

SERFF Tracking Number: CAKN-126219082 State: Arkansas
Filing Company: Catholic Knights State Tracking Number: 43067
Company Tracking Number:
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: Endorsement to Annuity
Project Name/Number: Endorsement to Annuity/42-01601-06/09

Filing at a Glance

Company: Catholic Knights

Product Name: Endorsement to Annuity

TOI: A10 Annuities - Other

Sub-TOI: A10.000 Annuities - Other

Filing Type: Form

SERFF Tr Num: CAKN-126219082 State: Arkansas

SERFF Status: Closed-Approved- State Tr Num: 43067

Closed

Co Tr Num:

State Status: Approved-Closed

Reviewer(s): Linda Bird

Authors: Susan Bacon, Judy Halas Disposition Date: 07/27/2009

Date Submitted: 07/21/2009

Disposition Status: Approved-

Closed

Implementation Date:

Implementation Date Requested: 08/01/2009

State Filing Description:

General Information

Project Name: Endorsement to Annuity

Project Number: 42-01601-06/09

Requested Filing Mode: File & Use

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 07/27/2009

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 06/30/2009

Domicile Status Comments: Deemer Date
7/26/2009

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 07/28/2009

Created By: Judy Halas

Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Judy Halas

Filing Description:

Form 42-01601-06/09 is an Endorsement which will be added to our current new issue annuities effective August 1, 2009. This Endorsement will become a part of the annuity contract to which it is attached. The purpose of this Endorsement is to provide additional options for the owner to withdraw funds without a surrender penalty. Modified actuarial memorandums for the four currently sold deferred annuity contracts are included which reflect the provisions of the Endorsement.

Company and Contact

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	07/27/2009	07/27/2009

SERFF Tracking Number: *CAKN-126219082* *State:* *Arkansas*
Filing Company: *Catholic Knights* *State Tracking Number:* *43067*
Company Tracking Number:
TOI: *A10 Annuities - Other* *Sub-TOI:* *A10.000 Annuities - Other*
Product Name: *Endorsement to Annuity*
Project Name/Number: *Endorsement to Annuity/42-01601-06/09*

Disposition

Disposition Date: 07/27/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: CAKN-126219082 State: Arkansas
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Policy Contracts		Yes
Form	Endorsement to Annuity		Yes

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Form Schedule

Lead Form Number:

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	42-01601-06/09	Certificate	Endorsement to Amendmen Annuity t, Insert Page, Endorseme nt or Rider	Initial		50.100	Annuity Endorsement 42-01601-06-09.pdf



1100 West Wells Street
Post Office Box 05900
Milwaukee WI 53205-0900

414-273-6266 Telephone
414-223-3201 Fax
800-927-2547 Toll-Free
www.catholicknights.org

ENDORSEMENT OF ANNUITY CERTIFICATE

ENDORSEMENT OF ANNUITY CERTIFICATE NUMBER: _____

This endorsement is part of a legal contract between the owner and Catholic Knights.

Surrender charges that otherwise apply will be waived when:

1. The owner and the annuitant are the same person, and after the issue date:
 - a. The owner is age 64 or younger and becomes totally disabled for at least three (3) months. This means, due to injury or disease, not being able to perform the essential duties of the owner's occupation. Or;
 - b. The owner, spouse or dependent child enrolls full-time in post-high school studies. Charges will be waived on only \$25,000 under this section. Or;
 - c. The owner meets the definition for receiving qualified long-term care services under Internal Revenue Code section 7702B. Or;
 - d. The owner or spouse is diagnosed by a doctor with a terminal illness with less than 12 months to live.

A person must apply for this waiver while still undergoing one of the above circumstances. Any approved withdrawal will be subject to our usual rules regarding minimums, frequency of payments and remaining balances.
Or;

2. After the contract has been in force for more than one (1) year the owner applies the values to a non-life guaranteed period option. The minimum interest rate credited will be an annual effective interest rate of 1½%.
Or;
3. In the final year of surrender charges the contract is exchanged for a new Catholic Knights annuity.

Signed for Catholic Knights by its president and secretary. This endorsement is effective on the date of the certificate to which it is attached.

William R. O'Toole

William R. O'Toole
President

Allan G. Lorge

Allan G. Lorge
Secretary

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Supporting Document Schedules

Item Status: **Status**
Date:

Satisfied - Item: Flesch Certification

Comments:

Attached is our Certificate of Readability as requested. This document is submitted in support of our request for approval of the Annuity Endorsement 42-01601-06/09.

Attachment:

Readability Certificate-Ann Endorsement 09.pdf

Item Status: **Status**
Date:

Satisfied - Item: Application

Comments:

Attached is our Annuity Application which has been previously approved. The document is submitted for informational purposes.

Attachment:

23-00440LA-06-05 (Rev 07-07).pdf

Item Status: **Status**
Date:

Satisfied - Item: Policy Contracts

Comments:

Attached are the Annuity Contracts as referred to in the filing description under the General Information tab. There have been no changes to the contracts; they are attached for informational purposes.

Attachments:

Advantage - 3A0 02-09 (FINAL 01-27-09).pdf

AN022 7-04 Rev 07-06 _Final_.pdf

Classic - 3A2 02-09 (FINAL 01-27-09).pdf

SPDA-5 10-03 MR.pdf

CATHOLIC KNIGHTS
CERTIFICATE OF READABILITY

I, Alan R. Bembenek, General Counsel of Catholic Knights, do hereby certify that to the best of my information, knowledge and belief the form listed below is deemed to be readable in accordance with the requirements of the laws of the State of Indiana and that its Flesch Test score under the method of Insurance Rule §6.07 is as follows:

<u>Form Number</u>	<u>Form Title</u>	<u>Readability Score</u>
42-01601-06/09	Endorsement to Annuity	50.1

Dated at Milwaukee, Wisconsin, this 21st day of July, 2009.



Alan R. Bembenek
General Counsel, Catholic Knights

Application For Life Insurance

CATHOLIC KNIGHTS



Membership: To qualify, one of the following questions must be answered "Yes".

To be completed by Home Office.

Branch # _____

Is Proposed Insured:

a) Catholic? Yes No Parish name/City _____

b) Spouse of a Catholic? Yes No Parish name/City _____

c) Child or grandchild (legal, adopted or step, regardless of age) of a Catholic? Yes No

d) Already a CK member or otherwise qualified as member? Yes No Explain: _____

(For Joint policies involving unmarried Proposed Insureds, BOTH must qualify for membership.)

Type of Application

- New Policy Conversion/Purchase Option Election (Give details in Page 3)
- Add Layer/Rider/Benefits to policy # _____ Change to Non Smoker rates on policy # _____
- (Indicate existing Rider to be deleted) _____ Review extra rating on policy # _____

Proposed Insured (Complete in all cases. This person will also be the policy owner, unless the Owner section is completed below.)

Name: _____ Gender: Male Female

Date of Birth: _____ - _____ - _____ Age: _____ Place of Birth: _____ Social Security # _____ - _____ - _____

Month Day Year

Marital Status: Single Married Maiden Name: _____ Phone # (_____) _____ - _____

Residence Address: _____

Street City State Zip Code

Occupation: _____ Name of Employer: _____ How long at this occupation? _____

Employer's Address: _____

Street City State Zip Code Phone # (_____) _____ - _____

Additional Proposed Insured (Complete only if Joint policy or Spouse term rider coverage is applied for.)

