

SERFF Tracking Number: FDLR-125606636 State: Arkansas
Filing Company: Fidelity Life Association, A Legal Reserve Life Insurance Company State Tracking Number: 38672
Company Tracking Number:
TOI: L07G Group Life - Whole Sub-TOI: L07G.101 Fixed/Indeterminate Premium - Single Life
Product Name: AR LTC-TI 2
Project Name/Number: /

Filing at a Glance

Company: Fidelity Life Association, A Legal Reserve Life Insurance Company

Product Name: AR LTC-TI 2 SERFF Tr Num: FDLR-125606636 State: ArkansasLH
TOI: L07G Group Life - Whole SERFF Status: Closed State Tr Num: 38672
Sub-TOI: L07G.101 Fixed/Indeterminate Co Tr Num: State Status: Approved-Closed
Premium - Single Life
Filing Type: Form Co Status: Reviewer(s): Linda Bird
Author: Barbara Mooney Disposition Date: 04/28/2008
Date Submitted: 04/11/2008 Disposition Status: Approved
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: Domicile Status Comments:
Explanation for Combination/Other: Market Type: Group
Submission Type: New Submission Group Market Size: Small and Large
Overall Rate Impact: Group Market Type: Employer, Association
Filing Status Changed: 04/28/2008 Deemer Date:
State Status Changed: 04/28/2008
Corresponding Filing Tracking Number:
Filing Description:
Please see cover letter.

Company and Contact

Filing Contact Information

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Ciaran Brady, Vice President - Operations Ciaran.Brady@FLA-Life.com
1211 W 22nd St, Suite 209 (630) 522-0392 [Phone]
Oak Brook, IL 60523 (630) 522-0397[FAX]

Filing Company Information

Fidelity Life Association, A Legal Reserve Life Insurance Company CoCode: 63290 State of Domicile: Illinois
1211 W 22nd St. Group Code: 3413 Company Type: Life
Suite 209
Oak Brook, IL 60523 Group Name: State ID Number:
(630) 522-0392 ext. [Phone] FEIN Number: 36-1068685

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Filing Fees

Fee Required? Yes
Fee Amount: \$150.00
Retaliatory? Yes
Fee Explanation: Using IL fees.
3 forms @ \$50 per form.
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Fidelity Life Association, A Legal Reserve Life Insurance Company	\$150.00	04/11/2008	19492012

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	04/28/2008	04/28/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Linda Bird	04/23/2008	04/23/2008	Barbara Mooney	04/28/2008	04/28/2008

Industry Response

SERFF Tracking Number: FDLR-125606636 *State:* Arkansas
Filing Company: Fidelity Life Association, A Legal Reserve Life *State Tracking Number:* 38672
Insurance Company
Company Tracking Number:
TOI: L07G Group Life - Whole *Sub-TOI:* L07G.101 Fixed/Indeterminate Premium - Single
Life
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Disposition

Disposition Date: 04/28/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document	Actuarial Memorandum		No
Supporting Document (revised)	Cover Letter		Yes
Supporting Document	Cover Letter		Yes
Form (revised)	LTC-TI Combo Rider		Yes
Form	LTC-TI Combo Rider		Yes
Form (revised)	LTC-TI Combo Optional Benefit		Yes
Form	LTC-TI Combo Optional Benefit		Yes
Form	LTC-TI Disclosure		Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 04/23/2008
Submitted Date 04/23/2008
Respond By Date
Dear Ciaran Brady,

This will acknowledge receipt of the captioned filing.

Objection 1

- LTC-TI Combo Rider (Form)
- LTC-TI Combo Optional Benefit (Form)

Comment: The Resolution of Disputes is in violation of Arkansas law and regulation in reference to arbitration. Please review Ark. Code Ann. 23-79-203 and Bulletin 19-89 as to arbitration. Arkansas will only allow voluntary post dispute non-binding arbitration.

Please feel free to contact me if you have questions.

Sincerely,
Linda Bird

Response Letter

Response Letter Status Submitted to State
Response Letter Date 04/28/2008
Submitted Date 04/28/2008

Dear Linda Bird,

Comments:

Response 1

Comments: Please review updated cover letter.

Related Objection 1

Applies To:

SERFF Tracking Number: FDLR-125606636 State: Arkansas
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Product Name: AR LTC-TI 2

- Project Name/Number: /
- LTC-TI Combo Rider (Form)
 - LTC-TI Combo Optional Benefit (Form)

Comment:

The Resolution of Disputes is in violation of Arkansas law and regulation in reference to arbitration. Please review Ark. Code Ann. 23-79-203 and Bulletin 19-89 as to arbitration. Arkansas will only allow voluntary post dispute non-binding arbitration.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Cover Letter

Comment:

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
LTC-TI Combo Rider	W3P07C-AR		Certificate Amendment, Insert Page, Endorsement or Rider	Initial			W3P07C-AR rd.pdf
Previous Version							
LTC-TI Combo Rider	W3P07C		Certificate Amendment, Insert Page, Endorsement or Rider	Initial			W3P07Cr d.pdf
LTC-TI Combo Optional Benefit	W3007C-AR		Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial			W3007C-AR Opt Ben.pdf
Previous Version							
LTC-TI Combo Optional Benefit	W3007C		Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial			W3007C Opt Ben.pdf

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No Rate/Rule Schedule items changed.

Sincerely,
Barbara Mooney

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Form Schedule

Lead Form Number:

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	W3P07C-AR	Certificate Amendment, Insert Page, Endorsement or Rider	LTC-TI Combo Rider	Initial			W3P07C-AR rd.pdf
	W3007C-AR	Policy/Contract Amendment, Insert Page, Endorsement or Rider	LTC-TI Combo Optional Benefit	Initial			W3007C-AR Opt Ben.pdf
	W3D07C	Policy/Contract Amendment, Insert Page, Endorsement or Rider	LTC-TI Disclosure	Initial			ltc and ti disclosure.pdf

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY

ACCELERATED DEATH BENEFIT FOR LONG TERM CARE AND TERMINAL ILLNESS RIDER

This benefit is available to Certificate Holders as an Optional Benefit upon payment of premium.

Please read your Rider carefully. This Rider provides the following two types of Accelerated Death Benefits: (A) Accelerated Death Benefit for Long Term Care and (B) Accelerated Death Benefit for Terminal Illness.

TAX QUALIFICATION NOTICE: The Accelerated Benefits offered under this Rider are intended to provide a qualified Accelerated Death Benefit that is excluded from gross income for federal income tax purposes under the applicable provisions of the Internal Revenue Code in existence at the time this Rider is issued. To that end, the provisions of this Rider and The Policy are to be interpreted to ensure or maintain such tax qualification, notwithstanding any other provision to the contrary. We reserve the right to amend this Rider or The Policy to reflect any clarifications that may be needed or are appropriate to maintain such tax qualification or to conform this Rider or The Policy to any applicable changes in such tax qualification requirements. We will send The Policyholder a copy of any such amendment. Whether any tax liability may be incurred when benefits are paid under this Rider could depend on how the Internal Revenue Service interprets applicable provisions of the Internal Revenue Code. Tax laws relating to Accelerated Benefits are complex. Certificate Holders are advised to consult with a qualified tax advisor about circumstances under which they could receive Accelerated Benefits excludable from income under federal law.

Receipt of an Accelerated Benefit may affect the Certificate Holder and the Certificate Holder's spouse or family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. Certificate Holders are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect his or her spouse and his or her family's eligibility for public assistance.

NOTICE TO BUYER: This Rider may not cover all of the costs associated with long term care incurred by the Insured during the period of coverage. We advise You to carefully review all the limitations of this Rider as well as those of The Policy to which it is attached in relation to the costs of long term care.

NOTICE TO PERSONS ELIGIBLE FOR MEDICARE: This is not a Medicare Supplement Rider. If the Insured is eligible for Medicare, You should ask to review a copy of the Medicare Supplement Buyer's Guide. You can get a copy of this guide by calling Fidelity Life at the number below.

Benefit Effective Date: This Rider will be effective on the Coverage Date shown on the Schedule page. The termination date of this rider will be shown on the Schedule Page. Coverage under this Rider will not be in effect unless the coverage to which it is attached becomes effective.

Death Benefits, Surrender Values, and Loan Values, if any, will be reduced if an Accelerated Death Benefit is paid. The Accelerated Death Benefit and the related charges, interest, discounts or liens, if applicable, and the balance of the death benefit provided by The Policy shall constitute full settlement on maturity or death of the Insured as provided under The Policy. There will be no maturity payment available at the end of the term period.

Rider Part of Policy: This Benefit may become part of the Coverage under this Rider, when elected by You and the required premiums are made. The premiums for this rider will be shown on the Schedule Page. Unless they are not consistent with this Rider, all the provisions of The Policy will apply...

Rider Benefit: This Rider will provide You with the option to elect to receive a portion of the Death Benefit provided by The Policy. You can make this election when the Insured becomes eligible for benefits. The Insured must be certified as Terminally Ill to qualify for a Terminal Illness Benefit. The Insured must be certified as Chronically Ill and be confined to a Nursing or Assisted Living Facility or be receiving Home Health or Adult Day Care to qualify for a Long Term Care Benefit. All other conditions outlined in this Rider must also be met.

Where to Get More Information, Correct Information on the Enrollment Form, or Make a Complaint:

The Certificate Holder can contact Us by writing to Us at our Administrative Office at 17 Church St., Keene, NH 03431 or call 1-877-352-3303

Guaranteed Renewable: As long as You pay the premium on time and Coverage under this Rider is in force, it is renewable, subject to the Rider's terms. We can't change the terms of this Rider, but We can increase the premium up to the guaranteed maximums. The current and guaranteed maximum premiums are shown on the Schedule Page. Any change in premium will be made on the Coverage anniversary date. New premiums will be based on the Insured's age and Premium Class on the Rider's Coverage Date. We must notify You at least 45 days before a premium change. Notice will be mailed to Your last address as shown on Our records.

We can only change premiums if We change them on all Riders on this form in the state where the Rider was issued. We won't change premiums solely because of claims made under this Rider, because of increased age or change in mental or physical health. While this Rider is in force, We cannot change any of its provisions, cancel it, or refuse renewal.

DEFINITIONS

The definitions contained in The Policy and the definitions outlined below will apply to this Rider.

Activities of Daily Living can be defined as an activity that occurs every day. Each of the activities that are listed below are considered an Activity of Daily Living:

1. **Bathing:** The Insured's ability to wash himself/herself by sponge bath; or in either a tub or shower. This will include the task of getting into and out of the tub or shower.
2. **Continence:** The Insured's ability to maintain control of their bowel and bladder function. When unable to maintain control of bowel or bladder function, the Insured must have the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
3. **Dressing:** The Insured's ability to put on and take off all of their clothing and any required braces, fasteners or artificial limbs.
4. **Eating:** The Insured's ability to feed him or herself by getting food into his/her body from a receptacle (such as a plate, cup or table) or through a feeding tube or through intravenous means.
5. **Toileting:** The Insured's ability to get to and from the toilet, to get on and off the toilet, and to perform the necessary personal hygiene.
6. **Transferring:** The Insured's ability to move into or out of a bed, chair or wheelchair.

Adult Day Care means a program of social and/or health-related services provided on a less than 24-hour-a-day basis. Adult Day Care must be provided in an Adult Day Care Center. The purpose of the program must be to support frail or impaired elderly, or other disabled adults who can benefit from care in a group setting outside the Home.

Adult Day Care Center means a facility, or part of a facility that provides Adult Day Care. The Adult Day Care Center must be licensed or certified to provide such services, if required by the jurisdiction in which the Adult Day Care Center is located.

Assisted Living Facility means a facility that will provide on-going care and services to the Insured. This care and the service provided must meet all of the conditions outlined below.

1. The Facility must be licensed or certified to provide the on-going care and related services. Licensing or certification will be required based on the laws of the state where the facility is located; and
2. The Facility must provide twenty-four (24) hour a day care. Services must be sufficient to support the needs resulting from the Insured's inability to perform Activities of Daily Living or from Severe Cognitive Impairment; and
3. The Facility must have a trained employee on duty at all times. The employee must be awake and ready to provide care; and
4. The Facility must provide three meals per day. The facility must be able to accommodate special dietary needs; and
5. The Facility must have written agreements in place that will provide the Residents with the medical care that will be needed in case of an emergency. If not, it must ensure that the Residents will receive medical care in case of an emergency. A Physician or Registered Nurse must provide the medical care; and
6. The facility must have methods and procedures in place that will help the residents administer the medications that have been prescribed to them.

The entities listed below do not qualify as an Assisted Living Facility:

1. a Hospital; or
2. a facility that is operated mainly for the treatment and care of:
 - (a) mental, nervous, psychotic or psychoneurotic deficiencies or disorders;
 - (b) or tuberculosis;
 - (c) or alcoholism;
 - (d) or drug addiction;
 - (e) or rehabilitation;
 - (f) or occupational therapy.

If the Insured is confined to an Assisted Living Facility that meets the requirements outlined in this Rider, the Insured will be eligible for benefits under this Rider.

Chronically Ill Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

1. being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting, and Transferring) for a period of 90 days; **or**
2. the Insured must have a Severe Cognitive Impairment that requires Substantial Supervision to protect him/her from threats to his or her health and safety.

Certification by the Licensed Health Care Practitioner of the Chronically Ill Insured must occur at least once every 12 months.

Confined or Confinement means that the Insured is required to stay in a bed and is physically placed within a licensed Nursing or Assisted Living Facility. This confinement will be as an overnight resident patient.

Elimination Period means the number of days that the Insured must meet the Conditions of Eligibility for Long Term Care. There will be no Long Term Care benefits paid during this period. The Elimination Period will start from the first day that the Insured is certified by a Licensed Health Care Practitioner as: (1) being Unable to Perform without substantial Human Assistance at least two Activities of Daily Living; or (2) having a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety. The Elimination Period for the Long Term Care benefit will be shown in the Schedule Page. The Elimination Period only needs to be satisfied once during the Insured's lifetime. There is no Elimination Period for the Terminal Illness benefit.

Home is defined as any place where the Insured lives. Home does not mean a Nursing Facility, Assisted Living Facility, Alzheimer's facility, Hospital, hospice facility, congregate care, or any other similar residential care facility.

Home Health Care Agency means an agency or organization that provides care and services in the Insured's Home and meets all of the following criteria:

1. It is, where required, licensed, certified, and/or accredited as a Home Health Care Agency; and
2. It provides Home Health Care services; and
3. It is, where required by its licensure, certification and/or accreditation, supervised by a Registered Professional Nurse or a Licensed Social Worker; and
4. It has employees who have appropriately specialized training; and
5. It keeps Plan of Care records, including Physician's orders where appropriate, on all patients; and
6. If providing Home Health Care services, it keeps clinical records on all patients.

Home Health Care is defined as a program of professional, para-professional or skilled care that is provided by or through a Home Health Care Agency. The Home Health Care must be provided in the Insured's Home. Home Health Care will include the following types of care: nursing services; physical therapy, occupational therapy, speech therapy, respiratory therapy, audiology services; and medical social services by a social worker or social work assistant.

Hospital is defined as an institution which:

1. is licensed as a Hospital and is operating within the scope of its license; and
2. is accredited as a Hospital by the Joint Commission on Accreditation of Health Care Organizations, or by the American Osteopathic Association; and
3. is primarily and continuously engaged in providing or operating medical, diagnostic and major surgical facilities which are located either on the Hospital's premises or in facilities controlled by such Hospital; and
4. is under the supervision of a duly licensed Physician; and

5. provides medical care and treatment of sick or injured persons on an inpatient basis for which a charge is made; and
6. provides 24-hour nursing service by or under the supervision of a Registered Professional Nurse.

Hospital does not mean a place that is operated mainly for: rest; convalescence; care of the aged; custodial care; treatment and care of mental disorders, tuberculosis, alcoholism, or drug addiction; rehabilitation; or occupational therapy.

Immediate Family is defined as the Insured's or Your spouse, child, brother, sister, parent, grandparent or grandchild.

Insured means the person who is the Insured under The Policy to which this Rider is attached.

Licensed Health Care Practitioner is defined as any Physician, Registered Professional Nurse, or Licensed Social Worker.

Licensed Social Worker means a health care professional that is licensed in the state in which he or she practices. The Social Worker must be practicing within the scope of their license. A Licensed Social Worker does **not** include a member of the Insured's or Your Immediate Family. A Licensed Social Worker does **not** include anyone who resides in the Insured's or Your Home or residence.

Monthly Accelerated Death Benefit Amount means the maximum amount that We will pay in any one calendar month. The Insured must be confined in a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition the Insured must satisfies the terms set forth in the "Conditions on Eligibility for Long Term Care benefits.

Medicare means The Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 as then constituted or later amended.

Nursing Facility means a health care facility or a part of a Hospital or other institution that provides such services. The Nursing Facility must meet all of the requirements that are listed below:

1. It operates under a license issued by the appropriate licensing agency to provide nursing care and related services; and
2. It provides, in addition to room and board, 24-hour-a-day nursing care and related services on a continuing inpatient basis, to 6 or more individuals; and
3. It provides on a formal prearranged basis, a Registered Professional Nurse on duty or on call at all times; and
4. It provides, on a formal prearranged basis, that a duly licensed Physician will be available in case of emergency; and
5. It has a planned program of policies and procedures. This planned program was developed with the advice of at least one Physician. In addition, the program is periodically reviewed by at least one Physician; and
6. It maintains a clinical record of each patient.

Nursing Facility does not mean a Hospital. It does not mean a facility that is operated mainly for the treatment and care of mental, nervous, psychotic or psychoneurotic deficiencies or disorders; or tuberculosis; or drug addiction; or rehabilitation, or occupational therapy.

Physician means an individual who is licensed to practice medicine and treat injury or illness in the state in which treatment is received and who is acting within the scope of that license. A Physician must be someone other than:

1. the Insured; or
2. the Certificate Holder; or
3. a person who lives with the Certificate Holder or the Insured; or
4. a person who is part of the Certificate Holder or the Insured's Immediate Family; or
5. anyone who has an ownership interest in a facility in which the Insured is Confined.

Plan of Care means a written individualized plan of services. A Licensed Health Care Practitioner must develop this plan.

Registered Professional Nurse means a health care professional that is licensed or registered as a professional graduate nurse by the state in which he or she practices. The Registered Nurse must be practicing within the scope of that license. A Registered Nurse does not include a member of the Insured's or Your Immediate Family. A Registered Nurse does not include anyone who resides in the Insured's or Your Home or residence.

Rider Month is the period from the Rider Coverage Date to the first monthly anniversary or from one Rider monthly anniversary to the next. A Rider Month does not include the Rider monthly anniversary day at the end of the Rider Month.

Severe Cognitive Impairment means a deficiency in: the Insured's short-term or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness. Diagnosis must be established by clinical evidence and standardized tests that can accurately measure the Insured's loss. An example of such an Impairment that is covered under this Rider is Alzheimer's disease and other forms of senility, senile dementia and irreversible dementia.

Substantial Human Assistance is defined as actual hands-on assistance that is provided by another individual.

Substantial Supervision means continuous, arms-length supervision. This includes, but is not limited to, verbal cueing by another individual to protect the Insured from harming himself/herself or others, or from threats to the Insured's health and safety.

Terminally Ill means the Insured has a life expectancy of 12 months or less due to an illness or physical condition.

Unable to Perform an Activity of Daily Living means that the Insured cannot perform an activity without Human Assistance, even if the Insured uses some equipment.

Waiting Period means the Waiting Period shown on the Schedule Page. The Waiting Period starts on the Rider Coverage Date. Long Term Care benefits will not be paid for any sickness condition or Plan of Care that begins during the Waiting Period. There is no Waiting Period for accidents.

