

<i>SERFF Tracking Number:</i>	<i>RNOA-125592537</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Royal Neighbors of America</i>	<i>State Tracking Number:</i>	<i>38646</i>
<i>Company Tracking Number:</i>	<i>200811AR RNOA-125592537</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>2008 Permanent Life Insurance</i>		
<i>Project Name/Number:</i>	<i>2008 Permanent Life Insurance/200811-AR</i>		

## Filing at a Glance

Company: Royal Neighbors of America

Product Name: 2008 Permanent Life Insurance SERFF Tr Num: RNOA-125592537 State: ArkansasLH

TOI: L071 Individual Life - Whole SERFF Status: Closed State Tr Num: 38646

Sub-TOI: L071.101 Fixed/Indeterminate Co Tr Num: 200811AR RNOA- State Status: Approved-Closed  
Premium - Single Life 125592537

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

Authors: John Friederich, Philip Disposition Date: 04/23/2008

Blankenfeld, Deb Zemo, Kelli

Zimmer

Date Submitted: 04/09/2008 Disposition Status: Approved

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: 2008 Permanent Life Insurance

Status of Filing in Domicile: Not Filed

Project Number: 200811-AR

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: Illinois projected filing date is 4/16/2008.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 04/23/2008

State Status Changed: 04/23/2008

Deemer Date:

Corresponding Filing Tracking Number: 200811-AR

Filing Description:

Enclosed for your review and approval are specimen copies of the forms captioned above. The forms are new and have never been issued by Royal Neighbors of America (Royal Neighbors), nor have they been available for attachment to any annuity or life insurance certificate issued by Royal Neighbors at, or subsequent to issue.

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To the best of my knowledge and belief, no part of this submission contains any unusual or possibly controversial items contrary to normal industry standards, and no assumptions or provisions contained in the forms unfairly discriminate in the availability of rates or benefits to individuals of the same class, equal expectation of life, and degree of risk or hazard.

The life insurance certificate in this submission is new, and will not replace any existing life insurance certificate in Royal Neighbor's product line. It is intended that this certificate will be used with application Form 1729 Rev. 3-2008 which will replace application Form 1727 Rev. 9-2007, which was approved by your department on November 28, 2007.

The life insurance certificate in this submission is a permanent life plan which will be offered with three level annual amount payment options: Lifetime Pay, Life Paid Up at 65, and 20 Pay with a minimum face amount of \$10,000.

Issue Ages (age last birthday) for this life insurance certificate will be, (1) Lifetime Pay - 0 to 85, (2) Life Paid-Up at 65 - 0 to 60, and (3) 20 Pay - 0 to 80.

## Company and Contact

### Filing Contact Information

Debra Zemo, Compliance Assistant/Legal Secretary	<a href="mailto:zemodm@royalneighbors.org">zemodm@royalneighbors.org</a>
230 16th Street	(800) 627-4762 [Phone]
Rock Island, IL 61201	(309) 788-3887[FAX]

### Filing Company Information

Royal Neighbors of America	CoCode: 57657	State of Domicile: Illinois
230 16th Street	Group Code:	Company Type: Life, Health, Annuity
Rock Island, IL 61201	Group Name: Royal Neighbors	State ID Number:
(309) 732-8232 ext. 8232[Phone]	FEIN Number: 36-1711198	
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## Filing Fees

*SERFF Tracking Number:* RNOA-125592537      *State:* Arkansas  
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*Product Name:* 2008 Permanent Life Insurance  
*Project Name/Number:* 2008 Permanent Life Insurance/200811-AR

**Fee Required?** Yes  
**Fee Amount:** \$100.00  
**Retaliatory?** Yes  
**Fee Explanation:** 2 forms @ \$50 = \$100  
**Per Company:** No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Royal Neighbors of America	\$100.00	04/09/2008	19390535

SERFF Tracking Number: RNOA-125592537 State: Arkansas  
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Product Name: 2008 Permanent Life Insurance  
Project Name/Number: 2008 Permanent Life Insurance/200811-AR

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	04/23/2008	04/23/2008

*SERFF Tracking Number:*      *RNOA-125592537*                      *State:*                      *Arkansas*  
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*TOI:*                      *L071 Individual Life - Whole*                      *Sub-TOI:*                      *L071.101 Fixed/Indeterminate Premium - Single*  
*Product Name:*                      *2008 Permanent Life Insurance*  
*Project Name/Number:*              *2008 Permanent Life Insurance/200811-AR*

## **Disposition**

Disposition Date: 04/23/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

*SERFF Tracking Number:*      *RNOA-125592537*                      *State:*                      *Arkansas*  
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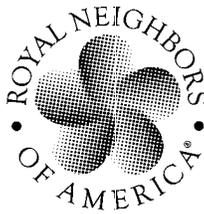
<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Certification/Notice		Yes
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Acturial Memo		No
<b>Supporting Document</b>	Flesch		Yes
<b>Form</b>	Application for Permanent Life Insurance		Yes
<b>Form</b>	Application for Permanent Life Insurance		Yes

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## Form Schedule

Lead Form Number: 200811-AR

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	200811-AR	Policy/Cont	Application for ract/Fratern Permanent Life al Insurance Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial			200811-AR.pdf
	1729 Rev. 3-2008	Application/ Enrollment Form	Application for Permanent Life Insurance	Initial			1729.pdf



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### **PAYMENT OF BENEFITS**

AGREES, subject to the provisions of this Certificate, to pay the Face Amount shown on Page 3 to the Beneficiary upon receipt at its Home Office of (1) Due proof of death of the Insured, such as either a certified copy of a certificate of death or a certified finding by a court of competent jurisdiction, (2) Proof that the Insured died prior to the expiration date, and while this Certificate was in force, and (3) Proof of the claimant's right to the proceeds, or to the Owner of this Certificate if the Insured is living on the anniversary of the Issue Date nearest the Insured's 121st birthday, while this Certificate is in force.

All sums payable by Royal Neighbors of America (Royal Neighbors) under the terms of this Certificate shall be payable at its Home Office in Rock Island, Illinois, not later than 30 days after Royal Neighbors has received due proof of death of the Insured. Full payment of the Certificate proceeds to the party designated as being entitled to receive such proceeds shall fully discharge Royal Neighbors from all claims under this Certificate.

Interest will be paid on (1) The proceeds payable upon death of the Insured and; (2) The refund of unearned premiums at a rate of 8% per annum on all claims not paid within 30 days after all required proofs are received at the Home Office. Any debt on this Certificate will be deducted at the time of final payment.

This Certificate is issued in consideration of the application and the payment of the premiums. Certificate years, months, and anniversaries will be determined from the Issue Date. The Rating Age of the Insured is the age last birthday on the Issue Date. The Attained Age of the Insured is the Rating Age plus the number of complete Certificate years which have elapsed from the Issue Date.

The Certificate Data on Page 3 and the provisions on this and the following pages are part of this Certificate. Any additional benefit(s), if any, are provided by rider or endorsement and are subject to the provisions of the rider or endorsement.

### **READ THIS CERTIFICATE CAREFULLY**

This Certificate (policy) is a legal contract between the Owner and Royal Neighbors of America. Please review the provisions contained within this Certificate for an explanation of the options and rights provided under this Certificate. To present an inquiry, obtain information, or obtain assistance in resolving a complaint regarding this Certificate, you may telephone Royal Neighbors at (800) 627-4762, or you may write to the Home Office at: Royal Neighbors of America, 230 16th Street, Rock Island, IL 61201.

### **RIGHT TO EXAMINE CERTIFICATE**

The Owner may void this Certificate by delivering or mailing the Certificate to the Home Office at Royal Neighbors of America, 230 16th Street, Rock Island, IL 61201; or to the agent through whom it was purchased; or to any representative of Royal Neighbors before midnight of the 20th day (30th day if this Certificate was purchased as a replacement or through our call center or by direct mail) after the date it was delivered to the Owner. Return of the Certificate by mail is effective on being postmarked, properly addressed, and postage prepaid. Royal Neighbors will return all premiums paid on this Certificate, less any benefits paid, within 10 business days after receiving the Certificate. Such return shall void this Certificate from the beginning.