Name: _____ Gender: Male Female

Date of Birth: _____ - _____ - _____ Age: _____ Place of Birth: _____ Social Security # _____ - _____ - _____

Month Day Year

Marital Status: Single Married Maiden Name: _____ Phone # (_____) _____ - _____

Residence Address: _____

Street City State Zip Code

Occupation: _____ Name of Employer: _____ How long at this occupation? _____

Employer's Address: _____

Street City State Zip Code Phone # (_____) _____ - _____

Owner (Complete on all cases for Proposed Insureds 15 and under; for adults only if other than the Primary Insured above.)

1. Name of Individual/Entity* _____ Gender: Male Female Date of Birth: _____

If a Trust, complete verification of Trust form.

Address: _____

Street City State Zip Code

Phone # (_____) _____ - _____ Relationship to Proposed Insured: _____ Social Security/Tax ID # _____

If owner is revocable trust without tax ID use Grantor's Social Security #.

*If an entity, name a contact Person: _____ Phone # (_____) _____ - _____

2. Successor Owner Name: _____ Relationship _____

Home Office Use:

Policy Number:

Policy Date:

Backdate to Save Age

Designation of Beneficiaries

1. Gift to Parish or Other Charities - The following amount(s) shall be paid to the parish(es) or other religious or charitable organization(s) or its successors named below.

Name and Address of Parishes and/or Charitable Organizations

Amount or Percentage

2. Remaining Proceeds - The proceeds (or the remaining proceeds if #1 is completed) shall be paid to the Primary Beneficiaries in the indicated shares or, if no Primary Beneficiary survives, to the Contingent Beneficiaries in the indicated shares. If there is no surviving Beneficiary, payment will be made to the Owner or, if the Owner is the Insured or died before the Insured, to the Owner's estate. The share of a Beneficiary who does not survive shall be allocated proportionally among the surviving Primary or Contingent Beneficiaries. For an individual, to "survive" and "surviving" mean being alive when the Insured dies, and for an entity those terms mean existing at that time and also filing a claim within one year.

The Owner may check one or more of the following options to modify the preceding paragraph;

- The share of any Beneficiary who does not survive shall be paid in equal shares to the Beneficiary's surviving children.
- A Beneficiary who dies within 30 days after the Insured's death shall be deemed not to have survived.
- If I named a Custodian for a Beneficiary who is a minor at the time of payment, the Beneficiary's share shall be paid to the Custodian, under the Uniform Transfers (or Gifts) To Minors Act of the state in which the Beneficiary is then domiciled.

(Choosing this option can reduce expense and delay at the time of payment.)

Primary (Equal shares unless percentages are stated next to each beneficiary) (If naming a trust complete "Trust as Beneficiary" section below)

Name (First, Initial, Last)	Relationship	Gender	Date of Birth	Address/Social Security #
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____

[and] all [other] [children] [grandchildren] of the Insured, whenever born or adopted. (Cross out unwanted words) The Insured's estate.

Contingent (Equal shares unless percentages are stated next to each beneficiary) (If naming a trust complete "Trust as Beneficiary" section below)

Name (First, Initial, Last)	Relationship	Gender	Date of Birth	Address/Social Security #
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____
_____	_____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____

[and] all [other] [children] [grandchildren] of the Insured, whenever born or adopted. (Cross out unwanted words) The Insured's estate.

Trust as Beneficiary (Complete Verification of Trust Form if section b is completed below)

a) Trust under the Insured's last will.

Primary Contingent

b) Trust name _____ Trust dated _____ as amended.

Children's Term Rider Information (Complete this section only if applying for CTR. Otherwise, go to the next section.)

(List all natural, adopted and stepchildren living with Proposed Insured who have not reached their 21st birthday. Coverage for future children begins on the 15th day of life, or after adoption is final.)

Name	Gender	Age	Birth date	SS#
Child _____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
Child _____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
Child _____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____
Child _____	<input type="checkbox"/> M <input type="checkbox"/> F	_____	_____	_____

Are there any children on whom coverage is not being requested? Yes No

If "Yes" give name and reason

Child _____ M F

Term Conversion/Purchase Option Election

New Incontestability and Suicide clauses will apply only to amounts and /or benefits issued in excess of those guaranteed by the original contract.

Term Conversion

- Term policy/rider being converted # _____ This term policy/rider will be reduced to \$ _____.
- Children's Term Rider "individual" conversion from Policy # _____.

If the existing policy carries an assignment, then the assignment shall remain in force against the new policy. In consideration of the issuance of the new policy, Catholic Knights is released from all liability under that portion of the policy being converted.

Purchase Option Election Existing Policy # _____

- Type of Option: Guaranteed Insurability Rider Juvenile Purchase Option
- Joint Life Survivor Option Purchase of Individual policy(s) due to Termination of Joint Life policy
(Relationship among insureds has ended.)

Waiver of Premium

- Is Waiver of premium benefit being requested? Yes No
- Is proposed insured now disabled? Yes No

Complete pages 4 & 5 only if:

- Waiver of Premium is requested and the existing policy/rider did not contain nor guarantee this benefit.
- Additional coverage/benefits are being applied for; or
- A change of rating or classification is also being applied for.

Coverage Information

Base Coverage

Plan Name: _____

Amount: \$ _____

Riders

- Primary Insured: Plan Name: _____ Amount \$ _____
- Additional Insured: Plan Name: _____ Amount \$ _____
- LTC Benefits Rider
(Complete separate application.) Amount \$ _____
- LTC Extended Benefits Rider
(Complete separate application.) Amount \$ _____
- _____

Benefits

- Waiver Of Premium
- Accidental Death Benefit \$ _____
- Children's Term Rider \$ _____
- Guaranteed Insurability Option \$ _____
- Payor Benefit

Premium Class:

- Primary: Smoker Non Smoker Select Select Plus
- Additional Ins.: Smoker Non Smoker Select Select Plus

Layer

Amount \$ _____

Plan Code _____

Policy Options

- Participation Credit to Reduce Premium Option: Yes
(Interest Sensitive Products Only, assumed "No" unless "Yes" is checked)
- Dividend Option: Cash Paid Up
(Traditional Products Only) Interest Reduce Premium
- If available, is Automatic Premium Loan Requested?
(Assumed Yes, unless No is checked.) No

Premium Information:

- A. Premium Payment Mode:
- Annual
 - Semi-Annual
 - Quarterly (if available)
 - Single Premium (SP/ SPR only) \$ _____
 - Monthly - EFT (Complete authorization on Page 10)
- B. Required Contract Premium for Mode Selected \$ _____
- C. Elected Premium Outlay (if different) \$ _____
For layer, indicate Billing Premium for entire policy.

Home Office Use:

Life Insurance in Force

(On all proposed insureds. For Juvenile applications, also indicate all coverage on parents and siblings) Check if None

First Name	Company	Amount Of Insurance	Relationship to Applicant (For Juvenile applications only)
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

General Information

(Complete the following information on all persons to be covered.)

1. Aviation and Military:

a. Except as a passenger on a regularly scheduled flight, does any person to be covered intend to fly or has he/she flown during the past two years? Yes No

If "Yes," complete Aviation Questionnaire.

b. Is any person to be covered a member, or does he/she intend to become a member of the armed forces (including reserves or National Guard)? Yes No

If "Yes," complete Military Questionnaire.

2. Avocation and Sports:

In the past three years, has any person to be covered participated in any form of racing, skin or scuba diving, skydiving, parachuting, hang gliding, rock climbing or any similar sport or avocation? Yes No

If "Yes," complete Avocation Questionnaire.