You or Your refer to the Certificate Holder.

ACCELERATED DEATH BENEFIT FOR LONG TERM CARE

The Long Term Care benefit of this Rider will allow You the option to elect to receive a portion of the Death Benefit provided by The Policy. The Long Term Care benefit amount is shown on the Schedule Page. The option to receive a portion of the death benefit can be made when the Insured becomes eligible for benefits. To qualify for benefits, the Insured must be certified as a Chronically Ill Individual. The Insured must also be confined to a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition, the following Rider conditions for Long Term Care must be met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF LONG TERM CARE RIDER BENEFITS

We will pay You the applicable Rider benefit as stated below, subject to all of the following conditions:

1. The Insured:
 - a. must be confined to a Nursing or Assisted Living Facility. The confinement must begin while this Rider is in force; or
 - b. receives Home Health Care services that are provided by a Home Health Care Agency. The Insured must receive a minimum of [8] Home Health Care visits during each Rider Month and while this Rider is in force; or
 - c. receives Adult Day Care that is provided in an Adult Day Care Center. The Insured must have a minimum of [8] Adult Day Care visits during each Rider Month and while this Rider is in force; and
2. Confinement and Home Health Care or Adult Day Care services must be included in the Insured's Plan of Care; and
3. the Insured is a Chronically Ill Individual; and
4. the Insured must satisfy the Elimination Period; and
5. the Waiting Period has been met; and
6. the Coverage provided to the Insured by The Policy to which this Rider is attached is in force; and
7. all irrevocable beneficiaries and assignees have signed the written request for this benefit.

LONG TERM CARE RIDER BENEFITS

Monthly Accelerated Death Benefit for Confinement: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits that are described in this Rider, We will pay You the benefit amount for Confinement. We will pay the benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Monthly Accelerated Death Benefit for Home Health Care or Adult Day Care: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits, we will pay You the benefit amount. We will pay this benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Remaining Accelerated Death Benefit Amount:

The Monthly Accelerated Benefit may not be larger than the Remaining Accelerated Death Benefit Amount. The Remaining Accelerated Death Benefit Amount equals:

1. the current death benefit on the life of the Insured provided by The Policy; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit paid to You under this Rider; less
4. the total of all previous Monthly Accelerated Death Benefit Amounts paid to You for Long Term Care benefits under this Rider.

The current death benefit as used here does not include accidental death benefits or life insurance provided by other Riders.

Monthly Accelerated Death Benefits Under Paid Up Options: If premiums for The Policy and this Rider terminate resulting in a remaining paid-up life insurance death benefit under The Policy, Long Term Care Monthly benefits may continue to be payable. In order for the benefits to continue, the Insured must meet the Conditions on Eligibility for Long Term Care benefits. These conditions are described in this Rider. When a paid-up life insurance death benefit remains under The Policy, the Remaining Accelerated Death Benefit Amount will equal:

1. the paid-up death benefit on the life of the Insured provided by The Policy; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit that has been paid to You under this Rider; less
4. the total of all previous benefit amounts that have been paid to You for Long Term Care benefits.

The paid-up death benefit as used here does not include accidental death benefits or life insurance provided by other Riders.

Reduced Benefits Due To Unpaid Coverage Loans: We will require that a portion of any outstanding loan be deducted from the benefit payment. The portion of the outstanding loan will equal the outstanding unpaid loan multiplied by the ratio of the benefit payment to the Remaining Accelerated Death Benefit Amount plus any Lien.

Waiver of Premium: For as long as the Insured is eligible for benefits, We will waive the premiums due for the Coverage provided by The Policy. This will include the premiums for Optional Benefits attached to the Certificate.

ACCELERATED DEATH BENEFIT FOR TERMINAL ILLNESS

The Terminal Illness benefit of this Rider will allow You with the option to elect to receive a portion of the Death Benefit provided by The Policy. The Death Benefit will be shown in the Schedule Page. The option to receive a portion of the Death Benefit can be made when the Insured becomes Terminally Ill and the following Rider conditions for Terminal Illness are met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF TERMINAL ILLNESS RIDER BENEFIT

We will pay You the applicable Rider benefit as stated below, subject to all of the following conditions:

1. this benefit is subject to the terms and conditions of The Policy; and
2. You must provide us with certification by a Physician that the Insured is Terminally Ill. The Company reserves the right to obtain a second medical opinion. We will pay the cost for the second opinion. If there is a conflict of opinions, a third diagnosis will be obtained by a physician acceptable to both You and Us. This diagnosis will be binding on both You and the Company; and
3. the Insured's Coverage under The Policy must have been in force for 2 years from the Coverage Date or 2 years from the date of last reinstatement, if any, whichever is later.
4. You need to request the Benefit for Terminal Illness in writing; and
5. all irrevocable beneficiaries and assignees must sign the written request for this benefit; and
6. the Coverage provided by The Policy has not lapsed due to nonpayment of premium.

CERTIFICATE HOLDER'S RIGHTS

The request for payment of a Terminal Illness benefit is voluntary. This benefit is not intended to allow any third party to cause You to involuntarily reduce the Coverage Proceeds that may be payable to the beneficiary. Any election forced by creditors or government agencies will be honored only if it is required by law.

TERMINAL ILLNESS RIDER BENEFIT

The maximum benefit for Terminal Illness, which may be elected by You, is the lesser of 1 and 2:

1. 50% of the Death Benefit minus all previous benefits paid under this Rider to You. This is determined as of the date proof of life expectancy is received; or
2. \$100,000.

The minimum benefit amount for Terminal Illness, which may be elected by You, is \$1,000.

The total benefit for Terminal Illness available under all coverage issued by Fidelity Life Association on the life of the Insured is \$100,000.

Lien: We will treat the benefit for Terminal Illness payment as a lien against the Coverage provided by The Policy. No interest will accrue on this lien.

If Coverage under The Policy lapses for nonpayment of premium and the Lien is used to reduce the Net Surrender Value, no repayment of any remaining lien is required.

If Coverage under the Policy terminates and the Remaining Accelerated Death benefit is equal to or less than zero, no repayment of the Lien is required.

Adjustments:

We will charge an administrative fee of not more than the limit set by law, for processing an Accelerated Death Benefit for Terminal Illness. This fee will be deducted from any payment made.

On the monthly Rider anniversary on or next following a Terminal Illness benefit payment to You the premium for this Rider will be reduced by the following amount (1) times (2) divided by (3):

1. The premium for the Rider
2. the Terminal Illness Benefit payment
3. the Current Death Benefit amount before any adjustments for Long Term Care benefits paid to You.

EFFECT ON THE POLICY BENEFITS IF RIDER BENEFITS ARE PAID

Adjusted Death Benefit Due to Acceleration: The current death benefit that is payable at the death of the Insured will be reduced by the total of all previous Long Term Care benefit payments to You. The Death Benefit will further be reduced by any Lien resulting from a Terminal Illness benefit paid to You. If the Insured dies while The Policy is in force, the remaining Death Benefit proceeds will be paid to the Beneficiary. No further payments under this Rider will be made to You.

Adjusted Surrender Value Due to Acceleration: Any Surrender Value payable under The Policy will be reduced by an amount equal to (1) multiplied by (2):

1. The current death benefit minus the total of all previous Long Term Care Monthly Accelerated Death Benefit Amounts paid;
2. The ratio of the Surrender Value to the current death benefit.

Any Lien resulting from a Terminal Illness benefit payment will reduce the Adjusted Surrender Value, if any, in the following situations:

1. The Surrender of the Coverage for its Net Surrender Value.
2. When the Coverage lapses at the end of its grace period for nonpayment of premium.
3. To determine the Loan Value of the Coverage.

Adjusted Premiums Due to Acceleration: While the Insured is eligible for Long Term Care benefits, We will waive the premium due. If the Insured later becomes ineligible for Long Term Care benefits and a Remaining Accelerated Death Benefit Amount is still available, We will reduce the premium due for the Coverage and the benefits for this Rider. The reduced premium will equal (1) multiplied by (2), plus (3):

1. The premium due on the Coverage and the benefits for this Rider;
2. The ratio of the adjusted Death Benefit to the current death benefit for The Policy;
3. The current premium for any other Optional Benefit attached to the Coverage.

The Coverage policy fee will not be reduced.

Termination of Coverage due to Acceleration: If the Remaining Accelerated Death Benefit Amount is reduced to zero or less, The Policy and any Riders will terminate with no further benefits payable. This termination can be due to payment of a Long Term Care benefit or due to a reduction in the death benefit provided under The Policy. Termination of Coverage will be subject to the Delay of Termination Due to Scheduled Increase in Future Death Benefits provision.

Delay of Termination Due to Scheduled Increase in Future Death Benefits: The Policy and any Riders will not terminate due to the Termination of Coverage due to Acceleration provision if the life insurance Coverage is scheduled for a future guaranteed increase in death benefits with no corresponding increase in premium per the terms of The Policy. In this case, The Policy and this Rider will continue in force until such time that the Remaining Accelerated Death Benefit Amount is increased due to the scheduled increase in death benefits. If the Insured is still eligible for benefits, such payments may resume per the terms of this Rider. During this period, Waiver of Premium or adjusted premiums due to acceleration will continue. The Policy and any Riders will immediately terminate upon the death of the Insured and payment of any adjusted Death Benefit.

Restriction on Changes to Policy and Riders: If benefits are being paid for Long Term Care no changes may be made to the Coverage provided by The Policy. Additionally, no changes can be made to any Rider attached to The Policy.

Effect on Accidental Death Benefit Rider: As long as the Coverage is in force, any Accidental Death Optional Benefit under the Certificate will not be affected by the acceleration of benefits under this Rider.

Report Showing Effect of Rider Benefits: When a benefit payment is paid, We will provide You with a report. This report will show the effect the benefit payment has on the Coverage values.

EXCLUSIONS

We will not pay Long Term Care benefits if the care received or loss incurred:

1. is due to an intentionally self-inflicted injury, or attempted suicide; or
2. is due to a war or any act of war, declared or undeclared, or service in the armed forces of any country; or
3. is due to a treatment of the Insured's alcohol, drug or other chemical dependence, except if the drug dependency was sustained or acquired at the hands of a Physician, or except while under treatment for an injury or sickness; or
4. is due to the Insured's commission of, or attempt to commit, a felony; or an injury that occurs because of the Insured's involvement in an illegal activity.

We will not pay Long Term Care benefits if the Confinement, Home Health Care service, or Adult Day Care service:

1. is received outside the United States and its territories; or
2. is provided by ineligible providers; or
3. is rendered by members of the Certificate Holder's or the Insured's Immediate Family; or
4. are fully or partially reimbursed by a state or federal worker's compensation plan, Medicare, any other health insurance or other insurance plan, or any other governmental program, except Medicaid; or
5. would not be charged for in the absence of insurance.

We will not pay a Terminal Illness benefit that resulted from:

1. Terminal Illness due to an attempt of suicide while the suicide provision of The Policy is in effect.

LIMITATIONS

The following limits apply to payment of an Accelerated Death Benefit under this Rider:

1. We will not pay a Long Term Care benefit for Confinement and Home Health Care or Adult Day Care simultaneously, even if the Insured qualifies for both benefits. If the Insured qualifies for both benefits in any month, We will pay the benefit for Confinement.
2. We will not pay any Long Term Care benefit for any sickness condition or Plan of Care that begins during the Waiting Period
3. We will not pay any Long Term Care Benefit before the end of the Elimination Period.
4. We will pay only one benefit payment for Terminal Illness under this Rider.
5. We will not pay any benefit such that the total benefits paid exceed the current death benefit.

RIDER GENERAL PROVISIONS

Notice of Claim: If You would like to claim a benefit, You must notify Us in writing within 30 days of any eligible Confinement, Home Health Care service, or Adult Day Care service. Written notice must be sent to our agent or Us. The notice should include the Insured's name and Certificate Number. If notice cannot reasonably be given within 30 days of a loss, You must send the notice as soon as reasonably possible.

Claim Forms: After We receive Notice of Claim, We will send claim forms to You or Your authorized representative within 15 days. If the claim forms are not received within 15 days, We will accept Written Proof of Loss describing the nature and extent of the claim. Such initial and ongoing Written Proof of Loss must be received by Us within the time limit stated in the following paragraph.

Written Proof of Loss: We will pay Long Term Care benefits under this Rider after We receive Written Proof of Loss satisfactory to Us. We must receive initial Proof of Loss within 90 days after the Elimination Period expires. If it is not reasonably possible to provide this information within such time, initial Proof of Loss must be submitted as soon as reasonably possible. This initial Proof of Loss can not be received later than one year from the time specified. We will require subsequent Proof of Loss to be submitted periodically while the Insured continues to be eligible to receive benefits under this Rider. Any such periodic Proof of Loss will not be required more frequently than once every 31 days. Any such periodic Proof of Loss due to a chronic illness will not be required more frequently than once every 90 days.

Written Proof of Loss means billing statements, invoices, or payment receipts that will prove that the Insured was Confined or received Home Health Care or Adult Day Care services in accordance with a Plan of Care. Written Proof of Loss will also mean certification by a Physician that the Insured is chronically ill. Examples of Written Proof of Loss include a Physician certification, Plan of Care records, attending Physician reports, medical records; and similar written documentation.

Physical Examination: We reserve the right to have a Licensed Health Care Practitioner examine the Insured while a claim is pending to determine the Insured's eligibility for benefits. This examination will be at Our expense. We will use a Licensed Health Care Practitioner of our choosing. If the Licensed Health Care Practitioner We choose provides a different diagnosis of the Insured's condition, We reserve the right to rely it for claim purposes.

Resolution of Disputes: In the event that the Licensed Health Care Practitioner We choose provides an assessment of the Insured's condition that conflicts with the Insured's Licensed health Care practitioner's assessment, the company Licensed Health Care Practitioner's opinion will not be binding on You. If there is a disagreement between You and Us, You have the right to mediation or non-binding arbitration. This mediation or non-binding arbitration will be conducted by a disinterested third party that has no ongoing relationship with either You or Us. As part of the final decision, the arbitrator shall award the costs of arbitration to one party or the other or may divide the costs equally or otherwise.

Time of Payment of Claims: All Long Term Care benefits described in this Rider will be paid monthly as long as We have received Written Proof of Loss satisfactory to Us.

Payment of Claims: All Rider benefits will be paid to You, unless You designate a different payee.

Adjustment of the Death Benefit: If benefit payments are paid after the Insured has died, but before notification of death has been received by the Company, We will reduce the Death Benefit by the amount of these benefit payments.

Legal Actions: No legal action may be brought to recover under this Rider within 60 days after Written Proof of Loss has been provided to Us as required. Also, no legal action may be brought to recover under this Rider more than 3 years from the time Written Proof of Loss is required to be furnished.

Contestability: This Rider will be contestable on the same basis as the Coverage under The Policy. This rider will be contestable, during the lifetime of the Insured, for two years from the Benefit Effective Date.

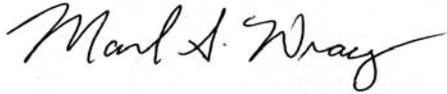
Suicide: If the Insured dies by suicide, while sane or insane, within two years from the Benefit Effective Date, the coverage under this Rider will terminate. Any premiums refunded under the Suicide Exclusion provision of The Policy will be reduced by the amount of any accelerated benefits paid under this Rider.

Termination of Coverage Provided by this Rider: Coverage provided by this Rider will terminate at the earliest of:

1. The date the Coverage on the Insured matures or terminates for any reason including Termination of Coverage due to Acceleration; or
2. On the Termination Date of this benefit, as shown on the Certificate Schedule Page; or
3. On the date You elect to terminate this Rider.

Cancellation of this Benefit: This benefit may be cancelled by a written request from You. The date of cancellation will be the date We receive the written request at our Administrative Office. We will refund a pro rata part of any premium paid for this benefit beyond that date.

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY



Secretary



President

Fidelity Life Association, A Legal Reserve Life Insurance Company
1211 West 22nd Street, Suite 209
Oak Brook, IL 60523

Administrative Office
Fidelity Life Association
17 Church Street
Keene, NH 03431

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY

OPTIONAL ACCELERATED DEATH BENEFIT FOR LONG TERM CARE AND TERMINAL ILLNESS

This benefit is available to Certificate Holders as an Optional Benefit upon payment of premium.

Please read your Optional Benefit carefully. This Benefit provides the following two types of Accelerated Death Benefits: (A) Accelerated Death Benefit for Long Term Care and (B) Accelerated Death Benefit for Terminal Illness.

TAX QUALIFICATION NOTICE: The Accelerated Benefits offered under this Benefit are intended to provide a qualified Accelerated Death Benefit that is excluded from gross income for federal income tax purposes under the applicable provisions of the Internal Revenue Code in existence at the time this Benefit is issued. To that end, the provisions of this Benefit and the Certificate are to be interpreted to ensure or maintain such tax qualification, notwithstanding any other provision to the contrary. We reserve the right to amend this Benefit or the Certificate to reflect any clarifications that may be needed or are appropriate to maintain such tax qualification or to conform this Benefit or the Certificate to any applicable changes in such tax qualification requirements. We will send the Certificate Holder a copy of any such amendment. Whether any tax liability may be incurred when benefits are paid under this Benefit could depend on how the Internal Revenue Service interprets applicable provisions of the Internal Revenue Code. Tax laws relating to Accelerated Benefits are complex. Certificate Holders are advised to consult with a qualified tax advisor about circumstances under which they could receive Accelerated Benefits excludable from income under federal law.

Receipt of an Accelerated Benefit may affect the Certificate Holder and the Certificate Holder's spouse or family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. Certificate Holders are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect his or her spouse and his or her family's eligibility for public assistance.

NOTICE TO BUYER: This Benefit may not cover all of the costs associated with long term care incurred by the Insured during the period of coverage. We advise You to carefully review all the limitations of this Benefit as well as those of the Certificate to which it is attached in relation to the costs of long term care.

NOTICE TO PERSONS ELIGIBLE FOR MEDICARE: This is not a Medicare Supplement Benefit. If the Insured is eligible for Medicare, You should ask to review a copy of the Medicare Supplement Buyer's Guide. You can get a copy of this guide by calling Fidelity Life at the number below.

Benefit Effective Date: This Benefit will be effective on the Coverage Date shown on the Schedule page. The termination date of this Benefit will be shown on the Schedule Page. Coverage under this Benefit will not be in effect unless the coverage to which it is attached becomes effective.

Death Benefits, Surrender Values, and Loan Values, if any, will be reduced if an Accelerated Death Benefit is paid. The Accelerated Death Benefit and the related charges, interest, discounts or liens, if applicable, and the balance of the death benefit provided by the Certificate shall constitute full settlement on maturity or death of the Insured as provided under the Certificate. There will be no maturity payment available at the end of the term period.

Benefit Part of Coverage: This Benefit may become part of the Coverage under this Benefit, when elected by You and the required premiums are made. The premiums for this Benefit will be shown on the Schedule Page. Unless they are not consistent with this Benefit, all the provisions of the Certificate will apply.

Benefit: This Benefit will provide You with the option to elect to receive a portion of the Death Benefit provided by the Certificate and shown in the Certificate Schedule. You can make this election when the Insured becomes eligible for benefits. The Insured must be certified as Terminally Ill to qualify for a Terminal Illness Benefit. The Insured must be certified as Chronically Ill and be confined to a Nursing or Assisted Living Facility or be receiving Home Health or Adult Day Care to qualify for a Long Term Care Benefit. All other conditions outlined in this Benefit must also be met.

Where to Get More Information, Correct Information on the Enrollment Form, or Make a Complaint:

You can contact Us by writing to Us at our Administrative Office at 17 Church St., Keene, NH 03431 or call 1-877-352-3303.

