

SERFF Tracking Number: BANN-126363361 State: Arkansas  
Filing Company: Banner Life Insurance Company State Tracking Number: 43940  
Company Tracking Number:  
TOI: L04I Individual Life - Term Sub-TOI: L04I.003 Single Life - Single Premium  
Product Name: Waiver of Premium Benefit Rider  
Project Name/Number: Term Waiver - Total Disability/WPTR

## Filing at a Glance

Company: Banner Life Insurance Company

Product Name: Waiver of Premium Benefit SERFF Tr Num: BANN-126363361 State: Arkansas

Rider

TOI: L04I Individual Life - Term SERFF Status: Closed-Approved- State Tr Num: 43940  
Closed

Sub-TOI: L04I.003 Single Life - Single Premium Co Tr Num: State Status: Approved-Closed

Filing Type: Form

Author: Ada Miller

Reviewer(s): Linda Bird

Date Submitted: 10/29/2009

Disposition Date: 11/02/2009

Disposition Status: Approved-  
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: Term Waiver - Total Disability

Project Number: WPTR

Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 10/19/2009

Domicile Status Comments: Maryland, our state of domicile, is part of the Interstate Insurance Compact. The form was approved by the ICC on 10/19/09.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 11/02/2009

Explanation for Other Group Market Type:

State Status Changed: 11/02/2009

Deemer Date:

Created By: Ada Miller

Submitted By: Ada Miller

Corresponding Filing Tracking Number:

Filing Description:

Form WPTR is being submitted for your review and approval. Upon approval, this updated form will replace form WPT09 previously approved by your department on 3/4/09. If elected, this rider will be attached to our term life policy form RT-97.

To the best of our knowledge, information, and belief, this form complies with the rules and regulations of your

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department. We look forward to approval at your earliest convenience.

## Company and Contact

### Filing Contact Information

Nancy January, Vice President, Product Development  
 1701 Research Boulevard  
 Rockville, MD 20850  
 njanuary@lgamerica.com  
 301-279-4868 [Phone]  
 301-294-6964 [FAX]

### Filing Company Information

Banner Life Insurance Company  
 1701 Research Boulevard  
 Rockville, MD 20850  
 (301) 279-4809 ext. [Phone]  
 CoCode: 94250  
 Group Code: 872  
 Group Name:  
 FEIN Number: 52-1236145  
 State of Domicile: Maryland  
 Company Type: Life Insurance  
 State ID Number:

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$125.00  
 Retaliatory? Yes  
 Fee Explanation: 1 form x \$125  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Banner Life Insurance Company	\$125.00	10/29/2009	31645090

SERFF Tracking Number: BANN-126363361 State: Arkansas  
Filing Company: Banner Life Insurance Company State Tracking Number: 43940  
Company Tracking Number:  
TOI: L041 Individual Life - Term Sub-TOI: L041.003 Single Life - Single Premium  
Product Name: Waiver of Premium Benefit Rider  
Project Name/Number: Term Waiver - Total Disability/WPTR

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	11/02/2009	11/02/2009

*SERFF Tracking Number:*      *BANN-126363361*                      *State:*                      *Arkansas*  
*Filing Company:*              *Banner Life Insurance Company*                      *State Tracking Number:*      *43940*  
*Company Tracking Number:*  
*TOI:*                      *L04I Individual Life - Term*                      *Sub-TOI:*                      *L04I.003 Single Life - Single Premium*  
*Product Name:*              *Waiver of Premium Benefit Rider*  
*Project Name/Number:*      *Term Waiver - Total Disability/WPTR*

## **Disposition**

Disposition Date: 11/02/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: BANN-126363361 State: Arkansas  
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 Product Name: Waiver of Premium Benefit Rider  
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	RT-97 Policy Form		Yes
Form	Waiver of Premium Benefit Rider		Yes

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## Form Schedule

Lead Form Number: WPTR

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	WPTR	Policy/Cont Waiver of Premium ract/Fratern Benefit Rider al Certificate	Initial		50.200	WPTR.pdf



## Waiver of Premium Benefit Rider

Banner Life Insurance Company  
1701 Research Boulevard  
Rockville, Maryland

### General

In this Benefit Rider, Banner Life Insurance Company will be referred to as “we”, “our” or “us” or “company”. The “policy” is the policy to which this rider is attached. Coverage pursuant to this rider begins on the same day as the coverage for the policy. The premium for this rider is stated in the Policy Schedule. This rider is subject to all terms and conditions of the policy, except as provided in this rider. The rider is made part of the policy on the policy issue date. For purposes of this rider, the insured is as defined in the policy. Age 60 and age 65, whenever used in this rider, means the benefit anniversary nearest the insured’s sixtieth and sixty-fifth birthdays, respectively.