Remarks: Give details for any question answered "Yes". Identify person affected.

3. Driving Information (Complete in all cases)

a. Driver's License

Proposed Insured's # _____ State _____
 Additional Insured's # _____ State _____

b. Has any Proposed Insured been charged with any moving violation or accident, had driving license suspended, or been convicted of driving under the influence of drugs or alcohol within the last 5 years? Yes No

4. Other Insurance

a. Has any company declined to issue, renew or reinstate; rated, modified, postponed or cancelled any life or health insurance on any person to be covered? Yes No

b. Will insurance, including annuities, in any company, be discontinued or changed, or subject to borrowing of cash value, if the insurance applied for is issued? Yes No

c. Is any application for life or health insurance on any person to be covered pending in any other company? Yes No

5. Annual Income Information:

Proposed Insured: \$ _____

Other/Spouse: \$ _____

Personal Measurements (To be completed for all Proposed Insureds.)

Name	Height	Weight
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____

Name	Height	Weight
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____
_____	ft. _____ in. _____ lbs. _____	_____

Home Office Use:

Fraud Warning

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.

Acknowledgment

Those Who Signed Below Understand And Agreed That:

1. They have received the Notice of Insurance Information Practices. Catholic Knights may release information to the MIB in accordance with this notice.
2. They have read the above statement and answers and the statements and answers are true and complete, to the best of their knowledge and belief.
3. Any false statement or misrepresentation in the application may result in the loss of coverage under the policy.
4. This application and any required medical examination will become a part of the insurance contract.
5. Catholic Knights reserves the right to require a medical examination and medical testing of any person proposed for coverage.
6. Acceptance of any policy issued in response to this application will be a ratification of corrections, additions or changes made and noted in the spaces marked "Home Office Use", except that any change in amount, plan of insurance, classification of risk or benefits shall be made only with their written consent.
7. Except as provided for in the Conditional Insurance Agreement, no coverage shall take effect:
-Until the policy is delivered to the owner and the first required premium is fully paid during the lifetime of the person(s) to be insured; and
-Unless the insurability of the persons to be covered remains as described in this application.
8. No Financial Service Representative, medical examiner or other person, other than the President or Secretary of Catholic Knights, can make or alter this contract or waive Catholic Knights rights or requirements.

Authorization to Obtain Information

I, the Proposed Insured(s) hereby authorize any licensed physician, medical practitioner, any medical or related facility, insurance or reinsurance company, the MIB, employer, individual, entity, or consumer reporting agency, to give to Catholic Knights, its reinsurers or its legal representatives, any and all medical and non-medical information available on me and my minor children, including all historical records and any records dated up to two years beyond the date of this authorization, concerning diagnosis or medical history, treatment and prognosis of any physical or mental condition, psychiatric history or treatment and drug or alcohol abuse history or treatment.

I further authorize the above sources, except the MIB, to provide the information to any consumer reporting agency or to any legal agent employed by Catholic Knights to collect such information. I understand that Catholic Knights will use this information to determine eligibility for insurance coverage or claim benefits. Catholic Knights will only release this information to organizations performing business, insurance or legal services for Catholic Knights in connection with my application or claim, or as may otherwise be lawfully required.

This authorization is valid for two years from the date shown below, unless revoked earlier. I agree that copies of this authorization may be used in place of the original. I (or my authorized representative) am entitled to receive a copy of this authorization form.

I request to be interviewed if an investigative report is required.

I certify under penalties of perjury: 1. that the Social Security Number shown on page 1 is correct, and
2. that I am not subject to backup withholding. (If subject to withholding please cross out #2)

I have read the above statements and answers.

Date Signed _____ at _____
Month/ Day/ Year City/State

Signature of Proposed Insured (A parent or guardian must always sign application if Proposed Insured is under age 16.)

Signature of Spouse (under a Joint Life policy) or Additional Proposed Insured

Signature of any Persons ages 16-20 to be covered under Children's Term Rider

Signature of Owner

List the names of all children ages 0-15 to be covered.

Witnessed by: _____
Catholic Knights Representative

Serial No.

Receipt for Payment and Conditional Insurance Agreement



If, within the past 12 months, any person proposed for coverage has been treated for heart trouble, stroke or cancer, no payment may be accepted with the application. If coverage in excess of \$750,000 is being applied for on any person, no payment may be accepted, regardless of health history.

Please Read this Agreement Carefully

Terms and Conditions of Agreement

A. Coverage Amount

The amount of insurance that is in effect by this Agreement for each Proposed Insured is the amount shown in the application, but in no event shall Catholic Knights liability under this and any other Agreements be more than \$300,000 for each Proposed Insured.

B. Coverage Limitations.

1. No coverage shall be in force unless the amount paid with this application is at least equal to a full monthly premium for the policy requested.
2. No coverage shall be in force if the person(s) proposed to be insured is not a risk insurable in accordance with Catholic Knights rules, limits and standards for the plans and amounts applied for without any modification as to plan, amount, riders and/or the rate of premium paid.
3. No coverage shall be in effect if there is any material misrepresentation in the application.
4. If death is by suicide, Catholic Knights liability under this Agreement will be limited to a return of the initial premium submitted.

Terms and Conditions continued on reverse side.

Serial No.

Tear Off

Notice Of Insurance Information Practices

This form should be left with the Proposed Insured in all cases.

CATHOLIC KNIGHTS

1100 West Wells Street
Milwaukee, Wisconsin 53233
(414) 273-6266 or 1-800-927-2547



Thank you for your application for life insurance with Catholic Knights. Information regarding insurability helps us to evaluate your application, and it will be treated as confidential. Sources for this information include: your statements made on the application or in a telephone interview, physical examination, results from medical testing and reports Catholic Knights receives from doctors or medical facilities, the MIB or from investigative consumer reports.

A report from a consumer reporting agency or a call by one of our employees may be needed to help us evaluate your insurability. While most reports are based on a telephone interview with you alone, occasionally a report may include interviews with personal and business sources. Information requested may cover your medical history, financial condition, personal characteristics, general reputation, character, mode of living and insurance history. All information will be treated confidentially by Catholic Knights.

Catholic Knights will always attempt to have you interviewed for such a report. At your request, you will be informed if a report has actually been ordered. If one has been ordered, you may request (1) a complete and accurate disclosure of the nature and scope of the investigation requested (2) a copy of the report and (3) a summary of your rights under the Fair Credit Reporting Act. We will provide you with the requested items.

Notice of Insurance Information Practices continued on the other side.

C. When Coverage Begins (subject to the Limitations in section B above.)

Coverage under this Agreement begins on the **latest** of the following dates:

- The date of this application
- The date of this Agreement
- The effective date specifically requested in the application
- The date of completion during the proposed insured's life of all examinations and medical studies required by the rules and practices of Catholic Knights.

D. When Coverage Ends (subject to the Limitations in section B above)

Insurance coverage under this Agreement will end on the **earliest** of the following dates:

- 60 days from the date it begins
- The date insurance begins on the policy applied for

If the Owner does not accept delivery of the policy, or if the insurance is not issued, any payment will be returned to the Owner.

If the coverage/benefit applied for is not issued, the payment for that coverage/benefit will be returned.

No Financial Service Representative of Catholic Knights is authorized to change or waive any of the terms of this Agreement.