Guaranteed Renewable: As long as You pay the premium on time and Coverage under this Benefit is in force, it is renewable, subject to the Benefit's terms. We can't change the terms of this Benefit, but We can increase the premium up to the guaranteed maximums. The current and guaranteed maximum premiums are shown on the Schedule Page. Any change in premium will be made on the Coverage anniversary date. New premiums will be based on the Insured's age and Premium Class on the Benefit's Coverage Date. We must notify You at least 45 days before a premium change. Notice will be mailed to Your last address as shown on Our records.

We can only change premiums if We change them on all Benefits on this form in the state where the Benefit was issued. We won't change premiums solely because of claims made under this Benefit, because of increased age or change in mental or physical health. While this Benefit is in force, We cannot change any of its provisions, cancel it, or refuse renewal.

DEFINITIONS

The definitions contained in the Certificate and the definitions outlined below will apply to this Benefit.

Activities of Daily Living can be defined as an activity that occurs every day. Each of the activities that are listed below are considered an Activity of Daily Living:

1. **Bathing:** The Insured's ability to wash himself/herself by sponge bath; or in either a tub or shower. This will include the task of getting into and out of the tub or shower.
2. **Continence:** The Insured's ability to maintain control of their bowel and bladder function. When unable to maintain control of bowel or bladder function, the Insured must have the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
3. **Dressing:** The Insured's ability to put on and take off all of their clothing and any required braces, fasteners or artificial limbs.
4. **Eating:** The Insured's ability to feed him or herself by getting food into his/her body from a receptacle (such as a plate, cup or table) or through a feeding tube or through intravenous means.
5. **Toileting:** The Insured's ability to get to and from the toilet, to get on and off the toilet, and to perform the necessary personal hygiene.
6. **Transferring:** The Insured's ability to move into or out of a bed, chair or wheelchair.

Adult Day Care means a program of social and/or health-related services provided on a less than 24-hour-a-day basis. Adult Day Care must be provided in an Adult Day Care Center. The purpose of the program must be to support frail or impaired elderly, or other disabled adults who can benefit from care in a group setting outside the Home.

Adult Day Care Center means a facility, or part of a facility that provides Adult Day Care. The Adult Day Care Center must be licensed or certified to provide such services, if required by the jurisdiction in which the Adult Day Care Center is located.

Assisted Living Facility means a facility that will provide on-going care and services to the Insured. This care and the service provided must meet all of the conditions outlined below.

1. The Facility must be licensed or certified to provide the on-going care and related services. Licensing or certification will be required based on the laws of the state where the facility is located; and
2. The Facility must provide twenty-four (24) hour a day care. Services must be sufficient to support the needs resulting from the Insured's inability to perform Activities of Daily Living or from Severe Cognitive Impairment; and
3. The Facility must have a trained employee on duty at all times. The employee must be awake and ready to provide care; and
4. The Facility must provide three meals per day. The facility must be able to accommodate special dietary needs; and
5. The Facility must have written agreements in place that will provide the Residents with the medical care that will be needed in case of an emergency. If not, it must ensure that the Residents will receive medical care in case of an emergency. A Physician or Registered Nurse must provide the medical care; and

6. The facility must have methods and procedures in place that will help the residents administer the medications that have been prescribed to them.

The entities listed below do not qualify as an Assisted Living Facility:

1. a Hospital; or
2. a facility that is operated mainly for the treatment and care of:
 - (a) mental, nervous, psychotic or psychoneurotic deficiencies or disorders;
 - (b) or tuberculosis;
 - (c) or alcoholism;
 - (d) or drug addiction;
 - (e) or rehabilitation;
 - (f) or occupational therapy.

If the Insured is confined to an Assisted Living Facility that meets the requirements outlined in this Benefit, the Insured will be eligible for benefits under this Benefit.

Benefit Month is the period from the Benefit Coverage Date to the first monthly anniversary or from one Benefit monthly anniversary to the next. A Benefit Month does not include the Benefit monthly anniversary day at the end of the Benefit Month.

Chronically Ill Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

1. being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living (Bathing, Contenance, Dressing, Eating, Toileting, and Transferring) for a period of 90 days; **or**
2. the Insured must have a Severe Cognitive Impairment that requires Substantial Supervision to protect him/her from threats to his or her health and safety.

Certification by the Licensed Health Care Practitioner of the Chronically Ill Insured must occur at least once every 12 months.

Confined or Confinement means that the Insured is required to stay in a bed and is physically placed within a licensed Nursing or Assisted Living Facility. This confinement will be as an overnight resident patient.

Elimination Period means the number of days that the Insured must meet the Conditions of Eligibility for Long Term Care. There will be no Long Term Care benefits paid during this period. The Elimination Period will start from the first day that the Insured is certified by a Licensed Health Care Practitioner as: (1) being Unable to Perform without substantial Human Assistance at least two Activities of Daily Living; or (2) having a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety. The Elimination Period for the Long Term Care benefit will be shown in the Schedule Page. The Elimination Period only needs to be satisfied once during the Insured's lifetime. There is no Elimination Period for the Terminal Illness benefit.

Home is defined as any place where the Insured lives. Home does not mean a Nursing Facility, Assisted Living Facility, Alzheimer's facility, Hospital, hospice facility, congregate care, or any other similar residential care facility.

Home Health Care Agency means an agency or organization that provides care and services in the Insured's Home and meets all of the following criteria:

1. It is, where required, licensed, certified, and/or accredited as a Home Health Care Agency; and
2. It provides Home Health Care services; and
3. It is, where required by its licensure, certification and/or accreditation, supervised by a Registered Professional Nurse or a Licensed Social Worker; and
4. It has employees who have appropriately specialized training; and
5. It keeps Plan of Care records, including Physician's orders where appropriate, on all patients; and
6. If providing Home Health Care services, it keeps clinical records on all patients.

Home Health Care is defined as a program of professional, para-professional or skilled care that is provided by or through a Home Health Care Agency. The Home Health Care must be provided in the Insured's Home. Home Health Care will include the following types of care: nursing services; physical therapy, occupational therapy, speech therapy, respiratory therapy, audiology services; and medical social services by a social worker or social work assistant.

Hospital is defined as an institution which:

1. is licensed as a Hospital and is operating within the scope of its license; and
2. is accredited as a Hospital by the Joint Commission on Accreditation of Health Care Organizations, or by the American Osteopathic Association; and
3. is primarily and continuously engaged in providing or operating medical, diagnostic and major surgical facilities which are located either on the Hospital's premises or in facilities controlled by such Hospital; and
4. is under the supervision of a duly licensed Physician; and
5. provides medical care and treatment of sick or injured persons on an inpatient basis for which a charge is made; and
6. provides 24-hour nursing service by or under the supervision of a Registered Professional Nurse.

Hospital does not mean a place that is operated mainly for: rest; convalescence; care of the aged; custodial care; treatment and care of mental disorders, tuberculosis, alcoholism, or drug addiction; rehabilitation; or occupational therapy.

Immediate Family is defined as the Insured's or Your spouse, child, brother, sister, parent, grandparent or grandchild.

Insured means the person who is the Insured under the Certificate to which this Benefit is attached.

Licensed Health Care Practitioner is defined as any Physician, Registered Professional Nurse, or Licensed Social Worker.

Licensed Social Worker means a health care professional that is licensed in the state in which he or she practices. The Social Worker must be practicing within the scope of their license. A Licensed Social Worker does **not** include a member of the Insured's or Your Immediate Family. A Licensed Social Worker does **not** include anyone who resides in the Insured's or Your home or residence.

Monthly Accelerated Death Benefit Amount means the maximum amount that We will pay in any one calendar month. The Insured must be confined in a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition the Insured must satisfy the terms set forth in the "Conditions on Eligibility for Long Term Care benefits.

Medicare means The Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 as then constituted or later amended.

Nursing Facility means a health care facility or a part of a Hospital or other institution that provides such services. The Nursing Facility must meet all of the requirements that are listed below:

1. It operates under a license issued by the appropriate licensing agency to provide nursing care and related services; and
2. It provides, in addition to room and board, 24-hour-a-day nursing care and related services on a continuing inpatient basis, to 6 or more individuals; and
3. It provides on a formal prearranged basis, a Registered Professional Nurse on duty or on call at all times; and
4. It provides, on a formal prearranged basis, that a duly licensed Physician will be available in case of emergency; and
5. It has a planned program of policies and procedures. This planned program was developed with the advice of at least one Physician. In addition, the program is periodically reviewed by at least one Physician; and
6. It maintains a clinical record of each patient.

Nursing Facility does not mean a Hospital. It does not mean a facility that is operated mainly for the treatment and care of mental, nervous, psychotic or psychoneurotic deficiencies or disorders; or tuberculosis; or drug addiction; or rehabilitation, or occupational therapy.

Physician means an individual who is licensed to practice medicine and treat injury or illness in the state in which treatment is received and who is acting within the scope of that license. A Physician must be someone other than:

1. the Insured; or
2. the Certificate Holder; or
3. a person who lives with the Certificate Holder or the Insured; or
4. a person who is part of the Certificate Holder or the Insured's Immediate Family; or
5. anyone who has an ownership interest in a facility in which the Insured is Confined.

Plan of Care means a written individualized plan of services. A Licensed Health Care Practitioner must develop this plan.

Registered Professional Nurse means a health care professional that is licensed or registered as a professional graduate nurse by the state in which he or she practices. The Registered Nurse must be practicing within the scope of that license.

A Registered Nurse does not include a member of the Insured's or Your Immediate Family. A Registered Nurse does not include anyone who resides in the Insured's or Your Home or residence.

Severe Cognitive Impairment means a deficiency in: the Insured's short-term or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness. Diagnosis must be established by clinical evidence and standardized tests that can accurately measure the Insured's loss. An example of such an Impairment that is covered under this Benefit is Alzheimer's disease and other forms of senility, senile dementia and irreversible dementia.

Substantial Human Assistance is defined as actual hands-on assistance that is provided by another individual.

Substantial Supervision means continuous, arms-length supervision. This includes, but is not limited to, verbal cueing by another individual to protect the Insured from harming himself/herself or others, or from threats to the Insured's health and safety.

Terminally Ill means the Insured has a life expectancy of 12 months or less due to an illness or physical condition.

Unable to Perform an Activity of Daily Living means that the Insured cannot perform an activity without Human Assistance, even if the Insured uses some equipment.

Waiting Period means the Waiting Period shown on the Schedule Page. The Waiting Period starts on the Benefit Coverage Date. Long Term Care benefits will not be paid for any sickness condition or Plan of Care that begins during the Waiting Period. There is no Waiting Period for accidents.

You or Your refer to the Certificate Holder.

ACCELERATED DEATH BENEFIT FOR LONG TERM CARE

The Long Term Care benefit will allow You the option to elect to receive a portion of the Death Benefit provided by the Certificate. The Long Term Care benefit amount is shown on the Schedule Page. The option to receive a portion of the death benefit can be made when the Insured becomes eligible for benefits. To qualify for benefits, the Insured must be certified as a Chronically Ill Individual. The Insured must also be confined to a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition, the following conditions for Long Term Care must be met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF LONG TERM CARE BENEFITS

We will pay You the applicable benefit as stated below, subject to all of the following conditions:

1. The Insured:
 - a. must be confined to a Nursing or Assisted Living Facility. The confinement must begin while this Benefit is in force; or
 - b. receives Home Health Care services that are provided by a Home Health Care Agency. The Insured must receive a minimum of [8] Home Health Care visits during each Benefit Month and while this Benefit is in force; or
 - c. receives Adult Day Care that is provided in an Adult Day Care Center. The Insured must have a minimum of [8] Adult Day Care visits during each Benefit Month and while this Benefit is in force; and
2. Confinement and Home Health Care or Adult Day Care services must be included in the Insured's Plan of Care; and
3. the Insured is a Chronically Ill Individual; and
4. the Insured must satisfy the Elimination Period; and
5. the Waiting Period has been met; and
6. the Coverage provided to the Insured by the Certificate to which this Benefit is attached is in force; and
7. all irrevocable beneficiaries and assignees have signed the written request for this benefit.

LONG TERM CARE BENEFITS

Monthly Accelerated Death Benefit for Confinement: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits that are described in this Benefit, We will pay You the benefit amount for Confinement. We will pay the benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Monthly Accelerated Death Benefit for Home Health Care or Adult Day Care: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits, we will pay You the benefit amount. We will pay this benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Remaining Accelerated Death Benefit Amount:

The Monthly Accelerated Benefit may not be larger than the Remaining Accelerated Death Benefit Amount. The Remaining Accelerated Death Benefit Amount equals:

1. the current death benefit on the life of the Insured provided by the Certificate; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit paid to You under this Benefit; less
4. the total of all previous Monthly Accelerated Death Benefit Amounts paid to You for Long Term Care benefits under this Benefit.

The current death benefit as used here does not include accidental death benefits or life insurance provided by other Optional Benefits.

Monthly Accelerated Death Benefits Under Paid Up Options: If premiums for the Certificate and this Benefit terminate resulting in a remaining paid-up life insurance death benefit under the Certificate, Long Term Care Monthly benefits may continue to be payable. In order for the benefits to continue, the Insured must meet the Conditions on Eligibility for Long Term Care benefits. These conditions are described in this Benefit. When a paid-up life insurance death benefit remains under the Certificate, the Remaining Accelerated Death Benefit Amount will equal:

1. the paid-up death benefit on the life of the Insured provided by the Certificate; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit that has been paid to You under this Benefit; less
4. the total of all previous benefit amounts that have been paid to You for Long Term Care benefits.

The paid-up death benefit as used here does not include accidental death benefits or life insurance provided by other Optional Benefits.

Reduced Benefits Due To Unpaid Coverage Loans: We will require that a portion of any outstanding loan be deducted from the benefit payment. The portion of the outstanding loan will equal the outstanding unpaid loan multiplied by the ratio of the benefit payment to the Remaining Accelerated Death Benefit Amount plus any Lien.

Waiver of Premium: For as long as the Insured is eligible for benefits, We will waive the premiums due for the Coverage provided by the Certificate. This will include the premiums for Optional Benefits attached to the Certificate.

ACCELERATED DEATH BENEFIT FOR TERMINAL ILLNESS

The Terminal Illness benefit will provide You with the option to elect to receive a portion of the Death Benefit provided by the Certificate. The Death Benefit will be shown in the Schedule Page. The option to receive a portion of the Death Benefit can be made when the Insured becomes Terminally Ill and the following Benefit conditions for Terminal Illness are met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF TERMINAL ILLNESS BENEFIT

We will pay You the applicable benefit as stated below, subject to all of the following conditions:

1. this benefit is subject to the terms and conditions of the Certificate; and
2. You must provide us with certification by a Physician that the Insured is Terminally Ill. The Company reserves the right to obtain a second medical opinion. We will pay the cost for the second opinion. If there is a conflict of opinions, a third diagnosis will be obtained by a physician acceptable to both You and Us. This diagnosis will be binding on both You and the Company; and
3. the Insured's Coverage under the Certificate must have been in force for 2 years from the Coverage Date or 2 years from the date of last reinstatement, if any, whichever is later.
4. You need to request the Benefit for Terminal Illness in writing; and
5. all irrevocable beneficiaries and assignees must sign the written request for this benefit; and
6. the Coverage provided by the Certificate has not lapsed due to nonpayment of premium.

CERTIFICATE HOLDER'S RIGHTS

The request for payment of a Terminal Illness benefit is voluntary. This benefit is not intended to allow any third party to cause You to involuntarily reduce the Coverage Proceeds that may be payable to the beneficiary. Any election forced by creditors or government agencies will be honored only if it is required by law.

TERMINAL ILLNESS BENEFIT

The maximum benefit for Terminal Illness, which may be elected by You, is the lesser of 1 and 2:

1. 50% of the Death Benefit minus all previous benefits paid under this Benefit to You. This is determined as of the date proof of life expectancy is received; or
2. \$100,000.

The minimum benefit amount for Terminal Illness, which may be elected by You, is \$1,000.

The total benefit for Terminal Illness available under all coverage issued by Fidelity Life Association on the life of the Insured is \$100,000.

Lien: We will treat the benefit for Terminal Illness payment as a lien against the Coverage provided by the Certificate. No interest will accrue on this lien.

If Coverage under the Certificate lapses for nonpayment of premium and the Lien is used to reduce the Net Surrender Value, no repayment of any remaining lien is required.

If Coverage under the Policy terminates and the Remaining Accelerated Death benefit is equal to or less than zero, no repayment of the Lien is required.

Adjustments:

We will charge an administrative fee of not more than the limit set by law, for processing an Accelerated Death Benefit for Terminal Illness. This fee will be deducted from any payment made.

On the monthly Benefit anniversary on or next following a Terminal Illness benefit payment to You the premium for this Benefit will be reduced by the following amount (1) times (2) divided by (3):

1. The premium for the Benefit
2. the Terminal Illness Benefit payment
3. the Current Death Benefit amount before any adjustments for Long Term Care benefits paid to You.

EFFECT ON THE POLICY BENEFITS IF BENEFITS ARE PAID

Adjusted Death Benefit Due to Acceleration: The current death benefit that is payable at the death of the Insured will be reduced by the total of all previous Long Term Care benefit payments to You. The Death Benefit will further be reduced by any Lien resulting from a Terminal Illness benefit paid to You. If the Insured dies while the Certificate is in force, the remaining Death Benefit proceeds will be paid to the Beneficiary. No further payments under this Benefit will be made to You.

Adjusted Surrender Value Due to Acceleration: Any Surrender Value payable under the Certificate will be reduced by an amount equal to (1) multiplied by (2):

1. The current death benefit minus the total of all previous Long Term Care Monthly Accelerated Death Benefit Amounts paid;
2. The ratio of the Surrender Value to the current death benefit.

Any Lien resulting from a Terminal Illness benefit payment will reduce the Adjusted Surrender Value, if any, in the following situations:

1. The Surrender of the Coverage for its Net Surrender Value.
2. When the Coverage lapses at the end of its grace period for nonpayment of premium.
3. To determine the Loan Value of the Coverage.

Adjusted Premiums Due to Acceleration: While the Insured is eligible for Long Term Care benefits, We will waive the premium due. If the Insured later becomes ineligible for Long Term Care benefits and a Remaining Accelerated Death Benefit Amount is still available, We will reduce the premium due for the Coverage and this Benefit. The reduced premium will equal (1) multiplied by (2), plus (3):

1. The premium due on the Coverage and this Benefit;
2. The ratio of the adjusted Death Benefit to the current death benefit for the Certificate;
3. The current premium for any other Optional Benefit attached to the Coverage.

The Coverage policy fee will not be reduced.

Termination of Coverage due to Acceleration: If the Remaining Accelerated Death Benefit Amount is reduced to zero or less, the Certificate and any Benefits will terminate with no further benefits payable. This termination can be due to payment of a Long Term Care benefit or due to a reduction in the death benefit provided under the Certificate. Termination of Coverage will be subject to the Delay of Termination Due to Scheduled Increase in Future Death Benefits provision.

Delay of Termination Due to Scheduled Increase in Future Death Benefits: The Certificate and any Benefits will not terminate due to the Termination of Coverage due to Acceleration provision if the life insurance Coverage is scheduled for a future guaranteed increase in death benefits with no corresponding increase in premium per the terms of the Certificate. In this case, the Certificate and this Benefit will continue in force until such time that the Remaining Accelerated Death Benefit Amount is increased due to the scheduled increase in death benefits. If the Insured is still eligible for benefits, such payments may resume per the terms of this Benefit. During this period, Waiver of Premium or adjusted premiums due to acceleration will continue. The Certificate and any Benefits will immediately terminate upon the death of the Insured and payment of any adjusted Death Benefit.