### Benefit

Subject to the terms of this rider, we will waive the payment of all premiums falling due:

1. after the insured becomes totally disabled;
2. while total disability continues; and
3. such total disability has been continuous without interruption for 6 consecutive months.

Premiums will be waived subject to the following terms and conditions:

1. If total disability occurs before the benefit anniversary on which the insured attains age 60, we will waive all premiums due for the insured under the policy for the period that the insured continues to be totally disabled. If such period extends to the benefit anniversary on which the insured attains age 65, we shall waive all further premiums due for the insured under the policy.
2. If the insured’s total disability begins after the benefit anniversary on which the insured attains age 60 we will waive all premiums due for the insured under the policy for the period that the insured continues to be totally disabled, but only up to the benefit anniversary on which the insured attains age 65.

Total disability means:

1. During the first 24 months of total disability, the insured is unable to perform the substantial and material duties of his/her regular occupation due to sickness or accidental bodily injury; and
2. After the first 24 months of total disability, the insured, due to sickness or accidental bodily injury, is unable to perform any of the substantial and material duties of his/her job or any other job for which he/she becomes reasonably suited by education, training or experience.

However, the insured will be considered totally disabled if engaged in any employment or occupation if he/she suffers from:

1. the total and permanent loss of sight of both eyes; or
2. the total and permanent loss of the use of
  - a) both hands; or
  - b) both feet; or
  - c) one hand and one foot.

Total disability of the insured requires:

1. that the insured be under the regular care of a duly licensed physician other than the insured;
2. that total disability be caused by accidental bodily injury occurring, or disease first manifesting itself, after the effective date of this rider; and
3. that total disability shall begin while this rider and the policy are in effect. This rider is not in effect if any premium for the policy or this benefit is not paid before the end of the grace period.

### Additional requirements and provisions:

1. Until we approve the claim, payment of premiums when due is required to avoid a lapse of insurance benefit before we approve the claim for the waiver benefit.

2. If total disability begins during a grace period, payment of overdue premium is required to avoid a lapse of insurance before the company approves the claim for the waiver benefit.
3. If we approve the claim for the waiver benefit, we shall refund the premiums paid after the first of the benefit month on or following the date the insured's total disability began.
4. Any premiums waived by us will not be deducted from the policy proceeds.
5. If the waiver benefit is in effect, all benefits included under the policy, excluding optional benefits that are issued as attachments to the policy shall continue in force.

### **Exclusions**

Benefits will not be provided for the following:

1. Total disability caused or contributed to by any attempt at suicide, or intentionally self-inflicted injury, while sane or insane;
2. Total disability caused or contributed to by "war" or "act of war":
  - (a) while the insured is in the military service or in any auxiliary or non-combatant unit serving with the military of a country at war, declared or undeclared; or
  - (b) that takes place while the insured is outside of the United States or Canada and if that disability begins within 5 years from the effective date of this rider;
3. Total disability caused or contributed to by active participation in a riot, insurrection or terrorist activity;
4. Total disability caused or contributed to by committing or attempting to commit a felony;
5. Total disability caused or materially contributed to by voluntary intake or use by any means of:
  - (a) Any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions; or
  - (b) Poison, gas or fumes, unless a direct result of an occupational accident;
6. Total disability caused or contributed to by intoxication as defined by the jurisdiction where the total disability occurred;
7. Total disability caused or materially contributed to by participation in an illegal occupation or activity; and/or

8. Total disability caused or contributed to by any condition disclosed in the application and explicitly excluded in an amendment or supplement attached to the policy.

We will not waive any premiums for any total disability occurring after the benefit anniversary on which the insured attains age 65.

### **Notice of Claim**

Before we will approve a claim, we require that written notice of a claim and due proof of total disability must be given to us at our Home Office:

1. during the lifetime and continued disability of the insured; and
2. within 12 months after the beginning of total disability.

We will not approve a claim until we have proof that the disability has been continuous for at least six months.

Failure to give notice and proof within 12 months will not invalidate a claim if it is shown that the notice and proof were given as soon as was reasonably possible; however, except in the absence of legal capacity, no premium due more than 12 months prior to proof of claim will be waived.