Executed at the Home Office in Rock Island, Illinois, on the Issue Date.

*Bruce R. Peterson*

Secretary and General Counsel

*Cynthia A. Tidwell*

President and CEO

**PERMANENT LIFE INSURANCE TO AGE 121** – Life insurance payable at death – Plan and premium payable as shown on Page 3 – Participating – Additional benefits, if any, are specified on Page 3.

## INDEX OF CERTIFICATE PROVISIONS

<u>Name of Provision</u>	<u>Page No.</u>	<u>Name of Provision</u>	<u>Page No.</u>
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Applicable State Law .....	8	Nonforfeiture and Surrender .....	7
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Automatic Premium Loan Option .....	5	Paid-Up Option .....	6
Beneficiary .....	5	Payment of Benefits .....	1
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Dividends .....	5	Premiums .....	2
Entire Contract .....	8	Rating Age and Sex .....	6
Grace Period .....	2	Reinstatement .....	7
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**PREMIUMS** – All premiums are payable in advance at the Home Office. Premiums are shown on Page 3. The first premium is due on the Issue Date. Premiums may be paid on a quarterly, semiannual, or annual mode, or monthly by Pre-Authorized Collection (PAC).

**GRACE PERIOD** – Any Premium not paid when due is in default. A Grace Period of 31 days is allowed for all Premium payments except the first. Upon death of the Insured in the Grace Period, the unpaid Premium will be deducted from the death benefit. If a Premium is not paid before the end of the Grace Period the liability of Royal Neighbors shall cease, except for nonforfeiture benefits.

**OWNERSHIP** – The Insured is the Owner of this Certificate unless another Owner is named in the Application or Ownership is transferred by an Assignment. While the Insured is living, the Owner may exercise all rights set out in this Certificate except as otherwise provided in this Certificate.

**PETITIONER** – If the age of the Insured at the time of issue was less than 16 at the Insured's nearest birthday, the Insured is the Owner of this Certificate, but may not exercise Ownership rights until control of this Certificate is transferred to the Insured. An adult individual meeting the standards set forth by the rules of the Society (Petitioner) will exercise control over this Certificate until control of this Certificate is transferred to the Insured. For purposes of this provision, control means the ability to exercise all Ownership rights of the Insured in the Certificate, except the Petitioner may not assign and/or transfer, in any form, the Ownership in the Certificate. Subject to Royal Neighbors' approval, control may be transferred to a substitute Petitioner

If the Petitioner dies before the Certificate anniversary nearest the Insured's 16th birthday, a substitute Petitioner, satisfactory to Royal Neighbors, may be named.

After the Certificate anniversary nearest the Insured's 16th birthday, the Petitioner may transfer the control of this Certificate to the Insured by sending a written request to Royal Neighbors. If the Petitioner dies after the Certificate anniversary nearest the Insured's 16th birthday, control will transfer to the Insured on the date of the Petitioner's death. If control has not transferred to the Insured as of the Certificate anniversary nearest the Insured's 21st birthday, control will be transferred to the Insured on that date.

**CERTIFICATE DATA**

Name of Insured.....John Doe  
 Rating Age and Sex.....35 Male  
 Certificate Number.....000010086013  
 Chapter Number.....00001  
 Issue Date.....April 3, 2008  
 Plan of Insurance.....Whole Life  
 Premium Class.....Non-Tobacco User  
 Premium Mode.....Annual

Name of Owner.....As stated in the Application unless changed by Assignment

Face Amount..... \$100,000.00

**Total Premium Amounts Payable For All Benefits:**

<b>BEGINNING</b>	<b>FOR NUMBER OF YEARS</b>	<b>ANNUAL</b>	<b>SEMIANNUAL</b>	<b>QUARTERLY</b>	<b>MONTHLY PAC</b>
4/3/2008	86	1,788.00	930.00	474.00	156.00

**Description Of Additional Benefits, If Any:**

<b>FORM NO.</b>	<b>DESCRIPTION OF ADDITIONAL BENEFIT</b>	<b>PREMIUMS PAYABLE UNTIL</b>	<b>PREMIUM AMOUNTS (Included above)</b>			
			<b>ANNUAL</b>	<b>SEMIANNUAL</b>	<b>QUARTERLY</b>	<b>MONTHLY PAC</b>

**TABLE OF NONFORFEITURE AND LOAN VALUES**

All values shown below are for the end of the Certificate year shown and are based on the assumption that: (1) all due Premiums have been paid to the end of the Certificate year; (2) there is no paid-up additional life insurance; (3) there are no dividend accumulations; and (4) there are no outstanding loans or other indebtedness to Royal Neighbors. Values for Certificate years beyond those shown below will be furnished on request.

END OF CERTIFICATE YEAR	AGE END OF YEAR	CASH OR LOAN VALUE	PAID-UP LIFE INSURANCE	EXTENDED TERM INSURANCE YEARS and DAYS
1	36	\$0.00	\$0.00	0 0
2	37	\$0.00	\$0.00	0 0
3	38	\$341.00	\$2100.00	2 242
4	39	\$1190.00	\$7000.00	7 281
5	40	\$2074.00	\$11600.00	11 267
6	41	\$2994.00	\$16100.00	14 264
7	42	\$3948.00	\$20300.00	16 321
8	43	\$4937.00	\$24400.00	18 205
9	44	\$5959.00	\$28200.00	19 295
10	45	\$7014.00	\$31900.00	20 272
11	46	\$8104.00	\$35400.00	21 180
12	47	\$9230.00	\$38700.00	22 37
13	48	\$10398.00	\$41900.00	22 213
14	49	\$11615.00	\$44900.00	22 347
15	50	\$12880.00	\$47800.00	23 71
16	51	\$14191.00	\$50600.00	23 126
17	52	\$15546.00	\$53300.00	23 155
18	53	\$16941.00	\$55900.00	23 160
19	54	\$18374.00	\$58300.00	23 143
20	55	\$19841.00	\$60600.00	23 105
Age 55		\$19841.00	\$60600.00	23 105
Age 60		\$27699.00	\$70400.00	22 40
Age 65		\$36304.00	\$78000.00	20 96

**NONFORFEITURE FACTOR:** 8.05551 – Based on 5% guaranteed interest

Basis of Cash and Nonforfeiture Values: Minimum, 2001 Commissioner's Standard Ordinary (CSO) mortality table, ultimate, male/female, smoker/non-smoker, age last birthday, 5%.

All values and benefits equal or exceed those required by the laws of the state in which this Certificate is delivered.

**LOANS** – The Owner may obtain a Loan on this Certificate while it is in force other than as Extended Term Insurance. Such Loan plus any existing debt thereon may not exceed the Loan value. The Loan value is the current Cash Value plus the current cash value of any paid-up additions. The sole security for a Loan shall be this Certificate. A Loan may be requested by complying with the procedures as established by Royal Neighbors from time to time.

The Loan will bear interest at the rate of 6.5% per annum. Interest is payable at the end of each Certificate year. Interest not paid shall be added to the Loan. The existing debt at any time will include accrued interest. If the existing debt exceeds the Loan value, this Certificate shall terminate and no longer be in effect 31 days after notice has been mailed to the Owner and the Assignee of record, if any, at the address last known to Royal Neighbors.

The debt or any part of it may be repaid at any time while this Certificate is in force prior to its maturity or termination, whichever occurs first. However, if this Certificate is under a nonforfeiture option, any debt which was deducted to determine such insurance may not be repaid unless the Certificate is reinstated.