Restriction on Changes to Policy and Benefits: If benefits are being paid for Long Term Care no changes may be made to the Coverage provided by the Certificate. Additionally, no changes can be made to any Benefit attached to the Certificate.

Effect on Accidental Death Benefit: As long as the Coverage is in force, any Accidental Death Optional Benefit under the Certificate will not be affected by the acceleration of benefits under this Benefit.

Report Showing Effect of Benefits: When a benefit payment is paid, We will provide You with a report. This report will show the effect the benefit payment has on the Coverage values.

EXCLUSIONS

We will not pay Long Term Care benefits if the care received or loss incurred:

1. is due to an intentionally self-inflicted injury, or attempted suicide; or
2. is due to a war or any act of war, declared or undeclared, or service in the armed forces of any country; or
3. is due to a treatment of the Insured's alcohol, drug or other chemical dependence, except if the drug dependency was sustained or acquired at the hands of a Physician, or except while under treatment for an injury or sickness; or
4. is due to the Insured's commission of, or attempt to commit, a felony; or an injury that occurs because of the Insured's involvement in an illegal activity.

We will not pay Long Term Care benefits if the Confinement, Home Health Care service, or Adult Day Care service:

1. is received outside the United States and its territories; or
2. is provided by ineligible providers; or
3. is rendered by members of the Certificate Holder's or the Insured's Immediate Family; or
4. are fully or partially reimbursed by a state or federal worker's compensation plan, Medicare, any other health insurance or other insurance plan, or any other governmental program, except Medicaid; or
5. would not be charged for in the absence of insurance.

We will not pay a Terminal Illness benefit that resulted from:

1. Terminal Illness due to an attempt of suicide while the suicide provision of the Certificate is in effect.

LIMITATIONS

The following limits apply to payment of an Accelerated Death Benefit under this Benefit:

1. We will not pay a Long Term Care benefit for Confinement and Home Health Care or Adult Day Care simultaneously, even if the Insured qualifies for both benefits. If the Insured qualifies for both benefits in any month, We will pay the benefit for Confinement.
2. We will not pay any Long Term Care benefit for any sickness condition or Plan of Care that begins during the Waiting Period
3. We will not pay any Long Term Care Benefit before the end of the Elimination Period.
4. We will pay only one benefit payment for Terminal Illness under this Benefit.
5. We will not pay any benefit such that the total benefits paid exceed the current death benefit.

BENEFIT GENERAL PROVISIONS

Notice of Claim: If You would like to claim a benefit, You must notify Us in writing within 30 days of any eligible Confinement, Home Health Care service, or Adult Day Care service. Written notice must be sent to our agent or Us. The notice should include the Insured's name and Certificate Number. If notice cannot reasonably be given within 30 days of a loss, You must send the notice as soon as reasonably possible.

Claim Forms: After We receive Notice of Claim, We will send claim forms to You or Your authorized representative within 15 days. If the claim forms are not received within 15 days, We will accept Written Proof of Loss describing the nature and extent of the claim. Such initial and ongoing Written Proof of Loss must be received by Us within the time limit stated in the following paragraph.

Written Proof of Loss: We will pay Long Term Care benefits under this Benefit after We receive Written Proof of Loss satisfactory to Us. We must receive initial Proof of Loss within 90 days after the Elimination Period expires. If it is not reasonably possible to provide this information within such time, initial Proof of Loss must be submitted as soon as reasonably possible. This initial Proof of Loss can not be received later than one year from the time specified. We will require subsequent Proof of Loss to be submitted periodically while the Insured continues to be eligible to receive benefits under this Benefit. Any such periodic Proof of Loss will not be required more frequently than once every 31 days. Any such periodic Proof of Loss due to a chronic illness will not be required more frequently than once every 90 days.

Written Proof of Loss means billing statements, invoices, or payment receipts that will prove that the Insured was Confined or received Home Health Care or Adult Day Care services in accordance with a Plan of Care. Written Proof of Loss will also mean certification by a Physician that the Insured is chronically ill. Examples of Written Proof of Loss include a Physician certification, Plan of Care records, attending Physician reports, medical records; and similar written documentation.

Physical Examination: We reserve the right to have a Licensed Health Care Practitioner examine the Insured while a claim is pending to determine the Insured's eligibility for benefits. This examination will be at Our expense. We will use a Licensed Health Care Practitioner of our choosing. If the Licensed Health Care Practitioner We choose provides a different diagnosis of the Insured's condition, We reserve the right to rely it for claim purposes.

Resolution of Disputes: In the event that the Licensed Health Care Practitioner We choose provides an assessment of the Insured's condition that conflicts with the Insured's Licensed health Care practitioner's assessment, the company Licensed Health Care Practitioner's opinion will not be binding on You. If there is a disagreement between You and Us, You have the right to mediation or non-binding arbitration. This mediation or non-binding arbitration will be conducted by a disinterested third party that has no ongoing relationship with either You or Us. As part of the final decision, the arbitrator shall award the costs of arbitration to one party or the other or may divide the costs equally or otherwise.

Time of Payment of Claims: All Long Term Care benefits described in this Benefit will be paid monthly as long as We have received Written Proof of Loss satisfactory to Us.

Payment of Claims: All benefits will be paid to You, unless You designate a different payee.

Adjustment of the Death Benefit: If benefit payments are paid after the Insured has died, but before notification of death has been received by the Company, We will reduce the Death Benefit by the amount of these benefit payments.

Legal Actions: No legal action may be brought to recover under this Benefit within 60 days after Written Proof of Loss has been provided to Us as required. Also, no legal action may be brought to recover under this Benefit more than 3 years from the time Written Proof of Loss is required to be furnished.

Contestability: This Benefit will be contestable on the same basis as the Coverage under The Certificate. This Benefit will be contestable, during the lifetime of the Insured, for two years from the Benefit Effective Date.

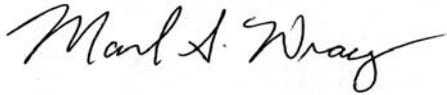
Suicide: If the Insured dies by suicide, while sane or insane, within two years from the Benefit Effective Date, the coverage under this Benefit will terminate. Any premiums refunded under the Suicide Exclusion provision of The Certificate will be reduced by the amount of any accelerated benefits paid under this Benefit.

Termination of Coverage Provided by this Benefit: Coverage provided by this Benefit will terminate at the earliest of:

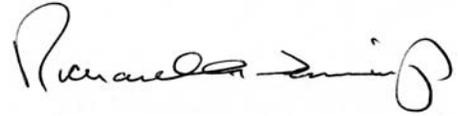
1. The date the Coverage on the Insured matures or terminates for any reason including Termination of Coverage due to Acceleration; or
2. On the Termination Date of this benefit, as shown on the Certificate Schedule Page; or
3. On the date You elect to terminate this Benefit.

Cancellation of this Benefit: This benefit may be cancelled by a written request from You. The date of cancellation will be the date We receive the written request at our Administrative Office. We will refund a pro rata part of any premium paid for this benefit beyond that date.

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY



Secretary



President

Fidelity Life Association, A Legal Reserve Life Insurance Company
1211 West 22nd Street, Suite 209
Oak Brook, IL 60523

Administrative Office
Fidelity Life Association
17 Church Street
Keene, NH 03431

**DISCLOSURE UPON THE PURCHASE OF THE OPTIONAL
ACCELERATED DEATH BENEFIT FOR LONG TERM CARE AND TERMINAL ILLNESS**

This Disclosure is designed to provide You with a summary of the Optional Benefit for which You are applying. The Optional Accelerated Death Benefit For Long Term Care and Terminal Illness form and the Certificate set forth in detail the terms, conditions, limitations and exclusions of the Coverage and Accelerated Death Benefit for Long Term Care and Terminal Illness Rider provided by The Policy. Therefore, if You purchase this coverage, it is important that You **READ YOUR CERTIFICATE OF COVERAGE AND ALL OPTIONAL BENEFITS CAREFULLY.**

If You have any questions or concerns about any benefits or provision of Your Optional Accelerated Death Benefit for Long Term Care and Terminal Illness, please contact Your agent or our Administrative Office at 1-877-352-3303.

TAX QUALIFICATION NOTICE: The Accelerated Benefits offered under this Optional Benefit are intended to provide a qualified Accelerated Death Benefit that is excluded from gross income for federal income tax purposes under the applicable provisions of the Internal Revenue Code in existence at the time this Optional Benefit is issued. To that end, the provisions of this Optional Benefit and the Certificate are to be interpreted to ensure or maintain such tax qualification, notwithstanding any other provision to the contrary. We reserve the right to amend this Optional Benefit or the Certificate to reflect any clarifications that may be needed or are appropriate to maintain such tax qualification or to conform this Optional Benefit or the Certificate to any applicable changes in such tax qualification requirements. We will send The Policyholder and the Certificate Holder a copy of any such amendment. Whether any tax liability may be incurred when benefits are paid under this Optional Benefit could depend on how the Internal Revenue Service interprets applicable provisions of the Internal Revenue Code. Tax laws relating to Accelerated Benefits are complex. Certificate Holders are advised to consult with a qualified tax advisor about circumstances under which they could receive Accelerated Benefits excludable from income under federal law.

Receipt of an Accelerated Benefit may affect the Certificate Holder and the Certificate Holder's spouse or family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. Certificate Holders are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect his or her spouse and his or her family's eligibility for public assistance.

1. **Description of Benefit:** After our receipt of written proof acceptable to us that the Insured has met the Conditions on Eligibility for Payment of Long Term Care Optional Benefits or a Terminal Illness Optional Benefit, the Certificate Holder may choose to receive a portion of the Death Benefit while the Insured is still alive and while the Certificate and Optional Benefit are in force. We will not pay any Accelerated Death Benefit such that the total paid lifetime benefits exceed the current death benefit Coverage provided under the Certificate.
2. **Conditions On Eligibility For Payment of Long Term Care Optional Benefits:** The Certificate Holder may exercise the Accelerated Death Benefit Option for Long Term Care and receive monthly Optional Benefits, upon all the following conditions being met:
 - (1) The Insured:
 - (a) is Confined in a Nursing or Assisted Living Facility and the confinement begins while the Certificate and Optional Benefit is in force; or
 - (b) receives Home Health Care services that are provided by a Home Health Care Agency. The Insured must receive a minimum of [8] Home Health Care visits during each Benefit Month and while this Benefit is in force; or
 - (c) receives Adult Day Care that is provided in an Adult Day Care Center. The Insured must have a minimum of [8] Adult Day Care visits during each Benefit Month and while this Benefit is in force; and
 - (2) Confinement and Home Health Care or Adult Day Care services must be included in the Insured's Plan of Care; and
 - (3) the Insured is a Chronically Ill Individual; and
 - (4) the Insured must satisfy the Elimination Period; and
 - (5) the Waiting Period has been met; and
 - (6) the Coverage provided to the Insured by the Certificate to which this Benefit is attached is in force; and

(7) all irrevocable beneficiaries and assignees have signed the written request for this benefit.

3. **Conditions On Eligibility For Payment of a Terminal Illness Optional Benefit:** The Certificate Holder may exercise the Accelerated Death Benefit Option for Terminal Illness and receive the applicable Benefit, upon all the following conditions being met:

- (1) The Certificate Holder must provide us with certification by a Physician that the Insured is Terminally Ill; and
- (2) The Insured's Coverage under The Policy has been in force for 2 years from the Coverage Date or 2 years from the date of last reinstatement, if any, whichever is later; and
- (3) The Certificate Holder must make a written request to elect the Accelerated Death Benefit for Terminal Illness; and
- (4) All irrevocable beneficiaries and assignees have signed the written request for this benefit; and
- (5) The Coverage provided by The Policy has not lapsed due to nonpayment of premium.

4. **Definitions:** These are some of the important definitions that will help the Certificate Holder understand the Conditions on Eligibility for Payment of Optional Benefits. Please review the Optional Benefit for further information.

Activities of Daily Living means activities that occur every day. For the purposes of this Optional Benefit, each of the following six (6) activities is considered an Activity of Daily Living:

Bathing: The Insured's ability to wash himself/herself by sponge bath; or in either a tub or shower, including the task of getting into and out of the tub or shower.

Continence: The Insured's ability to maintain control of bowel and bladder function. When unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).

Dressing: The Insured's ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs.

Eating: The Insured's ability to feed himself or herself by getting food into his/her body from a receptacle (such as a plate, cup or table) or by a feeding tube or through intravenous means.

Toileting: The Insured's ability to get to and from the toilet, to get on and off the toilet, and to perform associated personal hygiene.

Transferring: The Insured's ability to move into or out of a bed, chair or wheelchair.

Chronically Ill Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

- (a) being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting, and Transferring) for a period of at least 90 days; **or**
- (b) the Insured has a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety.

Elimination Period means the number of days that the Insured must meet the Conditions of Eligibility for Long Term Care. There will be no Long Term Care benefits paid during this period. The Elimination Period will start from the first day that the Insured is certified by a Licensed Health Care Practitioner as: (1) being Unable to Perform without substantial Human Assistance at least two Activities of Daily Living; or (2) having a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety. The Elimination Period for the Long Term Care benefit will be shown in the Schedule Page. The Elimination Period only needs to be satisfied once during the Insured's lifetime. There is no Elimination Period for the Terminal Illness benefit.

Severe Cognitive Impairment means a deficiency in: the Insured's short-term or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness. Diagnosis must be established by clinical evidence and standardized tests that can accurately measure the Insured's loss. An example of such an Impairment that is covered under this Benefit is Alzheimer's disease and other forms of senility, senile dementia and irreversible dementia.

Terminally Ill means the Insured has a life expectancy of 12 months or less due to an illness or physical condition.

Waiting Period means the Waiting Period shown on the Schedule Page. The Waiting Period starts on the Benefit Coverage Date. Long Term Care benefits will not be paid for any sickness condition or Plan of Care that begins during the Waiting Period. There is no Waiting Period for accidents.

5. **Benefits under the Optional Accelerated Death Benefit for Long Term Care.**

There are two types of Monthly Benefits under this Optional Benefit:

Monthly Benefits for Confinement: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits that are described in this Benefit, We will pay You the benefit amount for Confinement. We will pay the benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Monthly Benefit for Home Health Care or Adult Day Care: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits, we will pay You the benefit amount. We will pay this benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

The Remaining Accelerated Death Benefit Amount equals the current death benefit provided by the Certificate, less any outstanding loan, any Terminal Illness lien and the total of all previous Monthly Accelerated Death Benefit Amounts paid under this Optional Benefit to the Certificate Holder.

The current death benefit as used here does not include accidental death benefits, life insurance provided by other optional benefits.

We will deduct a proportional repayment of any outstanding loan from the Monthly Accelerated Death Benefit Amount.

The Following limits apply to payments of Accelerated Death Benefits for Long Term care:

- Benefits will not be paid for Confinement and Home Health Care /Adult Day Care simultaneously even if the Insured otherwise qualifies for both benefits. If the Insured qualifies for both benefits, we will pay only one benefit, whichever is higher.
- We will not pay any Long Term Care benefit for any sickness condition or Plan of Care that begins during the Waiting Period.
- We will not pay any Long Term Care benefit before the end of the Elimination Period.

6 **Benefits under the Optional Accelerated Death Benefit for Terminal Illness.**

The Certificate Holder may choose the amount of the Terminal Illness benefit subject to the following maximum:

The lessor of:

- i. 50% of the current death benefit minus all previous Long Term Care Monthly Accelerated Death Benefit amounts paid under the Optional benefit to the Certificate Holder as of the date proof of life expectancy is received; or
- ii. \$100,000

The minimum benefit for Terminal Illness is \$1,000.

We have a right under the Optional Benefit to charge an administrative fee for processing an Accelerated Death Benefit for Terminal Illness. The maximum amount of the fee we will charge the Certificate Holder is [\$150]. It will be deducted from the Terminal Illness payment made.

The Following limits apply to payments of an Accelerated Death Benefit for Terminal Illness

- We will only pay one Accelerated Death Benefit payment for Terminal Illness under the Optional Benefit.

7 **Premiums:** Premiums for this benefit vary by the Insured's Issue Age and Premium Class. Current premiums may be changed but cannot exceed the guaranteed maximum premium shown on the Certificate Schedule. Current and Guaranteed Premiums are shown on the Certificate Schedule page. We will notify the Certificate Holder at least 45 days before changing the Premium. The Premium for this Optional Benefit will be reduced proportionately after a Terminal Illness benefit payment is made.

8 **Waiver Premiums:** While Acceleration Benefits for Long Term Care are paid, premiums for the Coverage provided by the Certificate will be waived.

9 **Impact on Certificate Values:** The Death Benefit, Surrender Value, Paid Up Insurance, Reduced Paid Up Insurance and Certificate loan values, if any will be reduced if an Optional Benefit is paid.

Illustrative Example of the effect of exercising the Accelerated Death Benefit Option's Long Term Care benefit based on the Monthly Long Term Care Accelerated Death Benefit of \$1,000 that is shown on the Certificate Schedule:

	Before Accelerated Benefit	After One Month Accelerated Benefit
Accelerated Death Benefit	\$ 0	\$ 1,000
Death Benefit	25,000	24,000
Surrender value	600	576
Reduced paid up death benefit*	1,984	1,904
Remaining Accelerated Death Benefit	24,750	23,760
Outstanding Loan Balance	250	240
Net Accelerated Death Benefit payment	0	990
Planned Periodic Premium (Monthly)	52.22	50.50**
Amount Available for Additional Loan	350	336
TI Lien	0	0

* As applicable for the Coverage to which this Optional Benefit is attached. Reduced paid up death benefits are provided upon termination of premium payments.

**While Acceleration Benefits for Long Term Care are paid, Premium for Coverage provided by the Certificate will be waived.

Illustrative Example of the effect of exercising the Accelerated Death Benefit Option's Terminal Illness benefit based on the Certificate Death Benefit of \$25,000 and a 25% Accelerated Death Benefit of \$6,250 is elected. An administrative fee of \$150 is charged for this election:

	Before Accelerated Benefit	Immediately After Terminal Illness Benefit Paid	After One Year Accelerated Benefit
Accelerated Death Benefit	\$ 0	\$ 6,250	\$ 6,250
Death Benefit	25,000	18,750	18,750
Surrender value	600	0	0
Reduced paid up death benefit	1,984	0	0
Remaining Accelerated Death Benefit	24,750	18,500	18,482.50
Outstanding Loan Balance	250	250	267.50
Net Accelerated Death Benefit payment	0	6,100	6,100
Planned Periodic Premium (Monthly)	52.22	51.07**	51.07**
Amount Available for Additional Loan	350	0	0
TI Lien	0	6,250	6,250*

* No interest will accrue on the TI lien.

** Optional Accelerated Death Benefit for Long term Care and Terminal Illness premium reduced due to Terminal Illness benefit payment

Exclusions: We will not pay Long Term Care benefits if the care received or loss incurred:

- is due to an intentionally self-inflicted injury, or attempted suicide; or
- is due to a war or any act of war, declared or undeclared, or service in the armed forces of any country; or
- is due to a treatment of the Insured's alcohol, drug or other chemical dependence, except if the drug dependency was sustained or acquired at the hands of a Physician, or except while under treatment for an injury or sickness; or
- is due to the Insured's commission of, or attempt to commit, a felony; or an injury that occurs because of the Insured's involvement in an illegal activity.

We will not pay Long Term Care benefits if the Confinement, Home Health Care service, or Adult Day Care service:

- is received outside the United States and its territories; or
- is provided by ineligible providers; or
- is rendered by members of the Certificate Holder's or the Insured's Immediate Family; or
- are fully or partially reimbursed by a state or federal worker's compensation plan, Medicare, any other health insurance or other insurance plan, or any other governmental program, except Medicaid; or
- would not be charged for in the absence of insurance.