Prior to the approval of any claim for this benefit and while total disability continues, we may require that the insured be examined by a physician we choose at our expense.

### **Proof of Continuance of Total Disability**

After approval of a claim for this benefit, we may require proof of the continuance of total disability once every 6 months. We will not require proof more often than once in any twelve month period after total disability has continued for 24 months. If proof is not furnished on request or if the insured fails to submit to a medical examination that we request and at our expense, the premium falling due thereafter will not be waived.

### **Notice of Recovery**

If the insured ceases to be totally disabled as defined in this rider, we will cease waiving

premiums for this policy effective not more than 31 days following receipt of notice. The owner agrees to give us immediate notice of any such recovery. Failure to give such notice within 31 days of recovery will result in termination of this benefit.

**Nonforfeiture Value**

This rider does not have cash value or loan values.

**Recurrence of Prior Disability**

If following recovery from a total disability, which has continued for at least six consecutive months, the insured suffers another total disability which:

1. begins within thirty days of recovery; and
2. is due to the same or related causes as the prior total disability;

then, the total disability shall be considered to have continued during the period between recovery and recurrence of total disability.

**Termination of Rider**

This rider terminates:

1. upon the benefit anniversary on which the insured attains age 65;
2. upon the date the policy lapses or is continued as extended term, or paid up insurance under the nonforfeiture provisions;
3. upon termination of the policy to which the rider is attached; or
4. upon written request from the owner;

Any claim may be made retroactively for a total disability occurring prior to termination, if the rider and the Policy to which it is attached were in effect at the time of total disability. Any such claim is subject to the Notice of Claim requirements and the Proof of Continuance of Total Disability requirements stated in this rider.

**Incontestability**

We will not contest this rider after it has been in force during the lifetime of the insured for two years from the issue date of the rider or the effective date of reinstatement, excluding any period when the insured is totally disabled, except for fraud in the procurement of the form, when permitted by applicable law in the state where the policy is delivered or issued for delivery.



Secretary



President

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## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b> Flesch Readability Certification is attached.		
<b>Attachment:</b> RT-97 with WPTR Readability Certification.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application		
<b>Bypass Reason:</b> not applicable since form being filed is a rider not a new policy		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Life & Annuity - Acturial Memo		
<b>Bypass Reason:</b> not applicable for rider		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> RT-97 Policy Form		
<b>Comments:</b> Term policy form RT-97 to which the rider will be attached, if elected, is attached.		
<b>Attachment:</b> RT-97.pdf		

Readability Certification  
RT-97 with WPTR

This is to certify that the form in this filing has been tested and meets the minimum required Flesch reading ease score.

Renewable and Convertible Term Life Insurance Form RT-97 with Waiver of Premium Benefit Rider WPTR has a combined score of 50.2.

The rider is not less than 10-point type with one-point lead.

The style, arrangement, and overall appearance of the rider gives no undue prominence to any portion of the text.



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*Nancy C. January, FSA, MAAA  
Vice President, Product Development  
Banner Life Insurance Company*

September 4, 2009

*Date*



1701 Research Boulevard  
Rockville, MD 20850

**RIGHT TO EXAMINE POLICY FOR 20 DAYS.** Within 20 days after this policy is received, it may be returned to the agent through whom it was purchased or to our home office. We will pay the Face Amount to the Beneficiary if the Insured dies while this policy is in force. Such payment will be subject to the provisions of this policy.

**READ YOUR POLICY CAREFULLY - This policy is a legal contract between the policy owner and Banner Life Insurance Company.**

In this policy, Banner Life Insurance Company will be referred to as "we", "our" or "us".

We will pay the face amount to the beneficiary if the insured dies while this policy is in force. Such payment will be subject to the provisions of this policy.

All payments are subject to the terms of this policy. The following pages are part of this policy.

This policy is issued in consideration of the application and of the payment of the first premium as provided herein. A copy of the application is attached and is made a part of the policy.

Signed for Banner Life Insurance Company at its home office in Rockville, Maryland, on the policy date.

  
Secretary

  
President

**Renewable and Convertible Term Life Insurance**

**A change of premium provision is applicable subject to guaranteed maximum premiums**

**The face amount is payable at death prior to expiration date**

**Nonlevel premiums are payable as shown in the policy schedule to the expiration date or until the death of the insured**

**This policy is renewable to the expiration date**

**This policy is convertible to the end of the conversion period**

**This policy is nonparticipating and no dividends are payable**

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**Concluded with:**

**Riders, benefits, amendments, and endorsements, if any; and copy of applications**

**PLEASE READ YOUR POLICY CAREFULLY**

## DEFINITIONS

### Home and Administrative Office

Our Home Office and Administrative office is located at 1701 Research Boulevard, Rockville, Maryland 20850.