Royal Neighbors may defer the granting of a Loan for a period up to 6 months after the request is received, except for the purpose of paying Premiums. The deferral of granting a Loan is contingent upon Royal Neighbors' conveyance of a written request for the deferral to the State Commissioner, and Royal Neighbors' receipt of written approval from the Commissioner for the deferral.

**AUTOMATIC PREMIUM LOAN OPTION** – If the Owner has elected this option, Royal Neighbors will automatically process a Certificate Loan to pay the modal Premium in default. If the Certificate's Loan value is insufficient to pay the selected modal Premium, a Loan equal to any available shorter Premium mode that will keep the Certificate in force will be made. If the Loan value should become insufficient to pay a monthly Premium, the terms of the Nonforfeiture and Surrender provisions will take effect.

The Automatic Premium Loan Option may be elected in the application for insurance or by written request to the Home Office while no Premium is more than 31 days past due. Once elected, this option will remain in effect until revoked by written request of the Owner.

**DIVIDENDS** – Starting at the end of the second Certificate year, this Certificate shall earn annual Dividends as declared by Royal Neighbors, except while the Certificate is in force as Extended Term Insurance. Royal Neighbors reserves the right in declaring dividends to set such classes and allocate such costs as it determines is appropriate based on, but not limited to, the Certificate face amount, the amount of the Dividend, and the Dividend option selected. There are four options available to the Owner to apply a Dividend. Dividend Option 3 shall be used unless the Owner elects otherwise:

Dividend Option 1 – Applied to the payment of premiums.

Dividend Option 2 – Paid in cash.

Dividend Option 3 – Applied to purchase Paid-Up Additional insurance.

Dividend Option 4 – Left on deposit to accumulate with interest as authorized by Royal Neighbors, at not less than 2% per annum on amounts on deposit for full Certificate years.

Dividend Option 3 is required if this Certificate is continued in force as Reduced Paid-Up life insurance. The amount of paid-up insurance purchased by the Dividend shall be such as the Dividend will purchase at the net single Premium for the Insured's attained age on the Certificate's anniversary for which the Dividend was declared.

Dividend accumulations may be withdrawn. If this Certificate lapses before a Cash Value is available, any Dividend accumulations shall be paid in cash. Any Dividend accumulations existing at the maturity of this Certificate shall be paid with the other proceeds of this Certificate. Paid-up additions not required as security for a loan may be surrendered for the reserve on the preceding Certificate anniversary.

**Royal Neighbors does not expect that any Dividends will be declared on this Certificate.**

**BENEFICIARY** – The Beneficiary is as stated in the application, unless changed. Unless the designation of the Beneficiary is explicitly irrevocable, the Owner may change the Beneficiary without the consent of any such Beneficiary. Proper written request designating the Beneficiary will be required. No such change will take effect unless recorded by Royal Neighbors. When recorded, the change will take effect on the date the request was signed, but without liability to Royal Neighbors on account of any payment made before receipt of the request.

**REPRESENTATIONS** – In the absence of fraud, all statements made by the applicant in the application shall be deemed Representations and not warranties. No statement shall be used to void this Certificate or used in defense of a claim unless it is contained in the application and a copy of the application is endorsed upon or attached to the Certificate when issued.

**INCONTESTABILITY** – This Certificate shall be incontestable after it has been in force during the lifetime of the Insured for 2 years from the Issue Date, except for the non-payment of Premiums.

**SUICIDE** – If the Insured commits Suicide, while sane or insane, within 2 years from the Issue Date, the only amount payable shall be the amount of Premiums paid.

**RATING AGE AND SEX** – If the Age or Sex of the Insured has been misstated, the amount payable shall be such as the Premiums paid would have purchased at the correct Age and Sex.

**MEMBERSHIP** – The Insured shall be a member of a chapter of Royal Neighbors on the Issue Date.

**MAINTENANCE OF RESERVE** – If Royal Neighbor's reserves become impaired, the Owner shall pay Royal Neighbors this Certificate's equitable proportion of the deficiency. However, there shall be no personal liability for such payment except against this Certificate's reserves. The amount of such payment and deficiency shall be determined by Royal Neighbor's Board of Directors. If such payment is made in cash, it shall stand as a debt against the Certificate. Such debt shall bear interest at 5% per annum. In lieu of the foregoing, or in combination with it, the Owner may consent to a corresponding decrease of the insurance benefits. Such decrease shall be in the same proportion as the amount of such payment bears to the reserve immediately before such decrease.

**SUSPENSION OR EXPULSION** – If the member of Royal Neighbors under this Certificate should be expelled or suspended from Membership with Royal Neighbors for any reason, except for nonpayment of Premium or for misrepresentation in the application for insurance or application for Membership during the contestable period, the Owner shall have the privilege of maintaining this Certificate in force by continuing payment of the required Premium as shown on Page 3.

**INTERNAL REVENUE CODE** – In the event of any conflict between Section 7702 of the Internal Revenue Code and the provisions of this Certificate, the Internal Revenue Code section will govern so as to maintain treatment of this Certificate as a life insurance contract under the Internal Revenue Code.

**MODIFICATIONS** – No representative or agent of Royal Neighbors has the authority to make changes to this Certificate. Only authorized officers of Royal Neighbors have the authority to waive terms of or make any changes to this Certificate. All changes must be in writing.

**ANNUAL REPORT** – For each year during which this Certificate is in force, Royal Neighbors will provide the Owner of this Certificate an Annual Report without charge. The Annual Report will show the current values of the Certificate. Royal Neighbors will provide additional Annual Reports at any time, upon request of the Owner. Royal Neighbors may charge a fee not to exceed \$25 for each additional Annual Report subsequently requested during a Certificate year.

**MINIMUM VALUES** – The Cash Values and death benefits available under this Certificate are not less than the minimum benefits required by any statute of the state in which this Certificate is delivered. A detailed statement of the method of computing Cash Values has been filed with the Insurance Department of the state in which this Certificate is delivered.

**PAID-UP OPTION** – Upon written request, this Certificate may be endorsed as fully paid-up when its Net Cash Value equals the reserve of the paid-up certificate of the same form and amount at the Insured's attained age. Proper written request will be required for this option.

**NET CASH VALUE** – The Net Cash Value of this Certificate is the Cash Value (as shown on Page 4) as of the due date of the Premium in default, if applicable, otherwise as of the date of calculation of the value, plus any Dividend accumulations, plus the cash value of any paid-up additional life insurance, less any debt on the Certificate. The cash value of paid-up additional life insurance is based on the net single premium for the Insured's attained age.

**NONFORFEITURE AND SURRENDER** – The Owner may surrender this Certificate for its Net Cash Value while the Insured is living.

One of the following will apply if default in the payment of a Premium continues to the end of the Grace Period:

1. Option 3 below shall take effect at once; or
2. The Owner may elect Option 1 or 2 in lieu of Option 3. Such election must be made by sending a proper written request to Royal Neighbors not later than 90 days after the due date of the Premium in default. Royal Neighbors may require this Certificate to be endorsed.

**Option 1 – Cash Surrender** – To surrender this Certificate for its Net Cash Value.

**Option 2 – Participating Reduced Paid-Up Insurance** – To continue this Certificate in force for a reduced death benefit amount. The amount of insurance shall be such as the Net Cash Value will purchase at the net single Premium for the Insured's attained age on the due date of the Premium in default. No further Premiums shall be payable. The reduced death benefit amount shall be payable at the same time and under the same conditions as the death benefit would otherwise be payable. Provided however, if the face amount of the reduced paid-up insurance under Option 2 is less than \$2,500, any such election shall not be effective. The Owner shall instead receive Extended Term Insurance as provided under Option 3 unless Option 1 is selected.

**Option 3 – Extended Term Insurance** – To continue this Certificate in force as Extended Term Insurance. The amount of insurance shall be the Face Amount, plus any paid-up additional life insurance, plus any Dividend accumulations, less any debt on the Certificate. The term of the insurance shall be such as the Net Cash Value will purchase at the net single Premium for the Insured's attained age on the due date of the Premium in default.