We will not pay a Terminal Illness benefit that resulted from:

- Terminal Illness due to an attempt of suicide while the suicide provision of the Certificate is in effect.

Acknowledgment:

I acknowledge that I have read this Disclosure and understand that if I exercise the Optional Accelerated Death Benefit, any Beneficiary I designate may receive either a reduced Death Benefit or no Death Benefit at all. If the entire Death Benefit is paid out as an Accelerated Death Benefit prior to the Insured's death, the Beneficiary I designate may receive no Death Benefit.

Date	Certificate Holder's Signature

SERFF Tracking Number: FDLR-125606636 State: Arkansas
Filing Company: Fidelity Life Association, A Legal Reserve Life Insurance Company State Tracking Number: 38672
Company Tracking Number:
TOI: L07G Group Life - Whole Sub-TOI: L07G.101 Fixed/Indeterminate Premium - Single Life
Product Name: AR LTC-TI 2
Project Name/Number: /

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: FDLR-125606636 State: Arkansas
Filing Company: Fidelity Life Association, A Legal Reserve Life Insurance Company State Tracking Number: 38672
Company Tracking Number:
TOI: L07G Group Life - Whole Sub-TOI: L07G.101 Fixed/Indeterminate Premium - Single Life
Product Name: AR LTC-TI 2
Project Name/Number: /

Supporting Document Schedules

Review Status: 04/11/2008
Satisfied -Name: Certification/Notice
Comments:
Attachments:
Filing Authorization.pdf
Readability.pdf

Review Status: 04/11/2008
Bypassed -Name: Application
Bypass Reason: Previously approved applications.
W6001 - GDB product (Approved 10/11/2006)
W6002 - LBT product (Approved 8/29/2006)

Comments:

Review Status: 04/11/2008
Satisfied -Name: Actuarial Memorandum
Comments:
Attachment:
ltc- ti rider act memo 2007-07-31.pdf

Review Status: 04/28/2008
Satisfied -Name: Cover Letter
Comments:
Attachment:
AR RDR COVER LETTER 2.pdf



Established 1896

July 17, 2007

Company NAIC Number: 63290
Company FEIN Number: 95-1060502

Re: Group Life Insurance Policy, Certificate and Benefit Forms
Letter of Authorization

To: All State Insurance Departments

The Fidelity Life Association, A Legal Reserve Company of 1211 West 22nd Street, Oak Brook, Illinois, hereby authorizes Vision Financial Corporation to represent us in the submission of the captioned forms and to negotiate with insurance departments for their approval.

Sincerely,

A handwritten signature in black ink, appearing to be 'C. Brady'.

Ciaran Brady, Vice President

READABILITY CERTIFICATION

I hereby certify that the following forms were tested for readability using Microsoft Word – Version 97 SR-1, and achieved the following test results.

Company Name: Fidelity Life Association, A Legal Reserve Life Insurance Company

Form Number(s): W3P07C

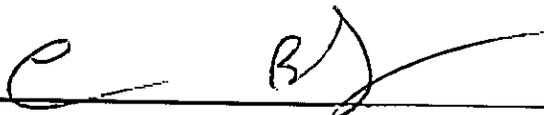
Type of Form: Accelerated Death Benefit for Long Term Care
And Terminal Illness Rider

1. Number of Words: 6,036
2. Number of Characters: 29,952
3. Number of Paragraphs: 196
4. Number of Sentences: 243
5. **Final Score:** 46.6

Form Number(s): W3007C

Type of Form: Optional Accelerated Death Benefit for Long Term Care
And Terminal Illness

1. Number of Words: 5,944
2. Number of Characters: 29,909
3. Number of Paragraphs: 195
4. Number of Sentences: 239
5. **Final Score:** 44.8



Signature

Ciaran Brady

Typed Name

Vice President

Title

September 19, 2007

Date

Fidelity Life Association

Actuarial Memorandum

ACCELERATED DEATH BENEFIT FOR

LONG TERM CARE & TERMINAL ILLNESS RIDER

Accelerated Benefit Long Term Care & Terminal Illness Rider Form W3P07

Rider Certificate W3007

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Scope and Purpose: The purpose of this actuarial memorandum is to present information to demonstrate the reasonableness of the work performed in determining the premium rates to be used for the forms and to demonstrate compliance with the state's requirements. This rate filing is not intended to be used for other purposes.

Product Features

(1) Plan Description: The rider provides an accelerated death benefit, and will be issued with the Company's Group Worksite Lifetime Benefit Term Plan. The product has a gender (sex distinct or unisex, as permitted by state) and nicotine use structure for premiums. Premiums will vary depending on the characteristics of the group. The general specifications are as follows:

- ✓ 25-month maximum benefit period.
- ✓ 90-day elimination period.
- ✓ Maximum monthly benefit is 4% of the base face amount.
- ✓ Terminal Illness benefit, payable using the lien approach, where the insured's life expectancy is 12 months or less due to an illness or physical condition.
- ✓ Issue ages 16-70.
- ✓ Rider expires at age 121.

(2) Benefits: The Rider provides that the Certificate Holder may elect to receive a portion of the Death Benefit provided by The Policy and shown in the Certificate Schedule Page, when the Insured becomes eligible for benefits by being certified as a Chronically III Individual who is Confined to a Nursing or Assisted Living Facility or is receiving Home Health or Adult Day Care and the conditions of this Rider are met.

The rider provides a monthly accelerated benefit while the insured is Chronically ill, after the 90-day elimination period has been satisfied. The monthly accelerated benefit is 4% of the base face amount, with a maximum benefit period of 25 months.

Chronically III Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

1. being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting, and Transferring) for a period of 90 days; or
2. the Insured has a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety.

Certification by the Licensed Health Care Practitioner of the Chronically III Insured must occur at least once every 12 months.

The Monthly Accelerated Benefit may not be larger than the Maximum Remaining Accelerated Death Benefit Amount. The Maximum Remaining Accelerated Death Benefit Amount equals the current death benefit provided by The Policy, minus the total of all previous Monthly Accelerated Death Benefit Amounts paid under this Rider to the Certificate Holder. While acceleration benefits are paid, premiums for the coverage provided by the base policy will be waived. Death Benefits will be reduced if an Accelerated Death Benefit is paid.

The rider provides a "Living Benefit", where the maximum Accelerated Death Benefit for Terminal Illness, which may be elected by the Certificate Holder, is the lesser of 1 and 2:

1. 50% of the Death Benefit minus all previous Long Term Care Monthly Accelerated Death Benefit Amounts paid under this Rider; or
2. \$100,000

The minimum Accelerated Death Benefit for Terminal Illness, which may be elected by the Certificate Holder, is \$1,000.

The Accelerated Death Benefit for Terminal Illness payment as a lien against the Coverage provided by The Policy. Adjustments to the Terminal Illness payment are:

- (1) an administrative fee for processing.

(3) **Renewability:** This form uses a guaranteed renewable structure. The guaranteed premiums are set at 200% of the current rates. The company reserves the right to adjust premiums, subject to the guarantees, on a class basis, as defined by the Company.

(4) **Applicability:** This forms and rates included in this filing will be available to new issues only.

(5) **Issue Ages and Rate Structure:** This rider will be sold to base insureds ages 16 through 70. The issue age premiums will vary by gender (sex distinct or unisex, as permitted by state) and nicotine use, and will vary depending on the characteristics of the group. The Company may elect to change the rate structure on a prospective basis for newly issued contracts. Initial premiums are guaranteed for the 1st policy year.

(6) **Marketing Method:** Marketing will be conducted primarily through independent agency distributions.

(7) **Nonforfeiture:** No nonforfeiture benefits are provided by this rider.

Pricing Assumptions

(8) **Derivation of Gross Premiums:** Premium rates are level, based on issue age on an age last birthday basis. Premium rates were developed using Tillinghast Actuarial Software’s (TAS’) accident and health module. Pricing assumptions were entered into the TAS model. Cash flow projections were performed and iterations run to solve for gross premiums that are expected to provide the funds necessary to pay anticipated claims, expenses, taxes and commissions; set up appropriate reserves and surplus; provide an acceptable return to the company; and meet state requirements.

Assumptions used in the calculations are described below and are consistent with those for the base policy.

(9) **Premium:** Current and Guaranteed premium rates are shown separately in the accompanying Rate Schedule.

(10) **Premium Modal Factors:** Semi-annual = Annual x 0.50; Quarterly = Annual x .25; Monthly = Annual x 0.08333

(11) **Morbidity - Incidence:** Actuarial Risk Management (ARM) claim costs for long term care were utilized, based on ARM long term care cost guidelines. The basis for these guidelines is governmental studies, experience of clients, and the judgment of ARM actuaries.

(12) **Morbidity - Termination:** Termination Rates were developed by ARM, based on experience and judgment.

(13) **Mortality:** 1975-80 Ultimate ALB, adjusted to be in line with the base policy.

(14) **Trend Assumptions:** No medical or insurance trends were used in pricing this product.

(15) **Area Factors:** No area factors are used.

(16) **Expenses:** Expenses consist of commissions and allowance, underwriting and issue expense, claim administration expense, and premium taxes. Expense assumptions, including compensation, are shown in the table below (except for the overhead contribution).

<i>Type</i>	<i>Percent of Premium</i>	<i>Per Rider</i>	<i>Claim Incurred[^]</i>	<i>per Disabled Claim</i>
Claims	N/A	N/A	\$35	\$60
Premium Tax	2.5%	N/A	N/A	N/A
Commissions	99% FY/6.5% 2-10/3.5% 11+			

Overhead Expenses: The product assumed an overhead contribution of 4% of premium in year 1.

Target Surplus: 4% of premium

(17) Distribution:

These are the distributions used in the development of the projected loss ratios found at the end of this memorandum.

<u>Issue Age</u>	<u>25</u>	<u>35</u>	<u>45</u>	<u>55</u>
Non-nicotine	18%	36%	27%	9%
Nicotine	2%	4%	3%	1%

(18) Lapse Rates: Set at rates in line with the market and the base product.

1	20%
2	15
3	10
4	9
5+	8

Lapse rates are set to 25% at the later of attained age 65, or the 6th certificate year.

(19) Interest assumption: Set at 5.25% for years 1 through 2, and 5.5% thereafter. This represents a net earned rate after investment expenses and defaults.

Valuation Basis

(20a) Active Life Reserves

- Morbidity Basis - ARM developed incidence rates
- Mortality Basis - 2001 CSO ALB (or approved table in future periods)
- Termination Rates - Mortality table & Lapse Rates
- Interest - 4% (or maximum allowable by law in future periods)
- Reserve Method - Two Year Full Preliminary

Because the policy is guaranteed renewable, the policy termination rates include:

- (1) the valuation mortality rates and
- (2) the pricing lapse rates.

Substandard morbidity: In calculating active life reserves, claim costs are increased by any substandard factor (percentage) included on the policy.

Any negative mid-terminal reserves were floored at zero, resulting in higher reserves on some policies.

(20b) Claims Reserves

- Termination Rates - were developed by ARM, based on experience and judgment.
- Interest - 4% (or maximum allowable by law in future periods)
- Reserve Method - Present Value of Future Benefits following the Val date

If credible, company data will be used in the first policy year. Claim expense reserves were based on the assumption shown in the expense section.

Terminal Illness Rider:

(21a) Charges for Benefit: The Company is not charging any premium for the advancement of the death benefit and the outstanding Accelerated Benefit will not accrue interest.

(21b) Reserve Basis - Because the lien approach is used, the reserve held will be based upon the full face amount of the policy for as long as the insured lives. The amount of the lien in excess of the statutory reserve will be held as a nonadmitted asset.

Filing Information

(22) Minimum Required Loss Ratio: The product will meet the requirements in the state in which it is filed. For those states not adopting the NAIC model regulation on A&H or a variation, do not have a minimum requirement on loss ratio. For those states, which has adopted the NAIC version, those states the minimum

requirement is 50%. For those states, which adopted a variation of the NAIC model regulation, the minimum loss ratio varies by state but ranges from 50% to 55%. Due to the many variations amongst the states, this product was priced to produce a loss ratio of 55% to 60%.

(23) Anticipated Loss Ratio:

This form was priced to produce an anticipated loss ratio in the range of 55% to 60%. The expected lifetime loss ratio is 55.3%

(24) Historical Experience: These are new forms. No prior experience exists.

(25) Lifetime Loss Ratio: This is a new filing. The expected lifetime loss ratio is 55.3%.

(26) History of Rate Adjustments: These are new forms.

(27) Number of Policyholders: These are new forms.

(28) Effective Date: The proposed effective date of the premium rates is the date they are approved by the state.

Actuarial Certification

To the best of my knowledge and judgment, this filing is in compliance with the applicable laws of the state in which this policy is filed and with the rules of the Department of Insurance and complies with Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans," and the benefits provided are reasonable in relation to the proposed premiums.

Reliance

In preparing this actuarial memorandum and certifying to the reasonableness of the premiums, I have relied on information provided to me by FLA. Although I have not audited this information, I have reviewed it for reasonableness. To the extent that it is incomplete or inaccurate, the contents of this memorandum may be materially affected.



Corwin K Zass, ASA MAAA FCA
Actuarial Risk Management
Principal & Consulting Actuary
July 30, 2007

April 28, 2008

Life & Health Division
Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201

RE: Fidelity Life Association
NAIC No.: 63290
FEIN Number: 36-1068685
Optional Accelerated Death Benefit For Long Term Care and Terminal Illness – W3P07C etal

Dear Ms. Bird:

Thank you for your response dated 4/23/2008. You have requested that in the “Resolution of Disputes” section of both the Rider and Optional Benefit forms that binding arbitration be changed to non-binding arbitration. I have changed each form to comply with Arkansas Code Ann. 23-79-203 and Bulletin 19-89.

I assure you that no other changes have been made to this filing.

If you have any questions, please call me at 1-800-635-4467, ext. 209.

Sincerely,

Ted Keating
Compliance-Filing Coordinator
Vision Financial Corporation
Telephone: 800-635-4467, ext. 209
Fax: 603-357-0250
Email: tkeating@visfin.com

SERFF Tracking Number: FDLR-125606636 State: Arkansas
 Filing Company: Fidelity Life Association, A Legal Reserve Life Insurance Company State Tracking Number: 38672
 Company Tracking Number:
 TOI: L07G Group Life - Whole Sub-TOI: L07G.101 Fixed/Indeterminate Premium - Single Life
 Product Name: AR LTC-TI 2
 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	LTC-TI Combo Rider	04/11/2008	W3P07Crd.pdf
No original date	Form	LTC-TI Combo Optional Benefit	04/11/2008	W3007C Opt Ben.pdf
No original date	Supporting Document	Cover Letter	04/11/2008	AR RDR COVER LETTER.pdf

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY

ACCELERATED DEATH BENEFIT FOR LONG TERM CARE AND TERMINAL ILLNESS RIDER

This benefit is available to Certificate Holders as an Optional Benefit upon payment of premium.

Please read your Rider carefully. This Rider provides the following two types of Accelerated Death Benefits: (A) Accelerated Death Benefit for Long Term Care and (B) Accelerated Death Benefit for Terminal Illness.

TAX QUALIFICATION NOTICE: The Accelerated Benefits offered under this Rider are intended to provide a qualified Accelerated Death Benefit that is excluded from gross income for federal income tax purposes under the applicable provisions of the Internal Revenue Code in existence at the time this Rider is issued. To that end, the provisions of this Rider and The Policy are to be interpreted to ensure or maintain such tax qualification, notwithstanding any other provision to the contrary. We reserve the right to amend this Rider or The Policy to reflect any clarifications that may be needed or are appropriate to maintain such tax qualification or to conform this Rider or The Policy to any applicable changes in such tax qualification requirements. We will send The Policyholder a copy of any such amendment. Whether any tax liability may be incurred when benefits are paid under this Rider could depend on how the Internal Revenue Service interprets applicable provisions of the Internal Revenue Code. Tax laws relating to Accelerated Benefits are complex. Certificate Holders are advised to consult with a qualified tax advisor about circumstances under which they could receive Accelerated Benefits excludable from income under federal law.

Receipt of an Accelerated Benefit may affect the Certificate Holder and the Certificate Holder's spouse or family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. Certificate Holders are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect his or her spouse and his or her family's eligibility for public assistance.

NOTICE TO BUYER: This Rider may not cover all of the costs associated with long term care incurred by the Insured during the period of coverage. We advise You to carefully review all the limitations of this Rider as well as those of The Policy to which it is attached in relation to the costs of long term care.

NOTICE TO PERSONS ELIGIBLE FOR MEDICARE: This is not a Medicare Supplement Rider. If the Insured is eligible for Medicare, You should ask to review a copy of the Medicare Supplement Buyer's Guide. You can get a copy of this guide by calling Fidelity Life at the number below.

Benefit Effective Date: This Rider will be effective on the Coverage Date shown on the Schedule page. The termination date of this rider will be shown on the Schedule Page. Coverage under this Rider will not be in effect unless the coverage to which it is attached becomes effective.

Death Benefits, Surrender Values, and Loan Values, if any, will be reduced if an Accelerated Death Benefit is paid. The Accelerated Death Benefit and the related charges, interest, discounts or liens, if applicable, and the balance of the death benefit provided by The Policy shall constitute full settlement on maturity or death of the Insured as provided under The Policy. There will be no maturity payment available at the end of the term period.

Rider Part of Policy: This Benefit may become part of the Coverage under this Rider, when elected by You and the required premiums are made. The premiums for this rider will be shown on the Schedule Page. Unless they are not consistent with this Rider, all the provisions of The Policy will apply...

Rider Benefit: This Rider will provide You with the option to elect to receive a portion of the Death Benefit provided by The Policy. You can make this election when the Insured becomes eligible for benefits. The Insured must be certified as Terminally Ill to qualify for a Terminal Illness Benefit. The Insured must be certified as Chronically Ill and be confined to a Nursing or Assisted Living Facility or be receiving Home Health or Adult Day Care to qualify for a Long Term Care Benefit. All other conditions outlined in this Rider must also be met.

Where to Get More Information, Correct Information on the Enrollment Form, or Make a Complaint:

The Certificate Holder can contact Us by writing to Us at our Administrative Office at 17 Church St., Keene, NH 03431 or call 1-877-352-3303

Guaranteed Renewable: As long as You pay the premium on time and Coverage under this Rider is in force, it is renewable, subject to the Rider's terms. We can't change the terms of this Rider, but We can increase the premium up to the guaranteed maximums. The current and guaranteed maximum premiums are shown on the Schedule Page. Any change in premium will be made on the Coverage anniversary date. New premiums will be based on the Insured's age and Premium Class on the Rider's Coverage Date. We must notify You at least 45 days before a premium change. Notice will be mailed to Your last address as shown on Our records.

We can only change premiums if We change them on all Riders on this form in the state where the Rider was issued. We won't change premiums solely because of claims made under this Rider, because of increased age or change in mental or physical health. While this Rider is in force, We cannot change any of its provisions, cancel it, or refuse renewal.

DEFINITIONS

The definitions contained in The Policy and the definitions outlined below will apply to this Rider.

Activities of Daily Living can be defined as an activity that occurs every day. Each of the activities that are listed below are considered an Activity of Daily Living:

1. **Bathing:** The Insured's ability to wash himself/herself by sponge bath; or in either a tub or shower. This will include the task of getting into and out of the tub or shower.
2. **Continence:** The Insured's ability to maintain control of their bowel and bladder function. When unable to maintain control of bowel or bladder function, the Insured must have the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
3. **Dressing:** The Insured's ability to put on and take off all of their clothing and any required braces, fasteners or artificial limbs.
4. **Eating:** The Insured's ability to feed him or herself by getting food into his/her body from a receptacle (such as a plate, cup or table) or through a feeding tube or through intravenous means.
5. **Toileting:** The Insured's ability to get to and from the toilet, to get on and off the toilet, and to perform the necessary personal hygiene.
6. **Transferring:** The Insured's ability to move into or out of a bed, chair or wheelchair.