### Policy Date

The Policy Date is shown on the Policy Schedule. This date is used to determine premium due dates, policy anniversaries, years and months. Coverage will be effective on the Policy Date.

### Issue Date

The Issue Date is the date we complete the processing of the insured's approved application, and issue to the insured or the owner this life insurance policy. It is shown on the Policy Schedule.

### Written Notice/Recording Thereof

Written Notice means a notification or request received from the owner in a form satisfactory to us. Written notices are recorded at our administrative office. We will not be responsible for the validity of any written notice.

### Term Period

A Term Period is the period of time that premiums are level. The Term Periods are shown in the Policy Schedule.

### Renewal Date

A Renewal Date is the date on which the previous term period ended.

### Expiration Date

The Expiration Date is the end of the last term period. The Expiration Date is shown in the Policy Schedule.

### Age

Age is shown in the Policy Schedule and is the insured's Age as of the nearest birthday on the Policy Date.

### Beneficiary

The person to receive the proceeds payable at the insured's death.

## OWNERSHIP

The owner of this policy is shown in the policy schedule unless later changed. During the insured's lifetime, only the owner may exercise all the rights and agree with us as to changes in the policy. If the insured is not the owner and the owner dies, then the insured will become the owner.

All rights of the owner are subject to the rights of any assignee and of any Irrevocable Beneficiary designation we have on record.

## Assignment of Policy

This policy may be assigned. We will not be responsible for the validity of an assignment. We will not be liable for any payments made or actions taken before written notice of any assignment is received by us. Payments to any assignee will only be made in a lump sum.

## PREMIUMS

### Payment of Premiums

The first premium must be paid before any insurance becomes effective. The due date of the first premium is the policy date. Each subsequent premium is due on the premium due date(s) shown in the policy schedule. The owner may change the frequency of the premium payment to any frequency we offer on the date such change is requested. All premiums after the first are payable in advance at our administrative office. A premium receipt signed by one of our officers will be furnished upon request. In no event may premiums be paid beyond the expiration date.

### Grace Period

Except for the first premium, we will allow a 31 day grace period after the premium due date to pay each premium. During the grace period, the policy will remain in force. If a premium is not paid before the end of the grace period, the policy will terminate without value. If death occurs during the grace period, the premium required to provide insurance from the premium due date to the end of the policy month in which the insured's death occurs will be deducted from the proceeds.

### Reinstatement

A policy which terminates in accordance with the grace period provision may be reinstated if:

1. written request for reinstatement is made within five years after the expiration of the grace period and before the expiration date of the policy. The reinstated policy will be in force from the date we approve the application for Reinstatement and the required premiums are paid;
2. the owner submits a written application;
3. evidence of the insured's insurability is received and approved by us; and
4. all due and unpaid premiums, with interest payable at an annual rate of 6%, are paid.

## CHANGE OF PREMIUM

We may change the premium for this policy after the initial term period, exclusive of any riders, subject to the following;

1. the annual premium for this policy will not exceed the maximum annual premium shown in the policy schedule;

2. the premium may not be changed more than once during any 12 month period;
3. we will send the owner, at the address in our records, a written notice of any change in premium at least 30 days before the date on which the change will be effective;
4. any change of premium will be based on our expectations as to future experience for such elements as persistency, expenses, mortality, taxes, and investment earnings;
5. the modal premium will be calculated on the same basis as used on the issue date of this policy; and
6. any change in premium will be on a uniform basis applying to all policies with the same issue age, sex, rating classification, duration, and plan of insurance as this policy. A change of health will not cause a change of premium.
7. will take effect on the policy anniversary date following the date we make the change.

## RENEWAL

### Renewability

This policy may be renewable for additional term periods. Evidence of the insured's insurability need not be furnished. Renewal will occur only if premiums have been paid to the renewal date. This policy, however, will not continue beyond the expiration date.

### Effective Date of Renewal

The renewal premium must be paid within 31 days of the renewal date in order for the renewal to become effective. This policy will be renewed automatically if the insured dies during the 31-day period before the payment of a premium. If the insured dies during this period, the portion of the renewal premium required to provide insurance from the premium due date to the end of the policy month in which the insured's death occurs will be deducted in the calculation of proceeds payable.