Life Insurance provided under Option 2 or 3 above shall not include benefits provided by rider.

If this Certificate is in force under Option 2 or 3 above, the Owner may surrender it at any time for its Net Cash Value. Under Option 2, the value shall be the net single Premium for the Certificate, plus any Dividend accumulations, less any debt hereon. Under Option 3, the value shall be the net single Premium on the date of surrender.

Royal Neighbors may defer the payment of the Net Cash Value for not more than 6 months after the request is received. The deferral of the Net Cash Value of this Certificate is contingent upon Royal Neighbors' conveyance of a written request for the deferral to the State Insurance Commissioner, and Royal Neighbors' receipt of written approval from the Commissioner for the deferral.

If payment of the Net Cash Value is not made or placed within 30 days of receipt of the Certificate and the request for payment, Royal Neighbors will pay interest on the Net Cash Value at a rate not less than that required by law.

Minimum Cash and Nonforfeiture Values are based on the Commissioners' 2001 Standard Ordinary (CSO) mortality table, ultimate, male/female, smoker/non-smoker, age last birthday, 5%.

All Cash Values and Paid-Up Nonforfeiture benefits, if applicable, are not less than the minimum values and benefits required by the laws of the state in which this certificate is delivered.

**REINSTATEMENT** – This Certificate may be reinstated within 5 years after the Grace Period has expired unless the Net Cash Value has been paid. To reinstate this Certificate, Royal Neighbors will require:

1. Evidence of insurability which meets its standards;
2. Payment of all past due Premiums;
3. Interest at the rate of 6% per annum on past due Premiums if the Grace Period has been expired for more than 6 months; and
4. Payment or reinstatement of any debt hereon on the date of default, with interest at the rate of 6.5% per annum.

**ASSIGNMENT** – No Assignment of this Certificate is binding upon Royal Neighbors unless it is accepted and placed on file at the Home Office. An Assignment that is on file is valid for the purpose of vesting in the assignee all the incidents of ownership assigned, and entitles Royal Neighbors to deal with the assignee as the Owner as to all incidents of ownership assigned in accordance with the provisions of this Certificate, but without prejudice to Royal Neighbors on account of any payment(s) made prior to receipt by Royal Neighbors of such notice of Assignment. The recording of an Assignment by Royal Neighbors is not a determination of the validity of the underlying Assignment. Royal Neighbors has no responsibility as to the validity of an Assignment.

**RESERVES** – Reserves are based on the Commissioners' 2001 Standard Ordinary (CSO) mortality table, ultimate, male/female, smoker/non-smoker, age last birthday, semi-continuous, 4% interest. Reserves are calculated according to the Commissioners' Reserve Valuation Method. The reserve method and amount held by Royal Neighbors will be at least equal to the minimum required by the state in which this Certificate is delivered.

**APPLICABLE STATE LAW** – The rights or obligations of the Owner or any person claiming under this Certificate shall be governed by the laws of the state in which this Certificate is delivered.

**ENTIRE CONTRACT** – This contract is between Royal Neighbors and the Owner. The Certificate, together with any riders or endorsements attached to it, the Articles of Incorporation and bylaws of Royal Neighbors, the application for insurance and declaration of insurability, if any, signed by the applicant and all amendments to each thereof, shall constitute the benefit contract as of the date of issuance between Royal Neighbors and the Owner. However, no future amendment to the Articles of Incorporation or the bylaws of Royal Neighbors shall reduce benefits contracted for as of the Issue Date of this Certificate.

## SETTLEMENT OPTIONS

Shown below are options available for the payment of any part of the proceeds of this Certificate in lieu of a lump sum. The Owner may change or revoke any previous election. An election, change, or revocation of an option must be made by proper written notice to Royal Neighbors. No such election, change, or revocation by the Owner shall take effect until endorsed on this Certificate while the Insured is living and before this Certificate matures. No payee under an option elected by the Owner shall have the right to change the manner of payment in any way unless the right has been given by the Owner in the election.

Within 6 months after death of the Insured, the Beneficiary may elect an option if the Owner has not made an irrevocable election prior to the Insured's death.

The options are available and operative for a payee only if:

1. The amount to be applied is \$5,000 or more; and
2. The payments under the option are \$100 or more unless payments are made only annually; and
3. Payments are to be made to a natural person who takes in his or her own right

**Option 1 – Proceeds at Interest** – The proceeds may be left with Royal Neighbors of America to earn periodic interest payments. The interest rate will be set by Royal Neighbors from time to time. Each payment will be based on an interest rate of not less than 2% per annum.

The Proceeds at Interest Option is not available under this Certificate except in the event of the payment of the Death Benefit Proceeds to a Beneficiary following the Death of the Insured.

**Option 2 – Payments for a Fixed Period** – The proceeds may be paid in equal annual, semiannual, quarterly, or monthly payments for a fixed period of from 5 to 30 years. The amount of each payment for \$1,000 of proceeds will be in accordance with the following table:

Number of Years Payable	AMOUNT OF EACH PAYMENT			
	Annual	Semiannual	Quarterly	Monthly
5	\$208.00	\$104.51	\$52.39	\$17.49
6	175.03	87.95	44.08	14.72
7	151.48	76.12	38.15	12.74
8	133.83	67.25	33.71	11.25
9	120.11	60.35	30.25	10.10
10	109.14	54.84	27.49	9.18
15	76.30	38.34	19.22	6.42
20	59.96	30.13	15.10	5.04
25	50.22	25.23	12.65	4.22
30	43.77	22.00	11.03	3.68

**Option 3 – Life Income with Payments for a Period Certain** – The proceeds will be paid in equal annual,

semiannual, quarterly, or monthly payments for a period of 10 or 20 years certain and thereafter for the lifetime of the payee. The amount of each payment will depend upon the age last birthday of the payee at the time of the first payment. Proof of age of the payee may be required. The amount of each payment for \$1,000 of proceeds will be in accordance with the following table:

MONTHLY PAYMENTS					
10 Years Certain			20 Years Certain		
Age of Payee	Male	Female	Age of Payee	Male	Female
20	\$2.38	\$2.30	20	\$2.38	\$2.30
25	2.49	2.39	25	2.48	2.39
30	2.62	2.51	30	2.61	2.50
35	2.78	2.65	35	2.76	2.64
40	2.98	2.81	40	2.95	2.80
45	3.22	3.02	45	3.17	3.00
50	3.52	3.28	50	3.43	3.24
55	3.90	3.62	55	3.74	3.53
60	4.39	4.04	60	4.07	3.87
65	5.02	4.60	65	4.41	4.24
70	5.79	5.34	70	4.70	4.59
75	6.66	6.25	75	4.90	4.85
80	7.54	7.27	80	5.00	4.98

Values in the table under Settlement Option 3 are based on the Annuity 2000 male/female, ultimate, age last birthday, Individual Mortality Table with interest at 2% per annum. Values for ages or frequencies not shown will be furnished upon request.

**EXCESS OF INTEREST** – The payments certain under Settlement Options 2 and 3 are based on an interest rate of 2% per annum. Each payment certain will be increased by interest in excess of 2% per annum, if any, as may be set by Royal Neighbors from time to time.

**DATES OF PAYMENT** – The first payment under Settlement Option 1 shall be payable at the end of the period selected, measured from the date on which the proceeds would have been due had such option not been elected. The first payment under Settlement Option 2 or 3 shall be payable as of the date on which the proceeds would have been due had such option not been elected.

**DEATH OF PAYEE** – Any amount payable at the death of the payee under a Settlement Option shall be paid in one sum to the estate of the payee, unless other provision has been made. The amount payable under Settlement Option 1 shall be the remaining principal and accrued interest. The amount payable under Settlement Option 2 or 3 shall be the value commuted at 2% per annum of the remaining payments certain based on interest at 2% per annum.