Received \$ _____ From _____ Date _____
Owner's Name

Paid by: Check Transfer of Funds from policy # _____ Other _____

for the insurance applied for in the application to Catholic Knights bearing the same number as this receipt. This Agreement is void if any check given for payment is not honored on its first presentation. Any check must be made payable to Catholic Knights.

Catholic Knights Financial Service Representative

Tear Off

Catholic Knights, or its reinsurers may provide information about your insurability in coded form to the MIB, a nonprofit organization of life insurance companies. The MIB operates an information exchange on behalf of its members. If a report is made, it will contain only objective findings: it will not indicate what action Catholic Knights takes on your application. If you apply to another MIB member company for life or health insurance coverage, or if you submit a claim for benefits to such a company, the MIB, upon request, will supply the information in its file.

Upon receipt of a request from you, the MIB will arrange disclosure of any information it may have in your file. If you question the accuracy of information in the MIB file, you may contact them. A correction may be sought in accordance with the provisions set forth in the Federal Fair Credit Reporting Act. The address of the MIB Information Office is P.O. Box 105, Essex Station, MA 02112; telephone number 617-426-3660.

Catholic Knights, or its reinsurers, may also release information in its files, without requiring prior authorization, to insurance and/or non-insurance entities performing services for us, with the purpose of determining eligibility for insurance coverage, evaluating a claim, detecting fraud or misrepresentation, performing actuarial or research studies. We may also release this information to an insurance regulatory authority, to a law enforcement or other governmental authority, in certain circumstances. Catholic Knights will only make such disclosures as are permitted by law.

Upon receipt of an authorization signed by you, Catholic Knights, or its reinsurers, may also release information in its files to other life insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted.

You are entitled to have access to all your personal information obtained or disclosed by Catholic Knights. You may request to see a copy of your records in person, by mail, by telephone or by any other means of communication chosen by you. You may also request a summary of the procedures by which you may request correction, amendment or deletion of your personal information recorded in our files. A copy of your signed authorization to obtain information may also be requested.

This page is only informational and is not part of the application or of any resulting life insurance contract.

Life Insurance Submission Report

(To be completed for all sales. A copy of this form will be returned with the issued policy.)

Proposed Insured _____ Owner (If other than Proposed Insured) _____

1. What need is the insurance coverage intended to address?

- Payment of Final Expenses Retirement Planning College Funding Charitable Donation
- Income Protection Mortgage/Loan Cancellation Settling Estate
- Business Needs (Key Person, Buy-Sell, etc.) _____ Other _____

2. How was the amount of coverage determined?

- Insured's Request Business Planning LP 2000/Needs Analysis Affordability
- Estate Planning Other _____

3. Were any possible future changes in insurance coverage discussed or considered? Yes No

- If "Yes": Additional Coverage Conversions Reduced Coverage Other _____

Applicable to Interest Sensitive Products Only:

4. At the time of application is the elected premium outlay (billing amount) less than the required contract premium? Yes No

If "Yes" indicate how/when the balance of the required premium will be paid and the source of payment.

- Participation Credits Excess PDF Other Policy Values Other: _____

5. Is it anticipated that the initial elected premium outlay (billing amount) will remain the same for the life of the policy? Yes No

If "No" provide detailed amounts and dates of anticipated billing changes:

- Increase future billing: _____ Decrease future billing: _____

(Notification of future billing changes is the responsibility of the Owner at that time.)

6. Does this contract involve a modified death benefit? Yes No

If yes, has this feature been fully explained to the Owner's satisfaction? Yes No

This is our understanding of the life insurance application being submitted with this report.

Signature of Owner _____

Catholic Knights Financial Service Representative _____

Date _____

Financial Service Representative's Report

1. Do you have knowledge or reason to believe that replacement or change of existing insurance may be involved? Yes No

2. Has a Replacement Form been completed? Yes No

3. Was the Conditional Insurance Agreement explained and given to the Owner? Yes No

4. Was the Notice of Insurance Information Practices explained and given to the Proposed Insured? Yes No

5. a. Have you seen all persons applying for insurance under this application? Yes No

b. Did the Proposed Insured/Owner specifically contact you for this policy? Yes No

c. How well do you know the Proposed Insured? Family Known well Met on solicitation

6. What was the source of this lead?

Existing Client Contractual Offer _____ Death Claim- Policy # _____

Referred Lead Marketing Campaign _____ Branch Event _____

Charitable Giving Seminar _____ Other _____

7. If there would be a need to contact the Proposed Insured, what would be a good time and place to do it?

I hereby certify, that to the best of my knowledge and belief, the answers on the application and in this report are correct.

Catholic Knights Financial Service Representative _____

Date _____

Sales Illustration Certification

Serial No.

(Complete either Section I or Section II, including signatures, only if the plan chosen requires an illustration.)

SECTION I Certification That No Illustration Conforming To Application Was Used.

Financial Service Representative's Statement: I certify that no illustration matching the life insurance policy as applied for was provided to the Owner. I have explained that upon approval, an illustration conforming to the policy issued will be provided to the Owner no later than at the time of policy delivery. I have also explained that any non-guaranteed elements of the policy applied for are subject to change.

Financial Service Representative _____ Date _____

Owner's Statement: I acknowledge that I have received no illustration which conforms to the policy applied for. I further understand that I will be provided, no later than at the time of policy delivery, an illustration that conforms to the policy as issued, if any.

Signature of Owner _____ Date _____

SECTION II Certification For Computer Screen Illustration

Financial Service Representative's Statement: I certify that I displayed a computer screen illustration or illustrations to the Owner that complies with state requirements and for which no paper copy was furnished. The illustration(s) were based on the personal and policy information given in the application bearing the above serial number.

Financial Service Representative _____ Date _____

Owner's Statement: I acknowledge that I have viewed a computer screen illustration based on the information given in the application bearing the above serial number. No paper copy of the illustration was furnished. I understand I will be provided, no later than at the time of policy delivery, an illustration that conforms to the policy as issued, if any.

Signature of Owner _____ Date _____

Electronic Funds Transfer Plan Authorization

I/We hereby request and authorize CATHOLIC KNIGHTS, Milwaukee, Wisconsin, to draw funds under the Electronic Funds Transfer Plan to pay the premiums on the policy resulting from this application. The funds should be drawn from the following account:

_____ Checking Acct # _____

(Print Names as shown on account - First and Second Authorized Signatures.

This should agree with bank signatures. Include name of firm if funds are to be drawn from business account.)

Savings Acct # _____

at _____ of _____
Name of Financial Institution City and State Branch Transit #

Subject to the following conditions:

1. The premium shall be drawn each month. (Draw date may differ from billing date.)
2. The privilege of paying premiums under this Plan may be revoked by Catholic Knights if any transfer is not paid upon presentation.
3. This Plan shall not be construed as a modification of any of the provisions of the policies, except that during the continuance of this Plan, Catholic Knights shall not be required to give notice of premiums becoming due on any of the policies issued to the undersigned.
4. The payment of premiums under this Plan may be discontinued by Catholic Knights, or the undersigned upon seven (7) days' written notice.

New EFT Existing EFT Policy # _____

Date Signature of Premium Payer If joint account, Other signature.

IMPORTANT: Attach a voided blank check or deposit slip

Underwriting Classifications Criteria

This information is being provided to assist the Representative in "guesstimating" the applicant's classification. If in doubt, apply for the next classification down. After reviewing the case, Underwriting will issue the policy at the best rate possible.