### Renewal Premiums

The maximum annual renewal premium rates for this policy, including riders and benefits, are shown in the policy schedule.

### Automatic Renewal

This policy will be automatically renewed on the renewal date if:

1. it contains a total disability benefit; and
2. premiums are being waived to the renewal date under such disability benefit.

We will waive renewal premiums as long as the insured continues to be totally disabled under such total disability benefit.

## CONVERSION

This policy may be converted to a new policy on the insured's life. Evidence of the insured's insurability is not required. The conversion may be made:

1. on any premium due date, but not later than the end of the conversion period shown in the policy schedule;
2. if we receive the owner's written request and application for conversion;
3. the first premium for the new policy is paid; and
4. the owner returns this policy to us.

The new policy will be issued:

1. with the date of exchange as its policy date;
2. at the insured's age on the date of exchange;
3. with the same rating classification as that under this policy;
4. on any permanent life plan which we have available for conversion and, for the amount exchanged, we customarily issue on the date of exchange to applicants with the insured's rating classification;
5. with premiums based on our rates for the rating classification and plan of insurance on the date of exchange;
6. for an amount of insurance not less than our minimum for the plan selected, nor greater than the face amount of this policy on the conversion date. At least one plan of insurance will be available for conversion in an amount equal to the face amount of this policy on the conversion date;
7. the new policy will be issued so that the time limit specified in the Incontestability and Suicide provisions of the new policy will be measured from the Policy Date of this policy; and
8. the new policy will be subject to any assignment of this Policy received at our office.

The new policy will contain a total disability benefit and/or accidental death benefit if:

1. this policy contains such benefit;
2. on the date of exchange, we customarily issue such benefit to applicants with the insured's age, sex, and rating classification; and
3. on the date of exchange, we customarily issue such benefit in conjunction with the plan to which the insured converts.

If more than one type of total disability benefit is available on the date of exchange, the benefit attached to the new policy will be the benefit with the lowest premium.

### **Automatic Conversion**

This policy will be converted to a permanent life plan selected by us at the end of the conversion period if:

1. this policy contains a total disability benefit;
2. the insured is totally disabled under the terms of the disability benefit at the end of the conversion period; and
3. such disability continued during the 6 months prior to the end of the conversion period.

The new policy's premiums will be based on the insured's age on the date this policy is converted. The new policy will be issued for an amount equal to the face amount of this policy on the conversion date. Any premium falling due while the insured continues to be totally disabled will be waived.

### **EXCHANGE OF POLICY FOR SAME PLAN**

This policy may be exchanged for a new policy on the insured's life. Evidence of the insured's insurability satisfactory to us is required. The exchange may be made at any time during the exchange period. The exchange period expires as indicated in the policy schedule.

To make the exchange:

- (1) we must receive a new application for the exchange before the end of the exchange period while this policy is in force; and
- (2) all premiums due on this policy must be paid to the exchange date.

The new policy will be issued:

- (1) on the same plan of insurance as this policy; and
- (2) for a face amount not less than the minimum for this plan nor greater than the face amount of this policy on the exchange date.

Premiums for the new policy will be at the rates in effect for the insured's attained age on the exchange date. The new policy will be subject to our rules on frequency of premium payment and minimum premium in effect on the exchange date.

The issue date of the new policy will be the exchange date. The first premium for the new policy must be paid before coverage under the new policy begins. Coverage under this policy will end when coverage under the new policy begins.

The suicide provision in the new policy will be waived.

The new policy may contain any rider(s) included in this policy, subject to our rules and at the premium rates in effect on the exchange date.

## **GENERAL PROVISIONS**

### **Contract**

This policy, attached riders, amendments, benefits, and the application form the entire contract. Only the President, a Vice President, or the Secretary of Banner Life Insurance Company may change or waive any provision of this contract. Any changes or waivers must be in writing.

We may not change or amend this policy without the owner's consent except as expressly provided in the policy. However, we may change or amend the policy if such change or amendment is necessary for it to comply with any state or federal law, rule, or regulation.

### **Incontestability**

Statements in the application are considered representations, not warranties. Statements may be used to contest the validity of this policy or in defense of a claim only if they are contained in the application or in an endorsement or amendment, and a copy of that application, endorsement, or amendment is attached to the policy at issue or is made part of the policy when a change becomes effective.