**SUPPLEMENTARY CONTRACT** – If a settlement option is elected in lieu of a lump sum payment, a Supplementary Contract will be issued when the option is operative. The Supplementary Contract will provide for the manner of payment elected.

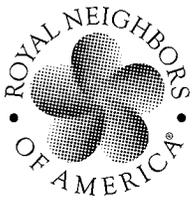
**ROYAL NEIGHBORS OF AMERICA**

*A Fraternal Benefit Society*

230 Sixteenth Street, Rock Island, Illinois 61201

[www.royalneighbors.org](http://www.royalneighbors.org)

**PERMANENT LIFE INSURANCE TO AGE 121** – Life insurance payable at death – Plan and premium payable as shown on Page 3 – Participating – Additional benefits, if any, are specified on Page 3.



**Statement of Certificate – Policy – Cost and Benefit Information**

**Name and Address of Insured**

John Doe  
 123 Main Street  
 Rock Island IL 61201

**Name and Address of Insurance Representative**

Home Office  
 (000) 000-0000

**Certificate No.** 000010086013  
**Basic Plan:** Whole Life  
**Riders:** None

**Chapter No.** 00001  
**Face Amount:** \$100,000.00

**Rating Age:** 35  
**Issue Date:** 04/03/2008  
**Date Prepared:** 04/03/2008

**ANNUAL PREMIUM**  
 For certificate years indicated

Year	Base Plan
1	\$1788.00
2	\$1788.00
3	\$1788.00
4	\$1788.00
5	\$1788.00
10	\$1788.00
20	\$1788.00

**GUARANTEED DEATH BENEFIT**  
 At beginning of certificate year indicated

Year	Base Plan
1	\$100000.00
2	\$100000.00
3	\$100000.00
4	\$100000.00
5	\$100000.00
10	\$100000.00
20	\$100000.00

**GUARANTEED CASH VALUE**  
 At end of years indicated

Year	Base Plan
1	\$0.00
2	\$0.00
3	\$341.00
4	\$1190.00
5	\$2074.00
10	\$7014.00
20	\$19841.00

**ANNUAL PREMIUMS FOR ADDITIONAL BENEFIT RIDERS (If applicable)**

Year
1
2
3
4
5
10
20

**CASH DIVIDENDS** – This certificate is participating. However, dividends are not guaranteed, and have not been included in this statement. **Royal Neighbors does not expect that any dividends will be declared on this certificate.**

**COST INDEXES** – Cost indexes are useful for comparison of similar policies. An explanation of the intended use of these cost indexes and the equivalent level dividend is provided in the Life Insurance Buyer's Guide.

**Surrender Cost Index**

**10-year** \$17.88

**20-year** \$17.88

**Net Payment Cost Index**

**10-year** \$12.57

**20-year** \$12.57

**Equivalent Level Dividend**

**10-year** \$0.00

**20-year** \$0.00

**THIS STATEMENT IS GENERAL. A COMPLETE DESCRIPTION OF BENEFITS IS FOUND ONLY IN THE CERTIFICATE (POLICY). FOR DURATIONS AND AGES WITH NO NUMERICAL VALUES SHOWN, THE VALUES ARE ZERO (0).**

# Royal Neighbors of America

## Application for Permanent Life Insurance



INSURING LIVES • SUPPORTING WOMEN • SERVING COMMUNITIES<sup>SM</sup>

[www.royalneighbors.org](http://www.royalneighbors.org)

Rock Island, Home Office  
230 16th St., Rock Island, IL 61201  
(800) 627-4762

Austin, Texas, Sales  
5910 Courtyard Drive, Suite 240, Austin, TX 78731  
(866) 733-9758



A Fraternal Benefit Society

# Application for Permanent Life Insurance

## PART 1

### SECTION 1 – Proposed Insured

Name \_\_\_\_\_ Street \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_ Years at this address\* \_\_\_\_\_  
 SSN/Tax ID \_\_\_\_\_ \*If less than 3 yrs., add prior residence address in additional info, pg 4.  
 Phone number ( ) \_\_\_\_\_ Marital status  S  M  W  D Sex  M  F  
 U.S. driver's license  Green Card  Passport DOB \_\_\_\_\_ State/Country of birth \_\_\_\_\_  
 Other \_\_\_\_\_ Annual income \$ \_\_\_\_\_  
 ID number \_\_\_\_\_ ID issuer \_\_\_\_\_ Employer's name \_\_\_\_\_  
 ID issue date \_\_\_\_\_ ID expiration date \_\_\_\_\_ Position/Title \_\_\_\_\_  
 E-mail address \_\_\_\_\_ Duties \_\_\_\_\_ Length of employment \_\_\_\_\_  
 Are you a U.S. citizen?  Yes  No Length of citizenship \_\_\_\_\_ If No, are you a legal U.S. resident?  Yes  No

### SECTION 2 – Other Insurance

#### 1. EXISTING or APPLIED FOR INSURANCE

Does the Proposed Insured have any existing or applied for life insurance (L) or annuity (A) contracts with this or any other company?  Yes  No

**IF YES**, complete and submit state replacement forms, if required, with this application.

Provide details:

Company	Type (L, A)	Amount of Insurance	Year of Issue	Accidental Death Amount	Existing or Applied for
					<input type="checkbox"/> E <input type="checkbox"/> A
					<input type="checkbox"/> E <input type="checkbox"/> A
					<input type="checkbox"/> E <input type="checkbox"/> A
					<input type="checkbox"/> E <input type="checkbox"/> A

#### 2. REPLACEMENT

In connection with this application, has there been, or will there be, with this or any other company any: surrender transaction; loan; withdrawal; lapse; reduction or redirection of premium/consideration; or change transaction (except conversions) involving an annuity or other life insurance?  Yes  No

**If Yes**, complete and submit a replacement questionnaire **AND** any other state required replacement forms with this application.

### SECTION 3 – Proposed Owner/Petitioner\*

\* Complete if Owner is other than Proposed Insured or Proposed Insured is under age 15½

#### 1. OWNER/PETITIONER

Name \_\_\_\_\_ SSN/Tax ID \_\_\_\_\_  
 Street \_\_\_\_\_ Phone number ( ) \_\_\_\_\_ DOB \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_ Relationship to Proposed Insured \_\_\_\_\_  
 U.S. driver's license  Green Card  Passport E-mail address \_\_\_\_\_  
 Other \_\_\_\_\_  
 ID number \_\_\_\_\_ ID issuer \_\_\_\_\_  
 ID issue date \_\_\_\_\_ ID expiration date \_\_\_\_\_



## SECTION 4 – Beneficiary(ies)

Multiple Beneficiaries will receive an equal percentage of proceeds unless otherwise instructed.

**PRIMARY**

Name \_\_\_\_\_  
 Street \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_  
 DOB \_\_\_\_\_ SSN/Tax ID \_\_\_\_\_  
 Relationship to Proposed Insured \_\_\_\_\_  
 Percent of proceeds \_\_\_\_\_ %

**PRIMARY**    **CONTINGENT**

Name \_\_\_\_\_  
 Street \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_  
 DOB \_\_\_\_\_ SSN/Tax ID \_\_\_\_\_  
 Relationship to Proposed Insured \_\_\_\_\_  
 Percent of proceeds \_\_\_\_\_ %

## SECTION 5 – Information Regarding Insurance Applied for

**1. PRODUCT NAME** \_\_\_\_\_

- Level Pay (to age 121)
- Pay to Age 65
- 20 Pay
- Other (specify) \_\_\_\_\_

**2. FACE AMOUNT \$** \_\_\_\_\_

**3. DIVIDEND OPTION**

- Applied to the payment of current premiums
- Paid in cash
- Applied to purchase paid-up additional insurance
- Left on deposit to accumulate at interest

**4. Automatic Premium Loan (APL) will be provided.**

- No   Check if APL is NOT desired.