Non Smoking Criteria

No cigarettes smoked for one full year.

"Select" and "Select Plus" Criteria

	Select	Select Plus
Tobacco (Nicotine) Use	None for 1 Year	None for 3 Years
Total Cholesterol	240 or Less	220 or Less
Cholesterol/HDL	6 or Less	5 or Less
Family History	No more than one death of a parent or sibling from cardiovascular disease before age 60.	No deaths or diagnosis among parents or siblings from cardiovascular disease, stroke or cancer, before age 60.
Maximum Blood Pressure	135/85 Ages 0-44 140/90 Ages 45-Up	135/85 Ages 0-44 140/90 Ages 45-Up
Driving History	No DUI in last 5 years and only 2 moving violations in the last 3 years.	No DUI, reckless driving, suspended license or multiple accidents in the last 5 years. No more than one moving violation in the last 3 years
Height/Weight	Within range shown in table below.	Within range shown in table below.
Drug Dependency	No history of drug or alcohol dependency in the last 10 years.	No history of drug or alcohol dependency in the last 10 years.
Other Impairments	Must not be substandard for any reason, other than flat extras for avocations and aviation.	Must not be substandard for any reason.

Height and Weight Chart

Height	Under weight	Select	Select+	Average	Select+	Select	Over weight*
4'10"	78	90	96	120	132	144	197
4'11"	81	93	99	124	136	149	201
5'0"	84	97	103	129	142	155	205
5'1"	86	100	106	133	146	160	210
5'2"	90	104	110	138	152	166	214
5'3"	93	107	114	143	157	172	219
5'4"	96	110	118	147	162	176	225
5'5"	98	113	121	151	166	181	231
5'6"	101	117	125	156	172	187	237
5'7"	104	120	128	160	176	192	243
5'8"	107	124	132	165	182	198	250
5'9"	111	128	136	170	187	204	257
5'10"	113	131	139	174	191	209	264
5'11"	116	134	143	179	197	215	271
6'0"	120	138	147	184	202	221	279
6'1"	124	143	152	190	209	228	287
6'2"	127	146	156	195	215	234	295
6'3"	131	151	161	201	221	241	303
6'4"	134	155	165	206	227	247	311
6'5"	137	158	169	211	232	253	319
6'6"	141	163	174	217	239	260	326
6'7"	145	167	178	223	245	268	334
6'8"	148	171	182	228	251	274	341
6'9"	152	176	187	234	257	281	350

FSR Information

	Code	Split	Commission
Writing FSR	_____	_____%	<input type="checkbox"/> Earned <input type="checkbox"/> Advanced
FSR	_____	_____%	<input type="checkbox"/> Earned <input type="checkbox"/> Advanced

Policy No.

Initial Premium Payment Information

Use Dividends from # _____ # _____
 # _____ # _____

Use Cash Surrender Values from # _____
 # _____
 # _____

Use 1035 Exchange # _____
 # _____

Check enclosed for \$ _____ C.O.D. Application

Primary Insured's Last Name

Premium Received
(Home Office Use Only)

Amount	Date	Initials
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Premium Worksheet *(Complete for all cases)*

Plan Code _____ Gender: M F Joint: Age: _____

Base annual premium per \$1,000 \$ _____
 (Is Waiver of Premium included? Yes No)

Number of \$1,000's x _____

Basic annual Policy cost \$ _____

Policy Fee \$ _____

Riders Kind	Premium per unit	No. of units	
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
			\$ _____
			\$ _____
			\$ _____

Total Annual Premium \$ _____

Medical Requirements

	Prim. Insured	Additional Insured
Exam	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Blood	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
EKG	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Urine	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
Date Ordered	_____	
From	_____	
OFT collected by FSR	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes

Instructions to Home Office

Provide special instructions or any other information that you are aware of about the health, finances, habits or mode of living which may affect the insurability of the Proposed Insured(s) which has not been recorded in this application.



A Fraternal Benefit Society

ANNUITY CERTIFICATE

- Flexible Premium Deferred Annuity
- Guaranteed Monthly Life Income
- Guaranteed Cash Values
- Premiums Payable to the Maturity Date or Prior Settlement
- Withdrawal Charges For Only the First Two (2) Contract Years
- Dividends Payable If Earned

Catholic Knights agrees to pay the benefits provided in this certificate subject to its terms and conditions. Signed at Milwaukee, Wisconsin, on the certificate date.

William R. O'Toole

President

Allan G. Lorge

Allan G. Lorge
Secretary

RIGHT TO CANCEL—The owner may cancel this contract for any reason before midnight of the twentieth (20th) day after the owner received the certificate. This is done by delivering or mailing a written notice and the certificate to Catholic Knights, 1100 West Wells Street, Milwaukee, Wisconsin 53233. If mail is used, it is effective on the date postmarked with a correct address and sufficient postage. Catholic Knights will return all payments for this contract within ten (10) days after it receives the notice and the certificate. This contract will then be void from the beginning.

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SPECIFICATIONS PAGE

THIS CERTIFICATE IS A LEGAL CONTRACT BETWEEN THE OWNER AND CATHOLIC KNIGHTS.

READ YOUR CERTIFICATE CAREFULLY.

Definition—In this certificate, “we”, “our” and “us” refer to Catholic Knights.

Contract Years—Contract years and months are measured from the certificate date. For example, if the certificate date were May 1, 2009, the first contract year would end April 30, 2010.

Initial Fixed Interest Rate—The Annual Effective Interest Rate guaranteed until the Initial Fixed Interest Rate Expiry Date.

Initial Fixed Interest Rate Expiry Date—The date until which the Initial Fixed Interest Rate applies.

Guaranteed Minimum Interest Rate—We will credit the Initial Fixed Interest Rate from the certificate date until the Initial Fixed Interest Rate Expiry Date. After the Initial Fixed Interest Rate Expiry Date, we may change the current interest rate from time to time. However, we guarantee that the current interest rate will always be at least equal to an annual effective interest rate of three percent (3%). See Sections 10.1 and 10.2.

Surrender and Withdrawal Provisions—This contract provides certain limits on partial withdrawals. See section 4.2. This contract also provides for withdrawal charges in some instances if the owner surrenders the contract or takes partial withdrawals before a specified date. However, there are no withdrawal charges for payouts on the death of the owner or annuitant. There are no withdrawal charges for any withdrawal or surrender that: (a) is applied to a payout plan C or D under section 6.2; or (b) occurs after the second contract year. There are withdrawal charges for each other partial withdrawal or surrender. Each withdrawal charge is a percentage of the amount withdrawn. The withdrawal charge is six percent (6%) in the first contract year and three percent (3%) in the second contract year, so that there is no withdrawal charge after the second contract year. See section 4.3.

Forms and Procedures—We may require the owner to follow our procedures and to use our forms to take any action such as changing a beneficiary or requesting a withdrawal. We may require the owner to submit this contract for endorsement to show any change. The owner may obtain any information and forms from a sales representative or the home office of Catholic Knights.

CERTIFICATE NUMBER:

[1234567]

OWNER:

[JOHN DOE]

ANNUITANT:

[JOHN DOE]

CERTIFICATE DATE:

[02/01/09]

INITIAL MATURITY DATE:

[MM/DD/YYYY]

INITIAL PAYMENT:

[\$50]

INITIAL FIXED INTEREST RATE:

[3.50%]

INITIAL FIXED INTEREST RATE EXPIRY DATE:

01/31/2011

Guaranteed Values—The following table illustrates guaranteed values at the end of the indicated contract years. The table assumes that:

- a) we received a \$100 premium on the contract date and each contract anniversary date thereafter; and
- b) the owner made no withdrawals.