Adult Day Care means a program of social and/or health-related services provided on a less than 24-hour-a-day basis. Adult Day Care must be provided in an Adult Day Care Center. The purpose of the program must be to support frail or impaired elderly, or other disabled adults who can benefit from care in a group setting outside the Home.

Adult Day Care Center means a facility, or part of a facility that provides Adult Day Care. The Adult Day Care Center must be licensed or certified to provide such services, if required by the jurisdiction in which the Adult Day Care Center is located.

Assisted Living Facility means a facility that will provide on-going care and services to the Insured. This care and the service provided must meet all of the conditions outlined below.

1. The Facility must be licensed or certified to provide the on-going care and related services. Licensing or certification will be required based on the laws of the state where the facility is located; and
2. The Facility must provide twenty-four (24) hour a day care. Services must be sufficient to support the needs resulting from the Insured's inability to perform Activities of Daily Living or from Severe Cognitive Impairment; and
3. The Facility must have a trained employee on duty at all times. The employee must be awake and ready to provide care; and
4. The Facility must provide three meals per day. The facility must be able to accommodate special dietary needs; and
5. The Facility must have written agreements in place that will provide the Residents with the medical care that will be needed in case of an emergency. If not, it must ensure that the Residents will receive medical care in case of an emergency. A Physician or Registered Nurse must provide the medical care; and
6. The facility must have methods and procedures in place that will help the residents administer the medications that have been prescribed to them.

The entities listed below do not qualify as an Assisted Living Facility:

1. a Hospital; or
2. a facility that is operated mainly for the treatment and care of:
 - (a) mental, nervous, psychotic or psychoneurotic deficiencies or disorders;
 - (b) or tuberculosis;
 - (c) or alcoholism;
 - (d) or drug addiction;
 - (e) or rehabilitation;
 - (f) or occupational therapy.

If the Insured is confined to an Assisted Living Facility that meets the requirements outlined in this Rider, the Insured will be eligible for benefits under this Rider.

Chronically Ill Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

1. being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living (Bathing, Continence, Dressing, Eating, Toileting, and Transferring) for a period of 90 days; **or**
2. the Insured must have a Severe Cognitive Impairment that requires Substantial Supervision to protect him/her from threats to his or her health and safety.

Certification by the Licensed Health Care Practitioner of the Chronically Ill Insured must occur at least once every 12 months.

Confined or Confinement means that the Insured is required to stay in a bed and is physically placed within a licensed Nursing or Assisted Living Facility. This confinement will be as an overnight resident patient.

Elimination Period means the number of days that the Insured must meet the Conditions of Eligibility for Long Term Care. There will be no Long Term Care benefits paid during this period. The Elimination Period will start from the first day that the Insured is certified by a Licensed Health Care Practitioner as: (1) being Unable to Perform without substantial Human Assistance at least two Activities of Daily Living; or (2) having a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety. The Elimination Period for the Long Term Care benefit will be shown in the Schedule Page. The Elimination Period only needs to be satisfied once during the Insured's lifetime. There is no Elimination Period for the Terminal Illness benefit.

Home is defined as any place where the Insured lives. Home does not mean a Nursing Facility, Assisted Living Facility, Alzheimer's facility, Hospital, hospice facility, congregate care, or any other similar residential care facility.

Home Health Care Agency means an agency or organization that provides care and services in the Insured's Home and meets all of the following criteria:

1. It is, where required, licensed, certified, and/or accredited as a Home Health Care Agency; and
2. It provides Home Health Care services; and
3. It is, where required by its licensure, certification and/or accreditation, supervised by a Registered Professional Nurse or a Licensed Social Worker; and
4. It has employees who have appropriately specialized training; and
5. It keeps Plan of Care records, including Physician's orders where appropriate, on all patients; and
6. If providing Home Health Care services, it keeps clinical records on all patients.

Home Health Care is defined as a program of professional, para-professional or skilled care that is provided by or through a Home Health Care Agency. The Home Health Care must be provided in the Insured's Home. Home Health Care will include the following types of care: nursing services; physical therapy, occupational therapy, speech therapy, respiratory therapy, audiology services; and medical social services by a social worker or social work assistant.

Hospital is defined as an institution which:

1. is licensed as a Hospital and is operating within the scope of its license; and
2. is accredited as a Hospital by the Joint Commission on Accreditation of Health Care Organizations, or by the American Osteopathic Association; and
3. is primarily and continuously engaged in providing or operating medical, diagnostic and major surgical facilities which are located either on the Hospital's premises or in facilities controlled by such Hospital; and
4. is under the supervision of a duly licensed Physician; and

5. provides medical care and treatment of sick or injured persons on an inpatient basis for which a charge is made; and
6. provides 24-hour nursing service by or under the supervision of a Registered Professional Nurse.

Hospital does not mean a place that is operated mainly for: rest; convalescence; care of the aged; custodial care; treatment and care of mental disorders, tuberculosis, alcoholism, or drug addiction; rehabilitation; or occupational therapy.

Immediate Family is defined as the Insured's or Your spouse, child, brother, sister, parent, grandparent or grandchild.

Insured means the person who is the Insured under The Policy to which this Rider is attached.

Licensed Health Care Practitioner is defined as any Physician, Registered Professional Nurse, or Licensed Social Worker.

Licensed Social Worker means a health care professional that is licensed in the state in which he or she practices. The Social Worker must be practicing within the scope of their license. A Licensed Social Worker does **not** include a member of the Insured's or Your Immediate Family. A Licensed Social Worker does **not** include anyone who resides in the Insured's or Your Home or residence.

Monthly Accelerated Death Benefit Amount means the maximum amount that We will pay in any one calendar month. The Insured must be confined in a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition the Insured must satisfies the terms set forth in the "Conditions on Eligibility for Long Term Care benefits.

Medicare means The Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 as then constituted or later amended.

Nursing Facility means a health care facility or a part of a Hospital or other institution that provides such services. The Nursing Facility must meet all of the requirements that are listed below:

1. It operates under a license issued by the appropriate licensing agency to provide nursing care and related services; and
2. It provides, in addition to room and board, 24-hour-a-day nursing care and related services on a continuing inpatient basis, to 6 or more individuals; and
3. It provides on a formal prearranged basis, a Registered Professional Nurse on duty or on call at all times; and
4. It provides, on a formal prearranged basis, that a duly licensed Physician will be available in case of emergency; and
5. It has a planned program of policies and procedures. This planned program was developed with the advice of at least one Physician. In addition, the program is periodically reviewed by at least one Physician; and
6. It maintains a clinical record of each patient.

Nursing Facility does not mean a Hospital. It does not mean a facility that is operated mainly for the treatment and care of mental, nervous, psychotic or psychoneurotic deficiencies or disorders; or tuberculosis; or drug addiction; or rehabilitation, or occupational therapy.

Physician means an individual who is licensed to practice medicine and treat injury or illness in the state in which treatment is received and who is acting within the scope of that license. A Physician must be someone other than:

1. the Insured; or
2. the Certificate Holder; or
3. a person who lives with the Certificate Holder or the Insured; or
4. a person who is part of the Certificate Holder or the Insured's Immediate Family; or
5. anyone who has an ownership interest in a facility in which the Insured is Confined.

Plan of Care means a written individualized plan of services. A Licensed Health Care Practitioner must develop this plan.

Registered Professional Nurse means a health care professional that is licensed or registered as a professional graduate nurse by the state in which he or she practices. The Registered Nurse must be practicing within the scope of that license. A Registered Nurse does not include a member of the Insured's or Your Immediate Family. A Registered Nurse does not include anyone who resides in the Insured's or Your Home or residence.

Rider Month is the period from the Rider Coverage Date to the first monthly anniversary or from one Rider monthly anniversary to the next. A Rider Month does not include the Rider monthly anniversary day at the end of the Rider Month.

Severe Cognitive Impairment means a deficiency in: the Insured's short-term or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness. Diagnosis must be established by clinical evidence and standardized tests that can accurately measure the Insured's loss. An example of such an Impairment that is covered under this Rider is Alzheimer's disease and other forms of senility, senile dementia and irreversible dementia.

Substantial Human Assistance is defined as actual hands-on assistance that is provided by another individual.

Substantial Supervision means continuous, arms-length supervision. This includes, but is not limited to, verbal cueing by another individual to protect the Insured from harming himself/herself or others, or from threats to the Insured's health and safety.

Terminally Ill means the Insured has a life expectancy of 12 months or less due to an illness or physical condition.

Unable to Perform an Activity of Daily Living means that the Insured cannot perform an activity without Human Assistance, even if the Insured uses some equipment.

Waiting Period means the Waiting Period shown on the Schedule Page. The Waiting Period starts on the Rider Coverage Date. Long Term Care benefits will not be paid for any sickness condition or Plan of Care that begins during the Waiting Period. There is no Waiting Period for accidents.

You or Your refer to the Certificate Holder.

ACCELERATED DEATH BENEFIT FOR LONG TERM CARE

The Long Term Care benefit of this Rider will allow You the option to elect to receive a portion of the Death Benefit provided by The Policy. The Long Term Care benefit amount is shown on the Schedule Page. The option to receive a portion of the death benefit can be made when the Insured becomes eligible for benefits. To qualify for benefits, the Insured must be certified as a Chronically Ill Individual. The Insured must also be confined to a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition, the following Rider conditions for Long Term Care must be met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF LONG TERM CARE RIDER BENEFITS

We will pay You the applicable Rider benefit as stated below, subject to all of the following conditions:

1. The Insured:
 - a. must be confined to a Nursing or Assisted Living Facility. The confinement must begin while this Rider is in force; or
 - b. receives Home Health Care services that are provided by a Home Health Care Agency. The Insured must receive a minimum of [8] Home Health Care visits during each Rider Month and while this Rider is in force; or
 - c. receives Adult Day Care that is provided in an Adult Day Care Center. The Insured must have a minimum of [8] Adult Day Care visits during each Rider Month and while this Rider is in force; and
2. Confinement and Home Health Care or Adult Day Care services must be included in the Insured's Plan of Care; and
3. the Insured is a Chronically Ill Individual; and
4. the Insured must satisfy the Elimination Period; and
5. the Waiting Period has been met; and
6. the Coverage provided to the Insured by The Policy to which this Rider is attached is in force; and
7. all irrevocable beneficiaries and assignees have signed the written request for this benefit.

LONG TERM CARE RIDER BENEFITS

Monthly Accelerated Death Benefit for Confinement: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits that are described in this Rider, We will pay You the benefit amount for Confinement. We will pay the benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Monthly Accelerated Death Benefit for Home Health Care or Adult Day Care: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits, we will pay You the benefit amount. We will pay this benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Remaining Accelerated Death Benefit Amount:

The Monthly Accelerated Benefit may not be larger than the Remaining Accelerated Death Benefit Amount. The Remaining Accelerated Death Benefit Amount equals:

1. the current death benefit on the life of the Insured provided by The Policy; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit paid to You under this Rider; less
4. the total of all previous Monthly Accelerated Death Benefit Amounts paid to You for Long Term Care benefits under this Rider.

The current death benefit as used here does not include accidental death benefits or life insurance provided by other Riders.

Monthly Accelerated Death Benefits Under Paid Up Options: If premiums for The Policy and this Rider terminate resulting in a remaining paid-up life insurance death benefit under The Policy, Long Term Care Monthly benefits may continue to be payable. In order for the benefits to continue, the Insured must meet the Conditions on Eligibility for Long Term Care benefits. These conditions are described in this Rider. When a paid-up life insurance death benefit remains under The Policy, the Remaining Accelerated Death Benefit Amount will equal:

1. the paid-up death benefit on the life of the Insured provided by The Policy; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit that has been paid to You under this Rider; less
4. the total of all previous benefit amounts that have been paid to You for Long Term Care benefits.

The paid-up death benefit as used here does not include accidental death benefits or life insurance provided by other Riders.

Reduced Benefits Due To Unpaid Coverage Loans: We will require that a portion of any outstanding loan be deducted from the benefit payment. The portion of the outstanding loan will equal the outstanding unpaid loan multiplied by the ratio of the benefit payment to the Remaining Accelerated Death Benefit Amount plus any Lien.

Waiver of Premium: For as long as the Insured is eligible for benefits, We will waive the premiums due for the Coverage provided by The Policy. This will include the premiums for Optional Benefits attached to the Certificate.

ACCELERATED DEATH BENEFIT FOR TERMINAL ILLNESS

The Terminal Illness benefit of this Rider will allow You with the option to elect to receive a portion of the Death Benefit provided by The Policy. The Death Benefit will be shown in the Schedule Page. The option to receive a portion of the Death Benefit can be made when the Insured becomes Terminally Ill and the following Rider conditions for Terminal Illness are met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF TERMINAL ILLNESS RIDER BENEFIT

We will pay You the applicable Rider benefit as stated below, subject to all of the following conditions:

1. this benefit is subject to the terms and conditions of The Policy; and
2. You must provide us with certification by a Physician that the Insured is Terminally Ill. The Company reserves the right to obtain a second medical opinion. We will pay the cost for the second opinion. If there is a conflict of opinions, a third diagnosis will be obtained by a physician acceptable to both You and Us. This diagnosis will be binding on both You and the Company; and
3. the Insured's Coverage under The Policy must have been in force for 2 years from the Coverage Date or 2 years from the date of last reinstatement, if any, whichever is later.
4. You need to request the Benefit for Terminal Illness in writing; and
5. all irrevocable beneficiaries and assignees must sign the written request for this benefit; and
6. the Coverage provided by The Policy has not lapsed due to nonpayment of premium.

CERTIFICATE HOLDER'S RIGHTS

The request for payment of a Terminal Illness benefit is voluntary. This benefit is not intended to allow any third party to cause You to involuntarily reduce the Coverage Proceeds that may be payable to the beneficiary. Any election forced by creditors or government agencies will be honored only if it is required by law.

TERMINAL ILLNESS RIDER BENEFIT

The maximum benefit for Terminal Illness, which may be elected by You, is the lesser of 1 and 2:

1. 50% of the Death Benefit minus all previous benefits paid under this Rider to You. This is determined as of the date proof of life expectancy is received; or
2. \$100,000.

The minimum benefit amount for Terminal Illness, which may be elected by You, is \$1,000.

The total benefit for Terminal Illness available under all coverage issued by Fidelity Life Association on the life of the Insured is \$100,000.

Lien: We will treat the benefit for Terminal Illness payment as a lien against the Coverage provided by The Policy. No interest will accrue on this lien.

If Coverage under The Policy lapses for nonpayment of premium and the Lien is used to reduce the Net Surrender Value, no repayment of any remaining lien is required.

If Coverage under the Policy terminates and the Remaining Accelerated Death benefit is equal to or less than zero, no repayment of the Lien is required.

Adjustments:

We will charge an administrative fee of not more than the limit set by law, for processing an Accelerated Death Benefit for Terminal Illness. This fee will be deducted from any payment made.

On the monthly Rider anniversary on or next following a Terminal Illness benefit payment to You the premium for this Rider will be reduced by the following amount (1) times (2) divided by (3):

1. The premium for the Rider
2. the Terminal Illness Benefit payment
3. the Current Death Benefit amount before any adjustments for Long Term Care benefits paid to You.

EFFECT ON THE POLICY BENEFITS IF RIDER BENEFITS ARE PAID

Adjusted Death Benefit Due to Acceleration: The current death benefit that is payable at the death of the Insured will be reduced by the total of all previous Long Term Care benefit payments to You. The Death Benefit will further be reduced by any Lien resulting from a Terminal Illness benefit paid to You. If the Insured dies while The Policy is in force, the remaining Death Benefit proceeds will be paid to the Beneficiary. No further payments under this Rider will be made to You.

Adjusted Surrender Value Due to Acceleration: Any Surrender Value payable under The Policy will be reduced by an amount equal to (1) multiplied by (2):

1. The current death benefit minus the total of all previous Long Term Care Monthly Accelerated Death Benefit Amounts paid;
2. The ratio of the Surrender Value to the current death benefit.

Any Lien resulting from a Terminal Illness benefit payment will reduce the Adjusted Surrender Value, if any, in the following situations:

1. The Surrender of the Coverage for its Net Surrender Value.
2. When the Coverage lapses at the end of its grace period for nonpayment of premium.
3. To determine the Loan Value of the Coverage.

Adjusted Premiums Due to Acceleration: While the Insured is eligible for Long Term Care benefits, We will waive the premium due. If the Insured later becomes ineligible for Long Term Care benefits and a Remaining Accelerated Death Benefit Amount is still available, We will reduce the premium due for the Coverage and the benefits for this Rider. The reduced premium will equal (1) multiplied by (2), plus (3):

1. The premium due on the Coverage and the benefits for this Rider;
2. The ratio of the adjusted Death Benefit to the current death benefit for The Policy;
3. The current premium for any other Optional Benefit attached to the Coverage.

The Coverage policy fee will not be reduced.

Termination of Coverage due to Acceleration: If the Remaining Accelerated Death Benefit Amount is reduced to zero or less, The Policy and any Riders will terminate with no further benefits payable. This termination can be due to payment of a Long Term Care benefit or due to a reduction in the death benefit provided under The Policy. Termination of Coverage will be subject to the Delay of Termination Due to Scheduled Increase in Future Death Benefits provision.

Delay of Termination Due to Scheduled Increase in Future Death Benefits: The Policy and any Riders will not terminate due to the Termination of Coverage due to Acceleration provision if the life insurance Coverage is scheduled for a future guaranteed increase in death benefits with no corresponding increase in premium per the terms of The Policy. In this case, The Policy and this Rider will continue in force until such time that the Remaining Accelerated Death Benefit Amount is increased due to the scheduled increase in death benefits. If the Insured is still eligible for benefits, such payments may resume per the terms of this Rider. During this period, Waiver of Premium or adjusted premiums due to acceleration will continue. The Policy and any Riders will immediately terminate upon the death of the Insured and payment of any adjusted Death Benefit.

Restriction on Changes to Policy and Riders: If benefits are being paid for Long Term Care no changes may be made to the Coverage provided by The Policy. Additionally, no changes can be made to any Rider attached to The Policy.

Effect on Accidental Death Benefit Rider: As long as the Coverage is in force, any Accidental Death Optional Benefit under the Certificate will not be affected by the acceleration of benefits under this Rider.

Report Showing Effect of Rider Benefits: When a benefit payment is paid, We will provide You with a report. This report will show the effect the benefit payment has on the Coverage values.

EXCLUSIONS

We will not pay Long Term Care benefits if the care received or loss incurred:

1. is due to an intentionally self-inflicted injury, or attempted suicide; or
2. is due to a war or any act of war, declared or undeclared, or service in the armed forces of any country; or
3. is due to a treatment of the Insured's alcohol, drug or other chemical dependence, except if the drug dependency was sustained or acquired at the hands of a Physician, or except while under treatment for an injury or sickness; or
4. is due to the Insured's commission of, or attempt to commit, a felony; or an injury that occurs because of the Insured's involvement in an illegal activity.

We will not pay Long Term Care benefits if the Confinement, Home Health Care service, or Adult Day Care service:

1. is received outside the United States and its territories; or
2. is provided by ineligible providers; or
3. is rendered by members of the Certificate Holder's or the Insured's Immediate Family; or
4. are fully or partially reimbursed by a state or federal worker's compensation plan, Medicare, any other health insurance or other insurance plan, or any other governmental program, except Medicaid; or
5. would not be charged for in the absence of insurance.