**5. RIDERS**

- Accelerated Living Benefit Rider (no additional premium)
- Accidental Death   Face Amount: \_\_\_\_\_
- Guaranteed Insurability Rider
- Disability Waiver of Premium (Proposed Insured only)
- Insured Term Rider   Face Amount: \_\_\_\_\_  
 10-Year    20-Year    30-Year
- Other Insured Term Rider  
 \*Please complete OIR Supplemental Application  
 Other Proposed Insured's Full Name \_\_\_\_\_
- Child Rider
- Flexible Premium Deferred Annuity Rider  
 Planned Premium \_\_\_\_\_  
 (Mode will be the same as base certificate.)
- Other (specify) \_\_\_\_\_

## SECTION 6 – Payment Information

If **Electronic Payment** is chosen, complete Pre-Authorized Collection (PAC) form on page 6.

**1. PAYMENT MODE** (*Check one*)

Direct bill:    Annual    Semi-Annual    Quarterly  
 Electronic payment:    Annual    Semi-Annual  
     Quarterly    Monthly  
 Payment with app \$ \_\_\_\_\_    Draft first payment  
 Additional details \_\_\_\_\_

**2. BILLING ADDRESS INFORMATION**

Proposed Insured's address    Proposed Owner/Petitioner's address  
 Other Premium Payor's/Alternate billing address (*details below*)  
 Name \_\_\_\_\_  
 Street \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_  
 Special arrangements \_\_\_\_\_

## SECTION 7 – General Risk Questions

**Has the Proposed Insured:**

(Provide details to questions in **Additional Information** section on page 4)

- |  |  |
|--|--|
| 1. In the past 5 years, done any flying other than as an airline passenger or engaged in vehicle racing, underwater diving, or sky diving?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Any current or expected duties with the Armed Forces?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. In the past 5 years, used tobacco products? If Yes, identify what was used, how much, and dates of usage.   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. In the past 5 years, been convicted of one or more vehicle moving violations, driving under the influence of alcohol or drugs, or ever had a driver's license revoked or suspended? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Ever had an application for life or health insurance declined, postponed, up-rated or modified, or any insurance cancelled or its renewal refused?                                  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. Ever claimed disability benefits for an injury, illness, or impaired condition?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Been convicted of a felony?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 8. Any plans to travel or reside outside the U.S.?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |



**SECTION 1 – Physician Information**

Please provide name of doctor, practitioner, or health care facility who can provide the most complete and up-to-date information concerning the present health of the Proposed Insured.

Check here if no doctor, practitioner, or health care facility is known.

Physician name \_\_\_\_\_ Name of practice/clinic \_\_\_\_\_

Street \_\_\_\_\_ City, State, ZIP \_\_\_\_\_

Phone number ( ) \_\_\_\_\_ Fax number ( ) \_\_\_\_\_

Date last consulted \_\_\_\_\_ Provide reasons for treatments and the results. \_\_\_\_\_

List all currently prescribed medications, dosage, and frequency. \_\_\_\_\_

**SECTION 2 – Medical Questions**

1. Height \_\_\_\_\_ Weight \_\_\_\_\_ Experienced a change in weight (greater than 10 pounds) in the last 12 months?  Yes  No

If Yes, specify: Pounds lost \_\_\_\_\_ Pounds gained \_\_\_\_\_ Reason \_\_\_\_\_

2. Are your parents (P) or any siblings (S) deceased or ever had heart disease, diabetes, cancer, or mental illness?  Yes  No

If Yes, indicate below:

Relationship	Age at death	State of health, specific conditions, cause of death
<input type="checkbox"/> P <input type="checkbox"/> S		
<input type="checkbox"/> P <input type="checkbox"/> S		
<input type="checkbox"/> P <input type="checkbox"/> S		

3. Have you received counseling or treatment from any physician for, or been convicted for, the use of alcohol or the use and/or possession of drugs?  Yes  No

4. Have you used amphetamines, barbiturates, cocaine, narcotics, marijuana, or other depressant, excitant, or hallucinatory drugs, unless administered on the advice of a physician?  Yes  No

5. Have you been diagnosed or treated by a member of the medical profession as having Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC), or the Human Immunodeficiency Virus (HIV)?  Yes  No

6. Have you during the past 10 years, been diagnosed as having, been treated by a member of the medical profession for, or tested positive for:

A. Heart attack; high blood pressure; stroke; or other disorder of the heart or blood vessels?  Yes  No

B. Cancer, tumor, cyst, mass; leukemia; lymph gland; thyroid; chronic fatigue; or any other blood abnormalities?  Yes  No

C. Diabetes or other endocrine disorder; sugar, albumin, or blood in urine; stone or other disorder of kidney, bladder, or prostate?  Yes  No

D. Lung or chronic respiratory disorder; asthma; bronchitis; emphysema; pneumonia; tuberculosis; or any other disorder of the respiratory system?  Yes  No

E. Intestinal bleeding; ulcer; hepatitis; or other disorder of stomach, liver, intestine, or gallbladder?  Yes  No

F. Any disease or disorder of the reproductive organs or breasts?  Yes  No

G. Brain, mental, or emotional nervous disorder; fainting; convulsions; paralysis; depression; anxiety; frequent recurring headaches; any other disease or disorder of the nervous system; attempted suicide; or ever been counseled for any of the above?  Yes  No

H. Arthritis; gout, loss of limb, or deformity; disorder of bone, joint, muscle, back, or spine; skin disorder; or any other disorder of the skeletal system?  Yes  No

I. Disease or disorder of eye, ears, nose, or throat?  Yes  No

J. Any diagnostic test, such as an electrocardiogram, x-ray, MRI, CT scan, biopsy, or blood study?  Yes  No

K. Any surgery?  Yes  No

L. Advised to have any diagnostic test, hospitalization, or surgery which has not been completed?  Yes  No

M. Treatment as an inpatient or outpatient or is currently confined in a hospital, institution, clinic, sanatorium, or other medical facility?  Yes  No



## SECTION 2 – Medical Questions (cont.)

**Details:** If you answered YES to any of the medical questions above, please provide details here.

Question Number	Name of Physician Address if not already provided	Date/Duration of Illness	Diagnosis/Severity Medications/Treatments

## Additional Information

**Use this section for any additional information. Attach a separate sheet if necessary.**

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## Agreement/Acknowledgement

### Agreement/Disclosure

**We, the Proposed Insured, Proposed Owner, or Proposed Petitioner, if applicable, have read this application for life insurance including any amendments and supplements and, to the best of our knowledge and belief, all statements are true and complete.**

**We also agree that:**

- Statements in this application and any amendment(s), paramedical/medical exam, and supplement(s) are the basis of any certificate issued.
- This application and any amendment(s), paramedical/medical exam, and supplement(s) to this application will be attached to and, along with the articles of incorporation and bylaws of Royal Neighbors of America (Royal Neighbors), become part of the new certificate.
- No information will be deemed to have been given to Royal Neighbors unless it is stated in this application and amendment(s), paramedical/medical exam, and any supplement(s).
- Only authorized officers of Royal Neighbors may: a) make or change any contract of insurance; b) make a binding promise about insurance; or c) change or waive any term of an application, receipt, or certificate.
- Corrections, additions, or changes to this application may be made by Royal Neighbors. Any such changes will be shown under "Corrections and Amendments." Acceptance of a certificate issued with such changes will constitute acceptance of the changes. No change will be made in classification (including age at issue), plan, amount, or benefits unless agreed to in writing by the Applicant.
- Unless otherwise provided by the Conditional Receipt, Royal Neighbors will have no liability under this application unless and until: a) it has been received and approved by Royal Neighbors at its Home Office; b) the certificate has been issued and delivered to the certificateowner; c) the first premium has been paid to and accepted by Royal Neighbors; and d) at the time of delivery and payment, the facts concerning the insurability of the Insured are as stated in this application.
- If not a current member, the Proposed Insured and Proposed Owner, if applicable and appropriate, apply to become members of Royal Neighbors as indicated by the signatures on page 5, and as members, agree to uphold the principles of Faith, Unselfishness, Courage, Endurance, and Humility upon which Royal Neighbors of America was founded more than 100 years ago.

