a premium paying basis. We will require:

1. Your written request to reinstate the Policy;
2. Evidence of insurability satisfactory to Us;
3. Payment or reinstatement of any Indebtedness;
4. Payment of all past due premiums on Your Policy; and
5. Payment of interest compounded annually on all past due premiums and any Indebtedness at the Reinstatement Interest Rate shown on Page 3.

Our determination of the Insured's continued insurability and the payment of all past due premiums with interest must occur during the Insured's lifetime. Your Policy cannot be reinstated if Your Policy was placed on Extended Term Insurance and the term period has expired or if Your Policy was surrendered for cash.

We may contest the reinstatement of this Policy until it has been in force during the lifetime of the Insured for two years from the date of reinstatement for material misrepresentations on the application for reinstatement.

DEFINITIONS

AGE - Age of the Insured at the Insured's last birthday on the Effective Date.

BENEFICIARY - the person designated by the Owner to receive the Death Benefits.

EFFECTIVE DATE - is shown on the Policy Specifications Page. It is the date coverage begins. It starts at 12:00 a.m., Standard Time, at the Insured's residence.

INSURED - the person whose life is insured under this Policy as shown on the Policy Specifications Page.

LAPSE OR LAPSED - a premium is in default, and the Insured's life is no longer insured under the terms of this Policy.

OWNER; YOU, YOUR OR YOURS - is shown on the Policy Specifications Page, as named in the application, unless subsequently changed as provided for in this Policy.

POLICY ANNIVERSARY - the same date and month as Your Effective Date for each succeeding year Your Policy remains in force.

REQUEST - a Request in writing signed by the Owner on a form acceptable by Us. We also may require that this Policy accompany Your Request.

TERMINATE - the Insured's life is no longer insured under any of the terms of this Policy.

TERMINATION

This Policy shall terminate on the earliest of:

1. the end of the Grace Period in which a renewal premium remains unpaid; or
2. the date the Insured dies.

Termination will be effective as of 11:59 p.m. Standard Time at the Insured's residence on the termination date.

PAGE 10 IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

THE BACK COVER PAGE OF THE POLICY IS ON THE REVERSE OF THIS PAGE.

THIS PAGE LEFT INTENTIONALLY BLANK.

BANKERS FIDELITY LIFE INSURANCE COMPANY

4370 Peachtree Road, N.E., Atlanta, Georgia 30319

GRADED FACE AMOUNT MODIFIED WHOLE LIFE INSURANCE

- Premiums Payable for Period Shown on Policy Specifications Page or for Lifetime of the Insured
 - Non-Participating; No Dividends are Payable
- Reduced Face Amount Payable According to the Following Table upon the Death of the Insured
 - Year 1..... [25]% of the Ultimate Face Amount
 - Year 2..... [60]% of the Ultimate Face Amount
 - Year 3 and thereafter..... 100% of the Ultimate Face Amount