TABLE OF GUARANTEED VALUES

The table uses the Initial Fixed Interest Rate through the Initial Fixed Interest Rate Expiry Date and then assumes an annual effective interest rate of three percent (3.0%) for all subsequent years. Withdrawal charges may apply as described in section 4.3.

End of Contract Year	Guaranteed Values	End of Contract Year	Guaranteed Values	End of Contract Year	Guaranteed Values
1	\$103.50	16	\$2,078.48	31	\$5,153.89
2	210.62	17	2,243.83	32	5,411.50
3	319.94	18	2,414.15	33	5,676.85
4	432.54	19	2,589.57	34	5,950.15
5	548.52	20	2,770.26	35	6,231.66
6	667.97	21	2,956.37	36	6,521.61
7	791.01	22	3,148.06	37	6,820.26
8	917.74	23	3,345.50	38	7,127.86
9	1,048.27	24	3,548.86	39	7,444.70
10	1,182.72	25	3,758.33	40	7,771.04
11	1,321.20	26	3,974.08	41	8,107.17
12	1,463.84	27	4,196.30	42	8,453.39
13	1,610.75	28	4,425.19	43	8,809.99
14	1,762.08	29	4,660.95	44	9,177.29
15	1,917.94	30	4,903.77	45	9,555.61

SECTION 1. PARTIES

1.1 The Owner

The initial owner is named on page 3. There may be subsequent owners. See sections 5.1(a) and 7. In this certificate, "owner" refers to the then-current owner. Before the maturity date, the owner has surrender rights, the right to receive the annuity proceeds at the maturity date, and other rights as specified below. The owner's death before the annuitant's death and before the maturity date causes payment of the death benefit.

1.2 The Annuitant

The annuitant is named on page 3. The annuitant is the measuring life that determines the payments of the annuity proceeds at the maturity date. The annuitant's death before the owner's death and before the maturity date causes payment of the death benefit.

1.3 The Beneficiary

The initial beneficiary is named in the application. The owner may change beneficiaries as provided in section 8. In this certificate, "beneficiary" refers to the then-current beneficiary. If the owner or the annuitant dies before the maturity date, the death benefit is paid to the beneficiary. If a beneficiary is an entity that is ignored pursuant to IRC section 72(u) or the corresponding provision of any future U.S. tax law, the entity will be deemed to be a natural person for purposes of section 5.1(c)(3) and 6.1. The deemed natural person will be the individual for whom the entity is deemed to be acting as an agent.

SECTION 2 BENEFITS

2.1 Annuity Proceeds

The annuity proceeds are the total of:

The guaranteed value (described in section 10.1)
plus
Any excess interest (described in section 10.2)
minus
A withdrawal charge, if any (described in section 4.3).

2.2 Payment of the Annuity Proceeds

The annuity proceeds will be paid to, or applied to a settlement option for,

1. The owner upon cash surrender of this contract (see section 4.1); or
2. One or more designated beneficiaries at the death of the owner or the annuitant before the maturity date (see section 5); or
3. The owner at the maturity date (see section 3.2),

whichever of these events occurs first. Upon such payment or application of the full annuity proceeds, this contract will terminate.

SECTION 3. PAYMENT AT THE MATURITY DATE

3.1 Maturity Date

The initial maturity date is stated on page 3. Before a maturity date then in effect, the owner may extend the maturity date to any date permitted by our maturity-date rules then in effect. To change the maturity date, the owner must comply with the procedures specified by those rules. These procedures may include a rule that deems the owner to have accepted an extended maturity date that we propose if the owner does not timely notify us of non-acceptance. Hereinafter, "maturity date" refers to the then-current maturity date.

3.2 Payments

The annuity proceeds become payable to the owner on the maturity date if at that time the annuitant is alive and this contract is in force. The payments will be made pursuant to the owner's election of a lump sum or a payout plan under section 6. If the owner does not make such an election, we will pay the annuity proceeds in a lump sum. If the owner elects a payout plan based on a life, we will use the annuitant's life to determine the amount, duration and other terms of the plan.

SECTION 4. SURRENDER AND WITHDRAWAL PROVISIONS

4.1 Full Cash Surrender

The owner may surrender this contract at any time before the maturity date while the annuitant is alive. A surrender will be effective when we receive a satisfactory written surrender request at our home office. Except as provided in the next paragraph, upon surrender, we will pay the owner the annuity proceeds as reduced by any withdrawal charges. The owner may apply all or part of the annuity proceeds as reduced by any withdrawal charges to a payout plan under section 6. The contract will terminate on the date of surrender.

We may defer the payment of the proceeds for not more than six (6) months. If the deferral exceeds thirty-one (31) days, we will pay interest at the rate of three percent (3%) per annum for the deferral period.

4.2 Partial Cash Withdrawal

The owner may make withdrawals under the following rules:

- a) Each non-scheduled withdrawal must be at least \$200 and each scheduled withdrawal must be at least \$100. If annuity proceeds would be less than \$1,000 following any scheduled or non-scheduled withdrawal, we reserve the right to pay the withdrawal with the entire annuity proceeds as a full cash surrender under section 4.1.
- b) The owner may make up to twelve (12) scheduled, electronic withdrawals per year and up to four (4) non-scheduled withdrawals per year.

4.3 Withdrawal Charges

There are no withdrawal charges for any withdrawal or surrender that:

- a) is applied to a payout plan C or D under section 6.2; or
- b) occurs after the second contract year.

There are withdrawal charges for each other partial withdrawal or surrender. Each withdrawal charge is a percentage of the amount withdrawn. The withdrawal charge is six percent (6%) in the first contract year and three percent (3%) in the second contract year, so that there is no withdrawal charge after the second contract year.

4.4 Minimum Annuity Proceeds

We have the right to terminate this contract on any contract anniversary if:

1. the Annuity Proceeds is less than \$1,000; and
2. no premium payment has been received by us for at least 36 months.

We will notify you 60 days prior to termination of the contract. Upon termination we will pay you the annuity proceeds.

SECTION 5. DEATH OF THE OWNER OR ANNUITANT BEFORE MATURITY DATE

5.1 The Owner's Death

This subsection 5.1 applies upon the death of the owner before the maturity date, if the owner is also the annuitant or if the owner dies before the annuitant. Upon the owner's death:

- a) If the owner's spouse survives and is the sole primary beneficiary, the spouse may elect to continue this contract in force as the owner and annuitant, unless the owner chose a mandatory method of payment in the beneficiary designation that does not allow the spouse to change it. This subsection 5.1(a) does not apply to the subsequent death of the surviving spouse.
- b) If the owner's spouse does not make that election and in all other cases not covered by subsection (a), the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c) and to any method of payment that the deceased owner mandated. To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may choose to receive the annuity proceeds in a lump sum and/or under one or more of the payout plans described in section 6.
- c) The restrictions to which subsections 5.1(b) and 5.2(b) refer are that the payments must be:
 - 1) in a lump sum paid within five (5) years after the decedent's death; or
 - 2) pursuant to a payout plan A or B under section 6.2 that specifies that full distribution must be made no later than five (5) years after the decedent's death; or
 - 3) pursuant to a payout plan C or D under section 6.2 that specifies a payment period that begins within one year after the decedent's death and ends either at the beneficiary's death or at the end of a period not extending beyond the beneficiary's life expectancy; this option is available only if the beneficiary is a natural person.