### Taxpayer Identification Number Certification

Under penalties of perjury, We, the Proposed Insured, or Parent, if a minor, or Proposed Owner, if applicable, certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- 2 a. **Proposed Insured** – I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- b. **Proposed Owner** – I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person.

**Certification instructions:** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. The IRS does not require your consent to any part of this form other than the certifications required to avoid backup withholding.



## Authorization

I, the Proposed Insured, or Parent, if a minor, hereby authorize any licensed physician, medical practitioner, hospital, clinic, laboratory, pharmacy, pharmacy benefit manager, or other medical facility, insurance or reinsurance company, Medical Information Bureau, Inc. (MIB), consumer reporting agency, division of motor vehicles, the veterans administration, or other government agency or department having information as to the diagnosis, treatment, or prognosis with respect to any physical or mental condition, or having any non-medical information, concerning me to release and disclose the entire medical record and any other protected health or other information concerning me within the past 10 years, without restriction, to Royal Neighbors, its agents, employees, representatives, or its reinsurers. This includes information on the treatment of alcohol, drug, and tobacco abuse, and psychiatric diagnosis and treatment. **In order to facilitate the rapid transmission of such information, I authorize all the sources named above, except MIB, to give such information to any legal representative or agent employed by Royal Neighbors.**

I understand that the protected information is to be disclosed under this authorization so that Royal Neighbors may underwrite my application for life insurance, determine my eligibility for insurance, risk rating, or certificate issuance determinations, obtain reinsurance, administer claims and determine or fulfill responsibility for coverage and provision of benefits, administer coverage, and conduct other legally permissible activities that relate to any coverage I have applied for with Royal Neighbors. Any protected information obtained will not be released by Royal Neighbors or its reinsurers to any person or organization EXCEPT to other divisions and/or departments of Royal Neighbors or its reinsuring companies, MIB, other life/health insurance organizations or fraternal benefit societies with which I have insurance contracts or to whom I may apply for insurance or to whom a claim for benefits may be submitted, or other persons or organizations performing business or legal services in connection with my application, insurance certificate(s), or claim for benefits or as may be otherwise lawfully required or as I may further authorize.

I understand that this authorization shall remain in force for 24 months from the date signed if used in connection with an application for life insurance certificate, an application for reinstatement of a life insurance certificate, or a request for change in certificate benefits; or for the duration of a claim if used for the purpose of collecting information in connection with a claim for benefits under a certificate.

I understand and agree that a copy of this authorization is as valid as the original and that I or my authorized representative is entitled to receive a copy. I understand that this authorization may be revoked by me at any time in writing, and if I refuse to sign or if I subsequently revoke this authorization, Royal Neighbors may not be able to process this application, and if coverage has been issued, may not be able to process any benefit payments. I agree that Royal Neighbors shall be fully protected if it acts in reliance on this authorization prior to receiving notice of revocation at its Home Office or to the extent that Royal Neighbors has a legal right to contest a claim under an insurance contract. Any information that is disclosed pursuant to this authorization may be re-disclosed as provided herein or as required or authorized by law and may then no longer be covered by federal rules governing privacy and confidentiality of health information.

Check here if a copy of this authorization is desired.

Corrections and Amendments (For Home Office Use Only)

### SIGNATURES:

Signed at city, state \_\_\_\_\_ Date \_\_\_\_\_



**Proposed Insured** \_\_\_\_\_  
(Sign if age 12 or older)

Signed at city, state \_\_\_\_\_ Date \_\_\_\_\_



**Proposed Owner/Petitioner** \_\_\_\_\_

Signed at city, state \_\_\_\_\_ Date \_\_\_\_\_



**Signature of Parent** \_\_\_\_\_  
(Required for all applicants under age 18)



# Agent's Report

## REPLACEMENT:

Do you have any knowledge or reason to believe the Proposed Insured has any existing or applied for life insurance or annuity contracts with this or any other company?  Yes  No

If Yes, and applicable, have you completed a replacement questionnaire and any other state required replacement forms?  Yes  No

Do you have any knowledge or reason to believe that the Proposed Insured has in-force life insurance or annuity contracts that may be replaced as a result of this transaction?  Yes  No

If Yes, and applicable, have you completed a replacement questionnaire and any other state required replacement forms?  Yes  No

Did you use only written sales material approved for use by Royal Neighbors?  Yes  No

Did you personally review the I.D. of the Owner?  Yes  No If Yes, form of I.D. \_\_\_\_\_

Agent no. \_\_\_\_\_ Agent license no. \_\_\_\_\_ Agent chapter no. \_\_\_\_\_



Signature of Writing Agent \_\_\_\_\_ Date \_\_\_\_\_

Printed name of Writing Agent \_\_\_\_\_

If applicable, complete and sign the following statement(s):

Agent Signature \_\_\_\_\_ Date \_\_\_\_\_

Agent Name \_\_\_\_\_ ID Number \_\_\_\_\_ Percent \_\_\_\_\_  
Please print

Agent Signature \_\_\_\_\_ Date \_\_\_\_\_

Agent Name \_\_\_\_\_ ID Number \_\_\_\_\_ Percent \_\_\_\_\_  
Please print



A Fraternal Benefit Society

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## Authorization for Pre-Authorized Collection Plan

I authorize Royal Neighbors of America (Royal Neighbors) and the financial institution named below to initiate automatic withdrawals from my checking/savings account. This authority will remain in effect until I notify Royal Neighbors or the bank to cancel it in such time as to afford a reasonable opportunity to act on the request. I can stop payment of any withdrawal by notifying Royal Neighbors three days before my scheduled withdrawal day. Royal Neighbors reserves the option to change the method of payment to another qualifying mode after the occurrence of a transaction not honored.

Name of financial institution \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_

Name (please print) \_\_\_\_\_ Phone number ( ) \_\_\_\_\_

Street address/PO Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

I would like the payment withdrawn on the \_\_\_\_\_ (select from the 1st through 28th) day of the month.

Checking account no. \_\_\_\_\_ OR Savings account no. \_\_\_\_\_



Signature as it appears on bank records X \_\_\_\_\_ Date \_\_\_\_\_

**PLEASE RETURN THIS AUTHORIZATION WITH A VOIDED CHECK OR A DEPOSIT SLIP**





A Fraternal Benefit Society

# Conditional Receipt

Unless each and every condition specified in paragraph 1 below is fulfilled exactly, no insurance will become effective prior to delivery of the certificate of insurance. No agent of Royal Neighbors of America (Royal Neighbors) is authorized to alter or waive any of the conditions. This conditional receipt is only effective if a check or money order is received with the application.