We will not pay a Terminal Illness benefit that resulted from:

1. Terminal Illness due to an attempt of suicide while the suicide provision of The Policy is in effect.

LIMITATIONS

The following limits apply to payment of an Accelerated Death Benefit under this Rider:

1. We will not pay a Long Term Care benefit for Confinement and Home Health Care or Adult Day Care simultaneously, even if the Insured qualifies for both benefits. If the Insured qualifies for both benefits in any month, We will pay the benefit for Confinement.
2. We will not pay any Long Term Care benefit for any sickness condition or Plan of Care that begins during the Waiting Period
3. We will not pay any Long Term Care Benefit before the end of the Elimination Period.
4. We will pay only one benefit payment for Terminal Illness under this Rider.
5. We will not pay any benefit such that the total benefits paid exceed the current death benefit.

RIDER GENERAL PROVISIONS

Notice of Claim: If You would like to claim a benefit, You must notify Us in writing within 30 days of any eligible Confinement, Home Health Care service, or Adult Day Care service. Written notice must be sent to our agent or Us. The notice should include the Insured's name and Certificate Number. If notice cannot reasonably be given within 30 days of a loss, You must send the notice as soon as reasonably possible.

Claim Forms: After We receive Notice of Claim, We will send claim forms to You or Your authorized representative within 15 days. If the claim forms are not received within 15 days, We will accept Written Proof of Loss describing the nature and extent of the claim. Such initial and ongoing Written Proof of Loss must be received by Us within the time limit stated in the following paragraph.

Written Proof of Loss: We will pay Long Term Care benefits under this Rider after We receive Written Proof of Loss satisfactory to Us. We must receive initial Proof of Loss within 90 days after the Elimination Period expires. If it is not reasonably possible to provide this information within such time, initial Proof of Loss must be submitted as soon as reasonably possible. This initial Proof of Loss can not be received later than one year from the time specified. We will require subsequent Proof of Loss to be submitted periodically while the Insured continues to be eligible to receive benefits under this Rider. Any such periodic Proof of Loss will not be required more frequently than once every 31 days. Any such periodic Proof of Loss due to a chronic illness will not be required more frequently than once every 90 days.

Written Proof of Loss means billing statements, invoices, or payment receipts that will prove that the Insured was Confined or received Home Health Care or Adult Day Care services in accordance with a Plan of Care. Written Proof of Loss will also mean certification by a Physician that the Insured is chronically ill. Examples of Written Proof of Loss include a Physician certification, Plan of Care records, attending Physician reports, medical records; and similar written documentation.

Physical Examination: We reserve the right to have a Licensed Health Care Practitioner examine the Insured while a claim is pending to determine the Insured's eligibility for benefits. This examination will be at Our expense. We will use a Licensed Health Care Practitioner of our choosing. If the Licensed Health Care Practitioner We choose provides a different diagnosis of the Insured's condition, We reserve the right to rely it for claim purposes.

Resolution of Disputes: In the event that the Licensed Health Care Practitioner We choose provides an assessment of the Insured's condition that conflicts with the Insured's Licensed health Care practitioner's assessment, the company Licensed Health Care Practitioner's opinion will not be binding on You. If there is a disagreement between You and Us, You have the right to mediation or binding arbitration. This mediation or binding arbitration will be conducted by a disinterested third party that has no ongoing relationship with either You or Us. As part of the final decision, the arbitrator shall award the costs of arbitration to one party or the other or may divide the costs equally or otherwise.

Time of Payment of Claims: All Long Term Care benefits described in this Rider will be paid monthly as long as We have received Written Proof of Loss satisfactory to Us.

Payment of Claims: All Rider benefits will be paid to You, unless You designate a different payee.

Adjustment of the Death Benefit: If benefit payments are paid after the Insured has died, but before notification of death has been received by the Company, We will reduce the Death Benefit by the amount of these benefit payments.

Legal Actions: No legal action may be brought to recover under this Rider within 60 days after Written Proof of Loss has been provided to Us as required. Also, no legal action may be brought to recover under this Rider more than 3 years from the time Written Proof of Loss is required to be furnished.

Contestability: This Rider will be contestable on the same basis as the Coverage under The Policy. This rider will be contestable, during the lifetime of the Insured, for two years from the Benefit Effective Date.

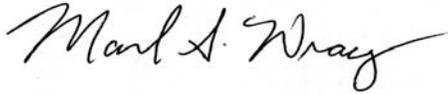
Suicide: If the Insured dies by suicide, while sane or insane, within two years from the Benefit Effective Date, the coverage under this Rider will terminate. Any premiums refunded under the Suicide Exclusion provision of The Policy will be reduced by the amount of any accelerated benefits paid under this Rider.

Termination of Coverage Provided by this Rider: Coverage provided by this Rider will terminate at the earliest of:

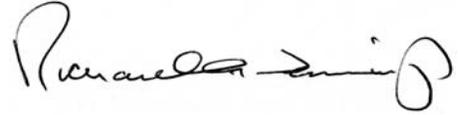
1. The date the Coverage on the Insured matures or terminates for any reason including Termination of Coverage due to Acceleration; or
2. On the Termination Date of this benefit, as shown on the Certificate Schedule Page; or
3. On the date You elect to terminate this Rider.

Cancellation of this Benefit: This benefit may be cancelled by a written request from You. The date of cancellation will be the date We receive the written request at our Administrative Office. We will refund a pro rata part of any premium paid for this benefit beyond that date.

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY



Secretary



President

Fidelity Life Association, A Legal Reserve Life Insurance Company
1211 West 22nd Street, Suite 209
Oak Brook, IL 60523

Administrative Office
Fidelity Life Association
17 Church Street
Keene, NH 03431

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY

OPTIONAL ACCELERATED DEATH BENEFIT FOR LONG TERM CARE AND TERMINAL ILLNESS

This benefit is available to Certificate Holders as an Optional Benefit upon payment of premium.

Please read your Optional Benefit carefully. This Benefit provides the following two types of Accelerated Death Benefits: (A) Accelerated Death Benefit for Long Term Care and (B) Accelerated Death Benefit for Terminal Illness.

TAX QUALIFICATION NOTICE: The Accelerated Benefits offered under this Benefit are intended to provide a qualified Accelerated Death Benefit that is excluded from gross income for federal income tax purposes under the applicable provisions of the Internal Revenue Code in existence at the time this Benefit is issued. To that end, the provisions of this Benefit and the Certificate are to be interpreted to ensure or maintain such tax qualification, notwithstanding any other provision to the contrary. We reserve the right to amend this Benefit or the Certificate to reflect any clarifications that may be needed or are appropriate to maintain such tax qualification or to conform this Benefit or the Certificate to any applicable changes in such tax qualification requirements. We will send the Certificate Holder a copy of any such amendment. Whether any tax liability may be incurred when benefits are paid under this Benefit could depend on how the Internal Revenue Service interprets applicable provisions of the Internal Revenue Code. Tax laws relating to Accelerated Benefits are complex. Certificate Holders are advised to consult with a qualified tax advisor about circumstances under which they could receive Accelerated Benefits excludable from income under federal law.

Receipt of an Accelerated Benefit may affect the Certificate Holder and the Certificate Holder's spouse or family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. Certificate Holders are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect his or her spouse and his or her family's eligibility for public assistance.

NOTICE TO BUYER: This Benefit may not cover all of the costs associated with long term care incurred by the Insured during the period of coverage. We advise You to carefully review all the limitations of this Benefit as well as those of the Certificate to which it is attached in relation to the costs of long term care.

NOTICE TO PERSONS ELIGIBLE FOR MEDICARE: This is not a Medicare Supplement Benefit. If the Insured is eligible for Medicare, You should ask to review a copy of the Medicare Supplement Buyer's Guide. You can get a copy of this guide by calling Fidelity Life at the number below.

Benefit Effective Date: This Benefit will be effective on the Coverage Date shown on the Schedule page. The termination date of this Benefit will be shown on the Schedule Page. Coverage under this Benefit will not be in effect unless the coverage to which it is attached becomes effective.

Death Benefits, Surrender Values, and Loan Values, if any, will be reduced if an Accelerated Death Benefit is paid. The Accelerated Death Benefit and the related charges, interest, discounts or liens, if applicable, and the balance of the death benefit provided by the Certificate shall constitute full settlement on maturity or death of the Insured as provided under the Certificate. There will be no maturity payment available at the end of the term period.

Benefit Part of Coverage: This Benefit may become part of the Coverage under this Benefit, when elected by You and the required premiums are made. The premiums for this Benefit will be shown on the Schedule Page. Unless they are not consistent with this Benefit, all the provisions of the Certificate will apply.

Benefit: This Benefit will provide You with the option to elect to receive a portion of the Death Benefit provided by the Certificate and shown in the Certificate Schedule. You can make this election when the Insured becomes eligible for benefits. The Insured must be certified as Terminally Ill to qualify for a Terminal Illness Benefit. The Insured must be certified as Chronically Ill and be confined to a Nursing or Assisted Living Facility or be receiving Home Health or Adult Day Care to qualify for a Long Term Care Benefit. All other conditions outlined in this Benefit must also be met.

Where to Get More Information, Correct Information on the Enrollment Form, or Make a Complaint:

You can contact Us by writing to Us at our Administrative Office at 17 Church St., Keene, NH 03431 or call 1-877-352-3303.

Guaranteed Renewable: As long as You pay the premium on time and Coverage under this Benefit is in force, it is renewable, subject to the Benefit's terms. We can't change the terms of this Benefit, but We can increase the premium up to the guaranteed maximums. The current and guaranteed maximum premiums are shown on the Schedule Page. Any change in premium will be made on the Coverage anniversary date. New premiums will be based on the Insured's age and Premium Class on the Benefit's Coverage Date. We must notify You at least 45 days before a premium change. Notice will be mailed to Your last address as shown on Our records.

We can only change premiums if We change them on all Benefits on this form in the state where the Benefit was issued. We won't change premiums solely because of claims made under this Benefit, because of increased age or change in mental or physical health. While this Benefit is in force, We cannot change any of its provisions, cancel it, or refuse renewal.

DEFINITIONS

The definitions contained in the Certificate and the definitions outlined below will apply to this Benefit.

Activities of Daily Living can be defined as an activity that occurs every day. Each of the activities that are listed below are considered an Activity of Daily Living:

1. **Bathing:** The Insured's ability to wash himself/herself by sponge bath; or in either a tub or shower. This will include the task of getting into and out of the tub or shower.
2. **Continence:** The Insured's ability to maintain control of their bowel and bladder function. When unable to maintain control of bowel or bladder function, the Insured must have the ability to perform associated personal hygiene (including caring for a catheter or colostomy bag).
3. **Dressing:** The Insured's ability to put on and take off all of their clothing and any required braces, fasteners or artificial limbs.
4. **Eating:** The Insured's ability to feed him or herself by getting food into his/her body from a receptacle (such as a plate, cup or table) or through a feeding tube or through intravenous means.
5. **Toileting:** The Insured's ability to get to and from the toilet, to get on and off the toilet, and to perform the necessary personal hygiene.
6. **Transferring:** The Insured's ability to move into or out of a bed, chair or wheelchair.

Adult Day Care means a program of social and/or health-related services provided on a less than 24-hour-a-day basis. Adult Day Care must be provided in an Adult Day Care Center. The purpose of the program must be to support frail or impaired elderly, or other disabled adults who can benefit from care in a group setting outside the Home.

Adult Day Care Center means a facility, or part of a facility that provides Adult Day Care. The Adult Day Care Center must be licensed or certified to provide such services, if required by the jurisdiction in which the Adult Day Care Center is located.

Assisted Living Facility means a facility that will provide on-going care and services to the Insured. This care and the service provided must meet all of the conditions outlined below.

1. The Facility must be licensed or certified to provide the on-going care and related services. Licensing or certification will be required based on the laws of the state where the facility is located; and
2. The Facility must provide twenty-four (24) hour a day care. Services must be sufficient to support the needs resulting from the Insured's inability to perform Activities of Daily Living or from Severe Cognitive Impairment; and
3. The Facility must have a trained employee on duty at all times. The employee must be awake and ready to provide care; and
4. The Facility must provide three meals per day. The facility must be able to accommodate special dietary needs; and
5. The Facility must have written agreements in place that will provide the Residents with the medical care that will be needed in case of an emergency. If not, it must ensure that the Residents will receive medical care in case of an emergency. A Physician or Registered Nurse must provide the medical care; and

6. The facility must have methods and procedures in place that will help the residents administer the medications that have been prescribed to them.

The entities listed below do not qualify as an Assisted Living Facility:

1. a Hospital; or
2. a facility that is operated mainly for the treatment and care of:
 - (a) mental, nervous, psychotic or psychoneurotic deficiencies or disorders;
 - (b) or tuberculosis;
 - (c) or alcoholism;
 - (d) or drug addiction;
 - (e) or rehabilitation;
 - (f) or occupational therapy.

If the Insured is confined to an Assisted Living Facility that meets the requirements outlined in this Benefit, the Insured will be eligible for benefits under this Benefit.

Benefit Month is the period from the Benefit Coverage Date to the first monthly anniversary or from one Benefit monthly anniversary to the next. A Benefit Month does not include the Benefit monthly anniversary day at the end of the Benefit Month.

Chronically Ill Individual means an Insured who has been certified by a Licensed Health Care Practitioner as:

1. being Unable to Perform, without Substantial Human Assistance, at least two Activities of Daily Living (Bathing, Contenance, Dressing, Eating, Toileting, and Transferring) for a period of 90 days; **or**
2. the Insured must have a Severe Cognitive Impairment that requires Substantial Supervision to protect him/her from threats to his or her health and safety.

Certification by the Licensed Health Care Practitioner of the Chronically Ill Insured must occur at least once every 12 months.

Confined or Confinement means that the Insured is required to stay in a bed and is physically placed within a licensed Nursing or Assisted Living Facility. This confinement will be as an overnight resident patient.

Elimination Period means the number of days that the Insured must meet the Conditions of Eligibility for Long Term Care. There will be no Long Term Care benefits paid during this period. The Elimination Period will start from the first day that the Insured is certified by a Licensed Health Care Practitioner as: (1) being Unable to Perform without substantial Human Assistance at least two Activities of Daily Living; or (2) having a Severe Cognitive Impairment that requires Substantial Supervision to protect the Insured from threats to his or her health and safety. The Elimination Period for the Long Term Care benefit will be shown in the Schedule Page. The Elimination Period only needs to be satisfied once during the Insured's lifetime. There is no Elimination Period for the Terminal Illness benefit.

Home is defined as any place where the Insured lives. Home does not mean a Nursing Facility, Assisted Living Facility, Alzheimer's facility, Hospital, hospice facility, congregate care, or any other similar residential care facility.

Home Health Care Agency means an agency or organization that provides care and services in the Insured's Home and meets all of the following criteria:

1. It is, where required, licensed, certified, and/or accredited as a Home Health Care Agency; and
2. It provides Home Health Care services; and
3. It is, where required by its licensure, certification and/or accreditation, supervised by a Registered Professional Nurse or a Licensed Social Worker; and
4. It has employees who have appropriately specialized training; and
5. It keeps Plan of Care records, including Physician's orders where appropriate, on all patients; and
6. If providing Home Health Care services, it keeps clinical records on all patients.

Home Health Care is defined as a program of professional, para-professional or skilled care that is provided by or through a Home Health Care Agency. The Home Health Care must be provided in the Insured's Home. Home Health Care will include the following types of care: nursing services; physical therapy, occupational therapy, speech therapy, respiratory therapy, audiology services; and medical social services by a social worker or social work assistant.

Hospital is defined as an institution which:

W3007C

1. is licensed as a Hospital and is operating within the scope of its license; and
2. is accredited as a Hospital by the Joint Commission on Accreditation of Health Care Organizations, or by the American Osteopathic Association; and
3. is primarily and continuously engaged in providing or operating medical, diagnostic and major surgical facilities which are located either on the Hospital's premises or in facilities controlled by such Hospital; and
4. is under the supervision of a duly licensed Physician; and
5. provides medical care and treatment of sick or injured persons on an inpatient basis for which a charge is made; and
6. provides 24-hour nursing service by or under the supervision of a Registered Professional Nurse.

Hospital does not mean a place that is operated mainly for: rest; convalescence; care of the aged; custodial care; treatment and care of mental disorders, tuberculosis, alcoholism, or drug addiction; rehabilitation; or occupational therapy.

Immediate Family is defined as the Insured's or Your spouse, child, brother, sister, parent, grandparent or grandchild.

Insured means the person who is the Insured under the Certificate to which this Benefit is attached.

Licensed Health Care Practitioner is defined as any Physician, Registered Professional Nurse, or Licensed Social Worker.

Licensed Social Worker means a health care professional that is licensed in the state in which he or she practices. The Social Worker must be practicing within the scope of their license. A Licensed Social Worker does **not** include a member of the Insured's or Your Immediate Family. A Licensed Social Worker does **not** include anyone who resides in the Insured's or Your home or residence.

Monthly Accelerated Death Benefit Amount means the maximum amount that We will pay in any one calendar month. The Insured must be confined in a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition the Insured must satisfy the terms set forth in the "Conditions on Eligibility for Long Term Care benefits.

Medicare means The Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 as then constituted or later amended.

Nursing Facility means a health care facility or a part of a Hospital or other institution that provides such services. The Nursing Facility must meet all of the requirements that are listed below:

1. It operates under a license issued by the appropriate licensing agency to provide nursing care and related services; and
2. It provides, in addition to room and board, 24-hour-a-day nursing care and related services on a continuing inpatient basis, to 6 or more individuals; and
3. It provides on a formal prearranged basis, a Registered Professional Nurse on duty or on call at all times; and
4. It provides, on a formal prearranged basis, that a duly licensed Physician will be available in case of emergency; and
5. It has a planned program of policies and procedures. This planned program was developed with the advice of at least one Physician. In addition, the program is periodically reviewed by at least one Physician; and
6. It maintains a clinical record of each patient.

Nursing Facility does not mean a Hospital. It does not mean a facility that is operated mainly for the treatment and care of mental, nervous, psychotic or psychoneurotic deficiencies or disorders; or tuberculosis; or drug addiction; or rehabilitation, or occupational therapy.

Physician means an individual who is licensed to practice medicine and treat injury or illness in the state in which treatment is received and who is acting within the scope of that license. A Physician must be someone other than:

1. the Insured; or
2. the Certificate Holder; or
3. a person who lives with the Certificate Holder or the Insured; or
4. a person who is part of the Certificate Holder or the Insured's Immediate Family; or
5. anyone who has an ownership interest in a facility in which the Insured is Confined.

Plan of Care means a written individualized plan of services. A Licensed Health Care Practitioner must develop this plan.

Registered Professional Nurse means a health care professional that is licensed or registered as a professional graduate nurse by the state in which he or she practices. The Registered Nurse must be practicing within the scope of that license.

A Registered Nurse does not include a member of the Insured's or Your Immediate Family. A Registered Nurse does not include anyone who resides in the Insured's or Your Home or residence.

Severe Cognitive Impairment means a deficiency in: the Insured's short-term or long-term memory; orientation as to person, place and time; deductive or abstract reasoning; or judgment as it relates to safety awareness. Diagnosis must be established by clinical evidence and standardized tests that can accurately measure the Insured's loss. An example of such an Impairment that is covered under this Benefit is Alzheimer's disease and other forms of senility, senile dementia and irreversible dementia.

Substantial Human Assistance is defined as actual hands-on assistance that is provided by another individual.

Substantial Supervision means continuous, arms-length supervision. This includes, but is not limited to, verbal cueing by another individual to protect the Insured from harming himself/herself or others, or from threats to the Insured's health and safety.