5.2 The Annuitant's Death

This subsection 5.2 applies upon the death of the annuitant before the maturity date, if the annuitant is not the owner and dies before the owner. Upon the annuitant's death:

- a) If the annuitant's surviving spouse is the owner and sole primary beneficiary, the surviving spouse may elect to continue this contract in force with the surviving spouse as the annuitant and owner.
- b) If the owner is not a natural person, the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c)(1) or (2). To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may elect to receive the annuity proceeds in a lump sum and/or under one or more of the payout plans described in section 6.
- c) If the owner does not elect under subsection 5.2(a) and subsection 5.2(b) does not apply, the annuity proceeds will be paid to the beneficiary. To the extent that the owner did not mandate a form of payment, the beneficiary may elect a lump sum and/or one or more of the payout plans described in section 6.

SECTION 6. PAYOUT PLANS

6.1 Payout Plan Rules

The measuring life will be the annuitant, the owner, or the beneficiary for payments made pursuant to sections 3.2, 4.1, and 5, respectively.

All elections of payout plans must be made in accordance with our procedures and will take effect when we record them. When a payout plan starts, we will issue a contract that will contain the plan's terms. If the payee is not a natural person, the choice of a payout plan will be subject to our approval. A payee who receives a contract providing for payments for life but with a selected guaranteed period pursuant to plan C or E may from time-to-time designate one or more payout plan beneficiaries who would receive the guaranteed payment after the payee's death. If the payee does not designate a payout plan beneficiary or if no payout plan beneficiary survives the payee, any amount payable upon the payee's death will be paid to the payee's estate.

6.2 Payout Plans

The payout plans are:

- A. **Interest Deposit Account**—The allocated proceeds may be left on deposit with us and earn interest annually at rates that we determine from time to time, but never less than three percent (3%). The interest may be paid periodically or left to accumulate. The payee may withdraw all or part of the account at any time.
- B. **Payments For a Guaranteed Period**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest are fully paid over a guaranteed period that may be selected. Payments will continue for the guaranteed period even if the payee dies during that period. The guaranteed period must be at least five (5) years. We reserve the right to set a maximum limit. The payee may not withdraw any of the account at any time.

C. **Payments Based on a Single Life**

1. **Life Only**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over the payee's life expectancy. We will make payments for as long as the payee is alive. We will make no further payments after the payee's death. The payee may not withdraw any of the account at any time.
2. **Life with Guaranteed Period**- We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the payee's life expectancy and the probability that the payee would not survive a guaranteed period that may be selected. The payee may select a guaranteed period of ten (10) or twenty (20) years. Periodic payments will be made until the payee's death. The payee may not withdraw any of the account at any time. If the payee dies during the guaranteed period, the payout plan beneficiary may elect to receive the present value of the remaining guaranteed-period payments as a lump sum, or to continue the periodic payments to the end of the guaranteed period. If the payee dies after the guaranteed period, payments cease and no amount is due the payment plan beneficiary.

D. **Joint and Survivor Lifetime Payments**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the life expectancies of two (2) payees. We will pay that amount as long as one or both payees are living. Neither payee may withdraw any of the account at any time.

E. **Other Plans**—Other periodic plans may be arranged with us.

F. **Minimum Payment Guarantee**

1. The amount of the periodic payment under paragraphs B through E will be determined by a single interest rate that we will declare when the plan takes effect and which will be at least three percent (3%). Payments that depend on one or more lives will also be determined by a mortality table that we will declare when the plan takes effect and which will be at least as favorable to the beneficiary as the Annuity 2000 Mortality tables, split by sex.
2. Tables 1, 2 and 3 show the minimum guaranteed payments for each plan under paragraphs B, C and D, respectively, under certain stated assumptions.

6.3. **Frequency of Payments**

Monthly, quarterly, semi-annual or annual payments may be selected.

6.4 **Payout Plan Guaranteed Payments**

The monthly amounts shown are for each \$1,000 applied. To change monthly payments to quarterly, semi-annual or annual payments, multiply the monthly amount by 2.99, 5.96 or 11.81, respectively. The tables assume that no withdrawals are made, only the guaranteed interest of three percent (3%) is paid, and payments are made at the end of the payment mode selected. Tables 2 and 3 are based on the Annuity 2000 Mortality tables, split by sex.

TABLE 1 PAYOUT PLAN B: PAYMENTS FOR A GUARANTEED PERIOD							
Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts
5	17.95	9	10.56	13	7.73	17	6.24
6	15.18	10	9.64	14	7.28	18	5.98
7	13.20	11	8.88	15	6.89	19	5.74
8	11.71	12	8.26	16	6.54	20	5.53

TABLE 2 PAYOUT PLANS C: PAYMENTS FOR LIFE						
Payee's Age	No Guaranteed Period		Guaranteed Periods			
			10 Year		20 Year	
	Male	Female	Male	Female	Male	Female
50	4.09	3.84	4.06	3.83	3.96	3.77
55	4.48	4.17	4.43	4.14	4.25	4.05
60	5.00	4.61	4.90	4.56	4.57	4.37
65	5.72	5.20	5.51	5.10	4.90	4.73
70	6.71	6.04	6.26	5.81	5.18	5.07

TABLE 3 PAYOUT PLAN D: JOINT AND SURVIVOR LIFETIME ANNUITY PAYMENTS					
Male Age	Female Age				
	50	55	60	65	70
50	3.53	3.66	3.77	3.86	3.94
55	3.62	3.78	3.94	4.09	4.21
60	3.68	3.89	4.11	4.32	4.52
65	3.74	3.98	4.25	4.55	4.84
70	3.77	4.04	4.37	4.75	5.15

SECTION 7. OWNERSHIP

7.1 The Owner

The owner's rights expire at the maturity date, except for the right under section 3.2 to elect a payout plan under section 6. Until the maturity date, the owner may exercise all available contract rights without the consent of any beneficiary or the annuitant.

7.2 Transfer of Ownership

Prior to the maturity date, the owner may transfer the ownership of this contract by a written assignment that is satisfactory to us and received at our home office. Such a transfer is then effective as of the date the owner signed it.

7.3 Collateral Assignment

Prior to the maturity date, the owner may assign this contract as collateral security by a written assignment that is satisfactory to us. We assume no responsibility for the validity or effect of any collateral assignment of this contract. We will not be responsible to an assignee for any payment or other action that we take before we receive the assignment at our home office.

An assignment of this contract as collateral for a loan will modify a prior choice of payout plan. The amount due the assignee will be payable in one sum, and the balance will be applied under the payout plan. Payout plans may not be assigned for the benefit of creditors.

The rights of a beneficiary under this contract are subordinate to those of an assignee, unless the beneficiary was effectively designated as an irrevocable beneficiary prior to the assignment.

SECTION 8. BENEFICIARY

8.1. Designated Beneficiary

The owner may designate one or more beneficiaries to receive the annuity proceeds upon the death of the owner or the annuitant before the maturity date ("the applicable death"). A designation may include one or more contingent beneficiaries who become the beneficiaries if all the primary beneficiaries die before the applicable death. If more than one beneficiary in the same class (primary or contingent) is alive at the applicable death, we will pay them in equal shares unless the owner has specified otherwise. If no designated beneficiary is alive at the applicable death, we will pay the owner if then living or, if not, the owner's estate.