We will not contest this policy after it has been in force during the Insured's lifetime for two years from the Issue Date, except for failure to pay premiums. If this policy is reinstated, it will be incontestable after it has been in force during the insured's lifetime for two years from the effective date of the Reinstatement. The Incontestability period will be based on the most recent applications.

### **Misstatement of Age and Sex**

If the insured's age or sex has been misstated, we will pay the amount of insurance that the premiums paid would have purchased at the correct age and sex.

### **Suicide**

The benefits payable are limited if the insured commits suicide, while sane or insane, within two years from the Issue Date. In such case, our liability will be limited to a refund of all premiums paid to us.

### **Non-participating**

This policy is non-participating and the owner will not share in Banner Life Insurance Company's profits or surplus. No dividends are payable on this policy.

## **AMOUNT OF PROCEEDS**

The life insurance proceeds payable at the insured's death will be (1) plus (2) plus (3) minus (4) where:

- (1) is the face amount of this policy, shown in the policy schedule;
- (2) is any insurance on the insured's life provided by riders;
- (3) is the portion of any premium paid for a period beyond the policy month in which the insured's death occurs; and
- (4) is any premium which is due and unpaid for a period from the premium due date to the end of the policy month in which the insured's death occurs.

We reserve the right to require the return of the policy at time of settlement.

## **BENEFICIARY PROVISIONS**

### **Beneficiary**

Unless otherwise provided by written notice to us, the beneficiaries are named in the application.

### **Change in Beneficiary**

During the insured's lifetime, the owner may change the beneficiary designation unless he or she has waived the right to do so. No beneficiary change will take effect until a written notice is received at our administrative office. Such changes will become effective on the date written notice is received by us. All changes will be subject to any payment made by us before notice was received.

### **Death of a Beneficiary**

Unless otherwise provided in the beneficiary designation:

- 1. the interest of any beneficiary who dies before the insured will pass to any surviving beneficiaries according to their respective interests; or
- 2. if no beneficiary survives the insured, the proceeds will be paid in one sum to the owner, if living; otherwise, to the owner's estate.

## **PAYMENT OF PROCEEDS**

Any amount payable under this contract will be paid in one sum unless otherwise provided. All or part of this sum may be applied to any payment option. However, options will not be available if:

- 1. the net proceeds are less than \$2,500;
- 2. the amount of each payment is less than \$50; or
- 3. in the case of payment option 1, 2 or 3, the payee is not a natural person receiving payment in his or her own right.

Proceeds left with us may be withdrawn by written notice where such right is given. The payment of any withdrawal may be postponed for as long as six months from the date we receive written notice.

We may require evidence of the survival of any Payee before any settlement payment payable to the payee is made.

## **ELECTION OF PAYMENT OPTIONS**

### **By Owner**

During the insured's lifetime, the owner may elect any payment option and may change such election if he or she has reserved the right to do so.

If the owner elects a payment option for the beneficiary, the beneficiary may not:

- 1. change or cancel the election;
- 2. assign or transfer the amount held by us; or
- 3. withdraw any future installments or unpaid interest installments unless these rights are granted in the election.

### **By Beneficiary**

If the owner does not elect a payment option, the beneficiary may do so after the insured's death.

Such election by the Beneficiary:

- 1. must be made before the payment of any Policy Proceeds has been made; and
- 2. shall be effective as of the date of the Insured's death.

### **Conditions for Election**

Any election or change must be made by written notice to us. No election or change will be effective until we record it.

## **PAYMENT OPTIONS**

The following sections describe the payment options available under this policy.

### **Option 1 - Life Income**

We will make equal monthly payments during the payee's lifetime. Payments will end with the last monthly payment before his or her death. The amount of each payment, per \$1,000 of Policy Proceeds, will not be less than that shown in the Option 1 table.

### **Option 2 - Life Income With Period Certain**

We will make equal monthly payments during the payee's lifetime, with a minimum period guaranteed (60, 120, 180 or 240 months). The amount of each payment, per \$1,000 of Policy Proceeds, will not be less than that shown in the Option 2 table. At the Payee's death, we will continue to pay the balance of the unpaid payments, if any, to the Payee's Beneficiary for the balance of the guaranteed period.

### **Option 3 - Joint Life Income**

We will make payments for as long as either of two designated persons live. The amount of each payment, per \$1,000 of Policy Proceeds, will not be less than that shown in the Option 3 table.