Terminally Ill means the Insured has a life expectancy of 12 months or less due to an illness or physical condition.

Unable to Perform an Activity of Daily Living means that the Insured cannot perform an activity without Human Assistance, even if the Insured uses some equipment.

Waiting Period means the Waiting Period shown on the Schedule Page. The Waiting Period starts on the Benefit Coverage Date. Long Term Care benefits will not be paid for any sickness condition or Plan of Care that begins during the Waiting Period. There is no Waiting Period for accidents.

You or Your refer to the Certificate Holder.

ACCELERATED DEATH BENEFIT FOR LONG TERM CARE

The Long Term Care benefit will allow You the option to elect to receive a portion of the Death Benefit provided by the Certificate. The Long Term Care benefit amount is shown on the Schedule Page. The option to receive a portion of the death benefit can be made when the Insured becomes eligible for benefits. To qualify for benefits, the Insured must be certified as a Chronically Ill Individual. The Insured must also be confined to a Nursing or Assisted Living Facility or receiving Home Health or Adult Day Care. In addition, the following conditions for Long Term Care must be met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF LONG TERM CARE BENEFITS

We will pay You the applicable benefit as stated below, subject to all of the following conditions:

1. The Insured:
 - a. must be confined to a Nursing or Assisted Living Facility. The confinement must begin while this Benefit is in force; or
 - b. receives Home Health Care services that are provided by a Home Health Care Agency. The Insured must receive a minimum of [8] Home Health Care visits during each Benefit Month and while this Benefit is in force; or
 - c. receives Adult Day Care that is provided in an Adult Day Care Center. The Insured must have a minimum of [8] Adult Day Care visits during each Benefit Month and while this Benefit is in force; and
2. Confinement and Home Health Care or Adult Day Care services must be included in the Insured's Plan of Care; and
3. the Insured is a Chronically Ill Individual; and
4. the Insured must satisfy the Elimination Period; and
5. the Waiting Period has been met; and
6. the Coverage provided to the Insured by the Certificate to which this Benefit is attached is in force; and
7. all irrevocable beneficiaries and assignees have signed the written request for this benefit.

LONG TERM CARE BENEFITS

Monthly Accelerated Death Benefit for Confinement: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits that are described in this Benefit, We will pay You the benefit amount for Confinement. We will pay the benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Monthly Accelerated Death Benefit for Home Health Care or Adult Day Care: The benefit amount will be shown in the Schedule Page. After We receive the required proof that the Insured has met the Conditions on Eligibility for Long Term Care benefits, we will pay You the benefit amount. We will pay this benefit amount for each Policy Month or fraction of a Policy Month for as long as the Insured continues to meet the eligibility requirements. The benefit payments will be subject to the Remaining Accelerated Death Benefit Amount. If there is an outstanding loan, benefit payments will be reduced.

Remaining Accelerated Death Benefit Amount:

The Monthly Accelerated Benefit may not be larger than the Remaining Accelerated Death Benefit Amount. The Remaining Accelerated Death Benefit Amount equals:

1. the current death benefit on the life of the Insured provided by the Certificate; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit paid to You under this Benefit; less
4. the total of all previous Monthly Accelerated Death Benefit Amounts paid to You for Long Term Care benefits under this Benefit.

The current death benefit as used here does not include accidental death benefits or life insurance provided by other Optional Benefits.

Monthly Accelerated Death Benefits Under Paid Up Options: If premiums for the Certificate and this Benefit terminate resulting in a remaining paid-up life insurance death benefit under the Certificate, Long Term Care Monthly benefits may continue to be payable. In order for the benefits to continue, the Insured must meet the Conditions on Eligibility for Long Term Care benefits. These conditions are described in this Benefit. When a paid-up life insurance death benefit remains under the Certificate, the Remaining Accelerated Death Benefit Amount will equal:

1. the paid-up death benefit on the life of the Insured provided by the Certificate; less
2. any outstanding loan; less
3. any Lien resulting from a Terminal Illness benefit that has been paid to You under this Benefit; less
4. the total of all previous benefit amounts that have been paid to You for Long Term Care benefits.

The paid-up death benefit as used here does not include accidental death benefits or life insurance provided by other Optional Benefits.

Reduced Benefits Due To Unpaid Coverage Loans: We will require that a portion of any outstanding loan be deducted from the benefit payment. The portion of the outstanding loan will equal the outstanding unpaid loan multiplied by the ratio of the benefit payment to the Remaining Accelerated Death Benefit Amount plus any Lien.

Waiver of Premium: For as long as the Insured is eligible for benefits, We will waive the premiums due for the Coverage provided by the Certificate. This will include the premiums for Optional Benefits attached to the Certificate.

ACCELERATED DEATH BENEFIT FOR TERMINAL ILLNESS

The Terminal Illness benefit will provide You with the option to elect to receive a portion of the Death Benefit provided by the Certificate. The Death Benefit will be shown in the Schedule Page. The option to receive a portion of the Death Benefit can be made when the Insured becomes Terminally Ill and the following Benefit conditions for Terminal Illness are met.

CONDITIONS ON ELIGIBILITY FOR PAYMENT OF TERMINAL ILLNESS BENEFIT

We will pay You the applicable benefit as stated below, subject to all of the following conditions:

1. this benefit is subject to the terms and conditions of the Certificate; and
2. You must provide us with certification by a Physician that the Insured is Terminally Ill. The Company reserves the right to obtain a second medical opinion. We will pay the cost for the second opinion. If there is a conflict of opinions, a third diagnosis will be obtained by a physician acceptable to both You and Us. This diagnosis will be binding on both You and the Company; and
3. the Insured's Coverage under the Certificate must have been in force for 2 years from the Coverage Date or 2 years from the date of last reinstatement, if any, whichever is later.
4. You need to request the Benefit for Terminal Illness in writing; and
5. all irrevocable beneficiaries and assignees must sign the written request for this benefit; and
6. the Coverage provided by the Certificate has not lapsed due to nonpayment of premium.

CERTIFICATE HOLDER'S RIGHTS

The request for payment of a Terminal Illness benefit is voluntary. This benefit is not intended to allow any third party to cause You to involuntarily reduce the Coverage Proceeds that may be payable to the beneficiary. Any election forced by creditors or government agencies will be honored only if it is required by law.

TERMINAL ILLNESS BENEFIT

The maximum benefit for Terminal Illness, which may be elected by You, is the lesser of 1 and 2:

1. 50% of the Death Benefit minus all previous benefits paid under this Benefit to You. This is determined as of the date proof of life expectancy is received; or
2. \$100,000.

The minimum benefit amount for Terminal Illness, which may be elected by You, is \$1,000.

The total benefit for Terminal Illness available under all coverage issued by Fidelity Life Association on the life of the Insured is \$100,000.

Lien: We will treat the benefit for Terminal Illness payment as a lien against the Coverage provided by the Certificate. No interest will accrue on this lien.

If Coverage under the Certificate lapses for nonpayment of premium and the Lien is used to reduce the Net Surrender Value, no repayment of any remaining lien is required.

If Coverage under the Policy terminates and the Remaining Accelerated Death benefit is equal to or less than zero, no repayment of the Lien is required.

Adjustments:

We will charge an administrative fee of not more than the limit set by law, for processing an Accelerated Death Benefit for Terminal Illness. This fee will be deducted from any payment made.

On the monthly Benefit anniversary on or next following a Terminal Illness benefit payment to You the premium for this Benefit will be reduced by the following amount (1) times (2) divided by (3):

1. The premium for the Benefit
2. the Terminal Illness Benefit payment
3. the Current Death Benefit amount before any adjustments for Long Term Care benefits paid to You.

EFFECT ON THE POLICY BENEFITS IF BENEFITS ARE PAID

Adjusted Death Benefit Due to Acceleration: The current death benefit that is payable at the death of the Insured will be reduced by the total of all previous Long Term Care benefit payments to You. The Death Benefit will further be reduced by any Lien resulting from a Terminal Illness benefit paid to You. If the Insured dies while the Certificate is in force, the remaining Death Benefit proceeds will be paid to the Beneficiary. No further payments under this Benefit will be made to You.

Adjusted Surrender Value Due to Acceleration: Any Surrender Value payable under the Certificate will be reduced by an amount equal to (1) multiplied by (2):

1. The current death benefit minus the total of all previous Long Term Care Monthly Accelerated Death Benefit Amounts paid;
2. The ratio of the Surrender Value to the current death benefit.

Any Lien resulting from a Terminal Illness benefit payment will reduce the Adjusted Surrender Value, if any, in the following situations:

1. The Surrender of the Coverage for its Net Surrender Value.
2. When the Coverage lapses at the end of its grace period for nonpayment of premium.
3. To determine the Loan Value of the Coverage.

Adjusted Premiums Due to Acceleration: While the Insured is eligible for Long Term Care benefits, We will waive the premium due. If the Insured later becomes ineligible for Long Term Care benefits and a Remaining Accelerated Death Benefit Amount is still available, We will reduce the premium due for the Coverage and this Benefit. The reduced premium will equal (1) multiplied by (2), plus (3):

1. The premium due on the Coverage and this Benefit;
2. The ratio of the adjusted Death Benefit to the current death benefit for the Certificate;
3. The current premium for any other Optional Benefit attached to the Coverage.

The Coverage policy fee will not be reduced.

Termination of Coverage due to Acceleration: If the Remaining Accelerated Death Benefit Amount is reduced to zero or less, the Certificate and any Benefits will terminate with no further benefits payable. This termination can be due to payment of a Long Term Care benefit or due to a reduction in the death benefit provided under the Certificate. Termination of Coverage will be subject to the Delay of Termination Due to Scheduled Increase in Future Death Benefits provision.

Delay of Termination Due to Scheduled Increase in Future Death Benefits: The Certificate and any Benefits will not terminate due to the Termination of Coverage due to Acceleration provision if the life insurance Coverage is scheduled for a future guaranteed increase in death benefits with no corresponding increase in premium per the terms of the Certificate. In this case, the Certificate and this Benefit will continue in force until such time that the Remaining Accelerated Death Benefit Amount is increased due to the scheduled increase in death benefits. If the Insured is still eligible for benefits, such payments may resume per the terms of this Benefit. During this period, Waiver of Premium or adjusted premiums due to acceleration will continue. The Certificate and any Benefits will immediately terminate upon the death of the Insured and payment of any adjusted Death Benefit.

Restriction on Changes to Policy and Benefits: If benefits are being paid for Long Term Care no changes may be made to the Coverage provided by the Certificate. Additionally, no changes can be made to any Benefit attached to the Certificate.

Effect on Accidental Death Benefit: As long as the Coverage is in force, any Accidental Death Optional Benefit under the Certificate will not be affected by the acceleration of benefits under this Benefit.

Report Showing Effect of Benefits: When a benefit payment is paid, We will provide You with a report. This report will show the effect the benefit payment has on the Coverage values.

EXCLUSIONS

We will not pay Long Term Care benefits if the care received or loss incurred:

1. is due to an intentionally self-inflicted injury, or attempted suicide; or
2. is due to a war or any act of war, declared or undeclared, or service in the armed forces of any country; or
3. is due to a treatment of the Insured's alcohol, drug or other chemical dependence, except if the drug dependency was sustained or acquired at the hands of a Physician, or except while under treatment for an injury or sickness; or
4. is due to the Insured's commission of, or attempt to commit, a felony; or an injury that occurs because of the Insured's involvement in an illegal activity.

We will not pay Long Term Care benefits if the Confinement, Home Health Care service, or Adult Day Care service:

1. is received outside the United States and its territories; or
2. is provided by ineligible providers; or
3. is rendered by members of the Certificate Holder's or the Insured's Immediate Family; or
4. are fully or partially reimbursed by a state or federal worker's compensation plan, Medicare, any other health insurance or other insurance plan, or any other governmental program, except Medicaid; or
5. would not be charged for in the absence of insurance.

We will not pay a Terminal Illness benefit that resulted from:

1. Terminal Illness due to an attempt of suicide while the suicide provision of the Certificate is in effect.

LIMITATIONS

The following limits apply to payment of an Accelerated Death Benefit under this Benefit:

1. We will not pay a Long Term Care benefit for Confinement and Home Health Care or Adult Day Care simultaneously, even if the Insured qualifies for both benefits. If the Insured qualifies for both benefits in any month, We will pay the benefit for Confinement.
2. We will not pay any Long Term Care benefit for any sickness condition or Plan of Care that begins during the Waiting Period
3. We will not pay any Long Term Care Benefit before the end of the Elimination Period.
4. We will pay only one benefit payment for Terminal Illness under this Benefit.
5. We will not pay any benefit such that the total benefits paid exceed the current death benefit.

BENEFIT GENERAL PROVISIONS

Notice of Claim: If You would like to claim a benefit, You must notify Us in writing within 30 days of any eligible Confinement, Home Health Care service, or Adult Day Care service. Written notice must be sent to our agent or Us. The notice should include the Insured's name and Certificate Number. If notice cannot reasonably be given within 30 days of a loss, You must send the notice as soon as reasonably possible.

Claim Forms: After We receive Notice of Claim, We will send claim forms to You or Your authorized representative within 15 days. If the claim forms are not received within 15 days, We will accept Written Proof of Loss describing the nature and extent of the claim. Such initial and ongoing Written Proof of Loss must be received by Us within the time limit stated in the following paragraph.

Written Proof of Loss: We will pay Long Term Care benefits under this Benefit after We receive Written Proof of Loss satisfactory to Us. We must receive initial Proof of Loss within 90 days after the Elimination Period expires. If it is not reasonably possible to provide this information within such time, initial Proof of Loss must be submitted as soon as reasonably possible. This initial Proof of Loss can not be received later than one year from the time specified. We will require subsequent Proof of Loss to be submitted periodically while the Insured continues to be eligible to receive benefits under this Benefit. Any such periodic Proof of Loss will not be required more frequently than once every 31 days. Any such periodic Proof of Loss due to a chronic illness will not be required more frequently than once every 90 days.

Written Proof of Loss means billing statements, invoices, or payment receipts that will prove that the Insured was Confined or received Home Health Care or Adult Day Care services in accordance with a Plan of Care. Written Proof of Loss will also mean certification by a Physician that the Insured is chronically ill. Examples of Written Proof of Loss include a Physician certification, Plan of Care records, attending Physician reports, medical records; and similar written documentation.

Physical Examination: We reserve the right to have a Licensed Health Care Practitioner examine the Insured while a claim is pending to determine the Insured's eligibility for benefits. This examination will be at Our expense. We will use a Licensed Health Care Practitioner of our choosing. If the Licensed Health Care Practitioner We choose provides a different diagnosis of the Insured's condition, We reserve the right to rely it for claim purposes.

Resolution of Disputes: In the event that the Licensed Health Care Practitioner We choose provides an assessment of the Insured's condition that conflicts with the Insured's Licensed health Care practitioner's assessment, the company Licensed Health Care Practitioner's opinion will not be binding on You. If there is a disagreement between You and Us, You have the right to mediation or binding arbitration. This mediation or binding arbitration will be conducted by a disinterested third party that has no ongoing relationship with either You or Us. As part of the final decision, the arbitrator shall award the costs of arbitration to one party or the other or may divide the costs equally or otherwise.

Time of Payment of Claims: All Long Term Care benefits described in this Benefit will be paid monthly as long as We have received Written Proof of Loss satisfactory to Us.

Payment of Claims: All benefits will be paid to You, unless You designate a different payee.

Adjustment of the Death Benefit: If benefit payments are paid after the Insured has died, but before notification of death has been received by the Company, We will reduce the Death Benefit by the amount of these benefit payments.

Legal Actions: No legal action may be brought to recover under this Benefit within 60 days after Written Proof of Loss has been provided to Us as required. Also, no legal action may be brought to recover under this Benefit more than 3 years from the time Written Proof of Loss is required to be furnished.

Contestability: This Benefit will be contestable on the same basis as the Coverage under The Certificate. This Benefit will be contestable, during the lifetime of the Insured, for two years from the Benefit Effective Date.

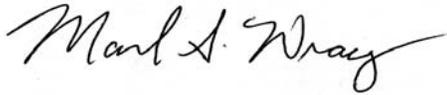
Suicide: If the Insured dies by suicide, while sane or insane, within two years from the Benefit Effective Date, the coverage under this Benefit will terminate. Any premiums refunded under the Suicide Exclusion provision of The Certificate will be reduced by the amount of any accelerated benefits paid under this Benefit.

Termination of Coverage Provided by this Benefit: Coverage provided by this Benefit will terminate at the earliest of:

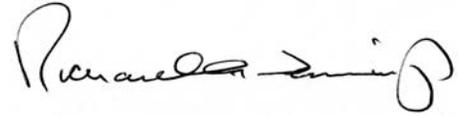
1. The date the Coverage on the Insured matures or terminates for any reason including Termination of Coverage due to Acceleration; or
2. On the Termination Date of this benefit, as shown on the Certificate Schedule Page; or
3. On the date You elect to terminate this Benefit.

Cancellation of this Benefit: This benefit may be cancelled by a written request from You. The date of cancellation will be the date We receive the written request at our Administrative Office. We will refund a pro rata part of any premium paid for this benefit beyond that date.

FIDELITY LIFE ASSOCIATION, A LEGAL RESERVE LIFE INSURANCE COMPANY



Secretary



President

Fidelity Life Association, A Legal Reserve Life Insurance Company
1211 West 22nd Street, Suite 209
Oak Brook, IL 60523

Administrative Office
Fidelity Life Association
17 Church Street
Keene, NH 03431

April 7, 2008

Life & Health Division
Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201

RE: Fidelity Life Association
NAIC No.: 63290
FEIN Number: 36-1068685
Optional Accelerated Death Benefit For Long Term Care and Terminal Illness – W3P07C etal

Dear Sir or Madam:

I am submitting the forms listed below for your review and approval. They are new forms and will not replace any forms previously approved by your Department. These forms will be used with the Graded Death Benefit Whole Life Insurance Policy and the Lifetime Benefit Term Insurance Policy previously approved by your Department, or any products approved in the future.

These forms do not contain any unusual or possibly controversial items, or provisions that deviate from normal company or industry standards.

Form #	Form Name	Description
W3P07C	Accelerated Death Benefit For Long Term Care And Terminal Illness Rider	This Rider is attached to The Policy and allows the Certificate Holder to receive a portion of the death benefit of the policy in advance of death when a chronically ill insured receives long term care in an eligible facility or through an eligible provider or should the Insured become diagnosed with a <u>qualifying Terminal Illness</u> .
W3007C	Optional Accelerated Death Benefit for Long Term Care and Terminal Illness	This Optional Benefit is attached to the Certificate of Coverage and allows the Certificate Holder to receive a portion of the death benefit of the policy in advance of death when a chronically ill insured receives long term care in an eligible facility or through an eligible provider or should the Insured become <u>diagnosed with a qualifying Terminal Illness</u> .
W3D07C	Disclosure Upon the Purchase of the Optional Accelerated Death Benefit For Long Term Care and Terminal Illness	This disclosure form will be provided to the applicant at the time of sale and provides the applicant with an outline of the coverage.

These riders will be marketed to employer-employee groups in the worksite, union or association groups as allowed by the laws of your state.

These forms are in the style and print quality that will be delivered to the certificate holder. Brackets throughout the forms denote variability if any.

Attached to this letter, I have included a copy of the filing authorization, actuarial memorandum and a revised Certificate Schedule Page.

If you have any questions, please call me at 1-800-635-4467, ext. 209.

Sincerely,

Ted Keating
Compliance-Filing Coordinator
Vision Financial Corporation
Telephone: 800-635-4467, ext. 209
Fax: 603-357-0250
Email: tkeating@visfin.com