Received from \_\_\_\_\_ on (Date) \_\_\_\_\_ the sum of \$ \_\_\_\_\_ in connection with an application to Royal Neighbors for the following insurance certificate:

Proposed Insured: \_\_\_\_\_ Life Insurance Amount: \$ \_\_\_\_\_ Plan: \_\_\_\_\_

1. All of the following conditions must be met before insurance may become effective prior to delivery of the certificate:
  - (a) The payment indicated above must be at least equal to one month's premium at the premium class applied for. Assuming all other conditions under this paragraph have been met, if Royal Neighbors, in accordance with its rules, would have issued the certificate under a different premium class than applied for, and the premium paid was less than the premium that would have been required for the issuance of a certificate at this new premium class, then the death benefit payable under the receipt shall be such as the premium paid would have purchased at the new premium class.
  - (b) All medical examinations and tests required by Royal Neighbors must be completed and received at the Home Office of Royal Neighbors.
  - (c) As of the effective date, as defined below, the Proposed Insured must be a standard risk under rules and practices of Royal Neighbors for the plan and the amount of life insurance applied for, without change and at the rate of premium paid.
  - (d) As of the effective date, the state of health and all factors affecting the insurance of the Proposed Insured must be as stated in the application.
2. When each and every one of the conditions of paragraph 1 have been met, the insurance coverage, as provided by the terms and conditions of the certificate of life insurance applied for, but for an amount not exceeding \$400,000, will begin as of the Effective Date. "Effective Date" as used herein, means the later of:
  - (a) the date of completion of the application; or
  - (b) the date of completion of all medical examinations, electrocardiograms, x-rays, and other tests required by Royal Neighbors.
3. If the conditions have been met and coverage begins, coverage under this receipt will terminate 60 days from the date of this receipt unless prior to that date the insurance certificate is issued and accepted.



Signature of Agent Receiving the Payment \_\_\_\_\_

I understand and agree to the terms, conditions, and limits of this receipt and the agreements in the application, all of which have been fully explained to me by the agent.



Signature of Proposed Insured \_\_\_\_\_



Signature of Proposed Owner/Petitioner \_\_\_\_\_

**NOTE: This receipt is to be issued only if the required payment is submitted with the application.**

## Royal Neighbors of America

www.royalneighbors.org

Rock Island, Home Office  
230 16th St., Rock Island, IL 61201  
(800) 627-4762

Austin, Texas, Sales  
5910 Courtyard Drive, Suite 240, Austin, TX 78731  
(866) 733-9758



## Important Information for Applicant

**Arizona:** On written request, Royal Neighbors of America will provide the certificateowner with information regarding the provisions of the life insurance certificate. If for any reason the certificateowner is not satisfied with the life insurance certificate, she/he may return the certificate to Royal Neighbors of America within 20 days (30 days if the certificateowner is 65 years of age or older), after receiving the certificate and receive a refund of all monies paid.

**Arkansas, California, New Mexico, Texas, and West Virginia:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**Colorado:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurer for the purpose of defrauding or attempting to defraud the insurer. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurer or agent of an insurer who knowingly provides false, incomplete, or misleading facts or information to a certificateowner or claimant for the purpose of defrauding or attempting to defraud the certificateowner or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**District of Columbia and Georgia:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**Indiana and Oklahoma:** Any person who knowingly, with intent to injure, defraud, or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete, or misleading information is guilty of a felony.

**Kentucky and Pennsylvania:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**Minnesota:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**New Jersey:** Any person who includes any false or misleading information on an application for insurance policy is subject to criminal and civil penalties.

**Ohio:** Any person who, with intent to defraud, or knowing that they are facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**Oregon:** Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

**Tennessee, Washington, and Maine:** It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company (insurer) for the purpose of defrauding the insurer. Penalties include imprisonment, fines, and denial of insurance benefits.

## Medical Information Bureau, Inc. (MIB), Notice

### This Notice is to be detached, read, and retained by the Proposed Insured

Information regarding your insurability will be treated as confidential. Royal Neighbors or its reinsurers make a brief report thereon to the Medical Information Bureau, Inc., a not-for-profit membership organization of insurance companies which operates an information exchange on behalf of its members. If you apply to another MIB member company for life or health insurance coverage, or if a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information in its file.

Upon receipt of a request from you, MIB will arrange disclosure of any information it may have in your file. Please contact MIB at (866) 692-6901, TTY (866) 346-3642. If you question the accuracy of information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the Federal Fair Credit Report Act. The address of MIB's information office is: MIB, P.O. Box 105, Essex Station, Boston, MA 02112.

Royal Neighbors or its reinsurers may also release information in its file to other insurance companies to whom you apply for life or health insurance, or to whom a claim for benefits may be submitted.

## Fair Credit Report Act Notice

This is to inform you that as part of our underwriting procedures in connection with this application, an investigative consumer report may be obtained on the Proposed Insured and the Proposed Petitioner. This report will provide applicable information concerning character, general reputation, personal characteristics, and mode of living.\* This information will be obtained through personal interviews with neighbors, friends, and associates. You may request to be interviewed in connection with the preparation of the investigative consumer report. You have the right to make a written request within a reasonable period of time to receive additional detailed information about the nature and scope of this investigation. No information collected concerning the sexual orientation of the Proposed Insured or Proposed Petitioner will be used to determine her or his eligibility for life insurance.

*\*Information obtained will not be used to determine sexual orientation.*

## Royal Neighbors of America

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**(866) 733-9758**

*SERFF Tracking Number:*      *RNOA-125592537*                      *State:*                      *Arkansas*  
*Filing Company:*              *Royal Neighbors of America*                      *State Tracking Number:*      *38646*  
*Company Tracking Number:*      *200811AR RNOA-125592537*  
*TOI:*                      *L071 Individual Life - Whole*                      *Sub-TOI:*                      *L071.101 Fixed/Indeterminate Premium - Single*  
*Product Name:*                      *2008 Permanent Life Insurance*  
*Project Name/Number:*              *2008 Permanent Life Insurance/200811-AR*  
*Life*

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: RNOA-125592537 State: Arkansas  
Filing Company: Royal Neighbors of America State Tracking Number: 38646  
Company Tracking Number: 200811AR RNOA-125592537  
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
Product Name: 2008 Permanent Life Insurance  
Project Name/Number: 2008 Permanent Life Insurance/200811-AR

## Supporting Document Schedules

**Review Status:**  
**Satisfied -Name:** Certification/Notice 04/02/2008  
**Comments:**  
**Attachment:**  
Compliance Rule and regulation.pdf

**Review Status:**  
**Bypassed -Name:** Application 04/02/2008  
**Bypass Reason:** Provided in the forms tab.  
**Comments:**

**Review Status:**  
**Satisfied -Name:** Flesch 04/09/2008  
**Comments:**  
**Attachment:**  
Certification of Flesch.pdf

# Certificate of Compliance with Arkansas Rule and Regulation 19

Insurer: ROYAL NEIGHBORS OF AMERICA

Form Number(s): 200811-AR  
1729 Rev. 3-2008

I hereby certify that the filing above meets all applicable Arkansas requirements including the requirements of Rule and Regulation 19.

*Bruce R. Peterson*

\_\_\_\_\_  
Signature of Company Officer

BRUCE R PETERSON  
\_\_\_\_\_  
Name

SECRETARY AND GENERAL COUNSEL  
\_\_\_\_\_  
Title

4/9/2008  
\_\_\_\_\_  
Date



230 16<sup>th</sup> Street | Rock Island, IL 61201

Phone: (309) 788-4561 | Toll-free: (800) 627-4762

E-mail: [contact@royalneighbors.org](mailto:contact@royalneighbors.org) | Web site: [www.royalneighbors.org](http://www.royalneighbors.org)

## CERTIFICATION OF FLESCH READING EASE SCORE

Royal Neighbors of America does hereby certify that the following certificate forms and application, specimen copies of which are submitted herewith, are in its judgment readable based on the factors specified in Arkansas Regulations.

<u>FORM</u>	<u>TITLE</u>	<u>FLESCH SCALE READABILITY ANALYSIS AND TEST SCORE</u>
200811-AR	Permanent Life Insurance to Age 121	58.01
1729 Rev. 3-2008	Application for Permanent Life Insurance	46.92

- A Flesch reading ease test scores of the above forms is as indicated above.
- The forms are printed, except for specification pages, schedules and tables, in not less than ten point, one point leaded.
- The forms listed above were analyzed in their entirety both to the method and formula as specified in Arkansas Regulations.

Dated this 9th day of April, 2008

BY   
Philip K. Blankenfeld – Compliance Manager