**Option 4 - Payments for a Fixed Period**

We will make payments for a fixed period. The amount of each payment, per \$1,000 of Policy Proceeds, will not be less than that shown in the Option 4 table. At the Payee's death, we will continue to pay the balance of the unpaid payments to the Payee's Beneficiary.

**Option 5 - At Interest**

The proceeds may be left with us to draw interest. Interest may be paid annually, semi-annually, quarterly, or monthly. The first payment will be made at the end of the interest frequency period chosen. The guaranteed interest rate is 3% a year, compounded yearly. Interest shall not be paid beyond the lifetime of one Payee except with our consent.

**Evidence of Survival**

We have the right to require satisfactory proof of any payee's age. The right to change options is not available after payments commence under this option.

**Automatic Payment Option**

If settlement of the proceeds of this policy is delayed over 30 days, option 5 will be applied automatically. Interest will be paid yearly and the person(s) entitled to the proceeds has the right to withdraw the proceeds or elect any payment option permitted by this policy. The legal rate indicated by the state will be used if it is higher than our declared rate.

**Basis of Values**

The payment option tables are based on 3% interest compounded yearly. For options involving lifetime income, rates in the tables are based on Table "a" mortality rates. We may offer more favorable rates than those determined on this basis.

**Additional Options**

Any proceeds payable under this policy may be paid under any other method of payment agreed to by us at the time of settlement.

ANNUITY TABLES  
Monthly Income per \$1,000 of proceeds

Age	OPTION 1 LIFE ONLY		OPTION 2 LIFE WITH PERIOD CERTAIN							
	MALE	FEMALE	60 MONTHS		120 MONTHS		180 MONTHS		240 MONTHS	
			MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
50	4.30	3.94	4.29	3.93	4.26	3.92	4.20	3.89	4.11	3.85
51	4.38	4.00	4.37	3.99	4.33	3.98	4.27	3.95	4.17	3.90
52	4.47	4.07	4.45	4.06	4.41	4.04	4.34	4.01	4.23	3.96
53	4.56	4.14	4.54	4.13	4.49	4.11	4.41	4.07	4.29	4.02
54	4.65	4.21	4.63	4.21	4.58	4.18	4.49	4.14	4.35	4.07
55	4.75	4.29	4.73	4.29	4.67	4.26	4.57	4.21	4.42	4.14
56	4.86	4.38	4.83	4.37	4.77	4.34	4.65	4.28	4.48	4.20
57	4.97	4.47	4.94	4.46	4.87	4.42	4.74	4.36	4.55	4.26
58	5.09	4.56	5.06	4.55	4.97	4.51	4.82	4.44	4.61	4.33
59	5.22	4.67	5.18	4.65	5.09	4.61	4.92	4.52	4.68	4.40
60	5.35	4.77	5.32	4.76	5.20	4.71	5.01	4.61	4.74	4.47
61	5.50	4.89	5.46	4.87	5.33	4.81	5.11	4.70	4.81	4.54
62	5.65	5.01	5.61	4.99	5.46	4.92	5.20	4.80	4.87	4.61
63	5.82	5.14	5.77	5.12	5.59	5.04	5.31	4.90	4.93	4.69
64	6.00	5.28	5.94	5.25	5.73	5.16	6.41	5.00	4.99	4.76
65	6.19	5.43	6.12	5.40	5.88	5.29	5.51	5.10	5.05	4.83
66	6.40	5.59	6.31	5.55	6.04	5.43	5.61	5.21	5.11	4.90
67	6.61	5.76	6.51	5.71	6.19	5.57	5.71	5.32	5.16	4.97
68	6.85	5.94	6.72	5.89	6.36	5.72	5.81	5.43	5.20	5.03
69	7.10	6.14	6.95	6.08	6.52	5.88	5.91	5.54	5.25	5.09
70	7.36	6.36	7.19	6.28	6.70	6.05	6.01	5.66	5.29	5.15
71	7.65	6.59	7.44	6.50	6.87	6.22	6.10	5.77	5.32	5.20
72	7.95	6.84	7.71	6.73	7.05	6.40	6.19	5.88	5.35	5.25
73	8.28	7.11	7.99	6.98	7.23	6.59	6.27	5.99	5.38	5.30
74	8.63	7.41	8.29	7.25	7.40	6.79	6.34	6.09	5.41	5.34
75	9.00	7.72	8.60	7.54	7.58	6.98	6.42	6.19	5.43	5.37
76	9.41	8.07	8.92	7.84	7.75	7.19	6.48	6.28	5.45	5.40
77	9.84	8.44	9.26	8.17	7.93	7.39	6.54	6.37	5.46	5.42
78	10.30	8.85	9.61	8.51	8.09	7.59	6.59	6.45	5.47	5.44
79	10.79	9.29	9.98	8.87	8.25	7.79	6.64	6.52	5.48	5.46
80	11.32	9.77	10.35	9.26	8.40	7.98	6.68	6.58	5.49	5.47
81	11.88	10.29	10.73	9.66	8.54	8.17	6.72	6.63	5.50	5.48
82	12.48	10.85	11.12	10.08	8.67	8.34	6.75	6.68	5.50	5.49
83	13.12	11.46	11.51	10.51	8.80	8.51	6.77	6.72	5.51	5.50
84	13.79	12.11	11.91	10.96	8.91	8.66	6.80	6.75	5.51	5.50
85	14.50	12.82	12.30	11.41	9.01	8.80	6.81	6.78	5.51	5.51
86	15.24	13.58	12.69	11.86	9.11	8.92	6.83	6.80	5.51	5.51
87	16.03	14.39	13.08	12.32	9.19	9.03	6.84	6.82	5.51	5.51
88	16.86	15.26	13.46	12.76	9.26	9.13	6.85	6.83	5.51	5.51
89	17.75	16.17	13.83	13.19	9.33	9.22	6.86	6.84	5.51	5.51
90	18.70	17.13	14.20	13.60	9.39	9.29	6.86	6.85	5.51	5.51
91	19.71	18.12	14.57	14.00	9.44	9.35	6.86	6.86	5.51	5.51
92	20.79	19.16	14.92	14.38	9.48	9.41	6.87	6.86	5.51	5.51
93	21.96	20.24	15.26	14.73	9.51	9.45	6.87	6.87	5.51	5.51
94	23.22	21.37	15.59	15.07	9.54	9.49	6.87	6.87	5.51	5.51
95	24.59	22.55	15.91	15.40	9.56	9.53	6.87	6.87	5.51	5.51

ANNUITY TABLES  
Monthly Income per \$1,000 of proceeds

AGE OF FEMALE	OPTION 3 JOINT LIFE INCOME AGE OF MALE									
	50	55	60	65	70	75	80	85	90	95
50	3.63	3.71	3.78	3.84	3.87	3.90	3.91	3.92	3.93	3.93
55	3.77	3.91	4.02	4.11	4.18	4.22	4.25	4.27	4.28	4.29
60	3.91	4.10	4.28	4.43	4.55	4.64	4.69	4.73	4.75	4.76
65	4.02	4.28	4.54	4.78	4.99	5.15	5.26	5.33	5.37	5.40
70	4.12	4.43	4.77	5.14	5.48	5.77	5.99	6.14	6.23	6.29
75	4.19	4.55	4.97	5.47	5.99	6.49	6.90	7.21	7.42	7.56
80	4.23	4.63	5.12	5.74	6.45	7.21	7.94	8.54	9.00	9.32
85	4.26	4.68	5.22	5.93	6.80	7.84	8.95	10.01	10.91	11.63
90	4.28	4.71	5.28	6.04	7.04	8.29	9.78	11.36	12.87	14.24
95	4.29	4.73	5.31	6.11	7.18	8.58	10.35	12.40	14.54	16.71

Income Payments for ages not shown furnished upon request.

ANNUITY TABLES

Monthly Income per \$1,000 of proceeds

OPTION 4 ANNUITY CERTAIN	
YEAR	INCOME
5	17.91
6	15.14
7	13.16
8	11.68
9	10.53
10	9.61
11	8.86
12	8.24
13	7.71
14	7.26
15	6.87
16	6.53
17	6.23
18	5.96
19	5.73
20	5.51
21	5.32
22	5.15
23	4.99
24	4.84
25	4.71
26	4.59
27	4.47
28	4.37
29	4.27
30	4.18



1701 Research Boulevard  
Rockville, MD 20850

### **Renewable and Convertible Term Life Insurance**

**A change of premium provision is applicable subject to guaranteed maximum premiums**

**The face amount is payable at death prior to expiration date**

**Nonlevel premiums are payable as shown in the policy schedule to the expiration date or until the death of the insured**

**This policy is renewable to the expiration date**

**This policy is convertible to the end of the conversion period**

**This policy is non-participating and no dividends are payable**