8.2 Change of Beneficiary

While the annuitant is alive, the owner may change any beneficiary by signing a written notice and sending it to us. No change is binding on us until it is recorded at our home office. Once recorded, the change binds us as of the date the owner signed it. The change will not apply to any payment we made before we recorded the owner's request. We may require that you send us this certificate to make the change.

SECTION 9. PREMIUMS

9.1 Flexible Premium Payment

Each premium is payable to Catholic Knights at its home office. Premiums may be paid at any payment interval that Catholic Knights offers from time to time. We allow changes from one payment mode to another. The initial payment is shown on page 3. The owner may vary subsequent payments, but each payment must be at least \$25. The owner may skip any or all future premium payments without causing the termination of the contract. The owner may resume premium payments after skipping one or more payments. The annuity proceeds depend upon the premiums paid. Premiums may be paid only while the annuitant is alive and the maturity date has not been reached.

SECTION 10. GUARANTEED VALUE AND EXCESS INTEREST

10.1 Guaranteed Value

The guaranteed value of this contract is the accumulation of premiums, offset by withdrawals, at the annual effective interest rates guaranteed on Page 3. The Initial Fixed Interest Rate remains effective through the Initial Fixed Interest Rate Expiry Date. The Guaranteed Minimum Interest Rate after the Initial Fixed Interest Rate Expiry Date will be equal to an annual effective interest rate of three percent (3%). Interest begins to accumulate on a premium when the home office receives it. Guaranteed values at any time during a contract year will be determined with allowance for the part of the year that has elapsed. A representative Table of Guaranteed Values for this contract is shown on page 4.

10.2 Excess Interest

In addition to the guaranteed values, We may pay or credit excess interest from time to time at an interest rate specified by us.

SECTION 11. DIVIDENDS

11.1 Dividends

Each year we determine our divisible surplus. We will credit this contract's share, if any, on the contract anniversary. Since we do not expect this contract to contribute to divisible surplus, we do not expect to credit any dividends to it. If a dividend were credited, the owner could choose between receiving it in cash or applying it toward a premium payment.

SECTION 12. GENERAL PROVISIONS

12.1 This Contract

This contract consists of this certificate, the application, and the Articles of Incorporation and Bylaws of Catholic Knights. Any subsequent changes to the Articles of Incorporation or Bylaws shall be binding upon the owner, annuitant, beneficiaries and other persons affected and shall govern and control in all respects, except that no changes shall destroy or diminish benefits promised in this certificate when it was issued. No change in this certificate is valid unless approved by an officer of Catholic Knights. No agent has authority to change this certificate or to waive any of its provisions.

Membership in Catholic Knights that is based solely on being an annuitant under this contract will expire if and when this contract is surrendered or lapses. However, cessation of membership will not change any of the contractual rights under this contract.

We will treat statements made in the application as representations and not warranties. We will not use statements made during the application process but not included in the application to rescind the contract or to change our obligations under the contract.

Any paid-up annuity, cash surrender or death benefits that may be available under this contract are not less than the minimum benefits required by any statute of the state in which the contract is made.

12.2 Incontestability

We will not contest this contract after it has been in force for two (2) years from the certificate date.

12.3 Misstatement of Age or Sex

If the annuitant's age or sex is not correctly shown in the application, we will adjust the income payable. The annuity income on the maturity date will be based on the annuitant's correct age and sex at that time.

12.4 Maintenance of Legal Reserves

As required by a statute, if Catholic Knights' financial position becomes impaired, the Board of Directors or the Council may equitably apportion the deficiency among any or all of Catholic Knights' members, insured employees or contract owners. If any share of the deficiency is apportioned to this contract, the owner may (a) pay it, (b) accept it as an indebtedness against this contract, or (c) accept a proportionate reduction in benefits under the contract. Any indebtedness will be charged interest at variable rates that we specify from time to time, compounded annually. The interest rate will not exceed eight percent (8%) per year. The

Board of Directors or the Council may specify the manner of election and which alternative is to be presumed if no election is made.

12.5 Effective Date of Changes

Any election or request for a change provided in this contract must be received, approved and recorded at the home office before it is effective. Once received, approved and recorded, it is effective as of the date it was signed or the date it was received at the home office if no signing date appears on it.

12.6 Amendment of Contract

We reserve the right to amend this contract at any time without the owner's consent if we determine that the amendment is necessary to preserve the contract's status as an annuity for tax purposes.



A Fraternal Benefit Society

1100 West Wells Street
P O Box 05900
Milwaukee Wisconsin 53205-0900
(414) 273-6266

ANNUITY CERTIFICATE

- Flexible Premium Deferred Annuity
- Guaranteed Monthly Life Income
- Guaranteed Cash Values
- Premiums Payable to the Maturity Date or Prior Settlement
- Withdrawal Charges For Only the First Two (2) Contract Years
- Dividends Payable If Earned



A Fraternal Benefit Society

ANNUITY POLICY

- Flexible Premium Deferred Annuity
- Participating Dividends
- Guaranteed Annuity
- Guaranteed Cash Values
- Premiums Payable to the Maturity Date or to Prior Settlement Date

Catholic Knights agrees to pay the benefits provided in this policy subject to its terms and conditions. Signed at Milwaukee, Wisconsin, on the policy date.

William R. O'Toole

President

Allan E. Joyce

Secretary

RIGHT TO CANCEL—The owner may cancel this policy for any reason before midnight of the twentieth day after the owner received the policy. This is done by delivering or mailing a written notice and the policy to Catholic Knights, 1100 West Wells Street, Milwaukee, Wisconsin 53233. If mail is used, it is effective on the date postmarked with a correct address and sufficient postage. Catholic Knights will return all payments for this policy within ten days after it receives the notice and the policy. This policy will then be void from the beginning.

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SPECIFICATIONS PAGE
THIS POLICY IS A LEGAL CONTRACT
BETWEEN THE OWNER AND CATHOLIC
KNIGHTS.

READ YOUR POLICY
CAREFULLY.

Definition--In this policy, “we”, “our” and “us” refer to Catholic Knights.

Policy Years--Policy years and months are measured from the policy date. For example, if the policy date were May 1, 2002, the first policy year would end April 30, 2003.

Guaranteed Minimum Interest Rate—We will pay at least 4% annual interest during the first four policy years, and 3% thereafter, and may pay more. See sections 10.1 and 10.2.

Surrender and Withdrawal Provisions-- This policy provides certain limits on partial withdrawals. See section 4.2. This policy also provides for withdrawal charges in some instances if the owner surrenders the policy or takes partial withdrawals before a specified date. There are no withdrawal charges for any withdrawal or surrender that: (a) is not more than (1) ten percent (10%) of the cash value at that time less (2) the sum of previous withdrawals during the current policy year; or (b) is applied to a payout plan C or D under section 6.2; or (c) occurs after the tenth policy year. There are withdrawal charges for each other partial withdrawal or surrender. Each withdrawal charge is a percentage of the amount withdrawn. The withdrawal charge is ten percent (10%) in the first policy year, nine percent (9%) in the second policy year, and one percentage point less for each subsequent policy year, so that there is no withdrawal charge after the tenth policy year.

Forms and Procedures--We may require the owner to follow our procedures and to use our forms to take any action such as changing a beneficiary or requesting a withdrawal. We may require the owner to submit this policy for endorsement to show any change. The owner may obtain any information and forms from a sales representative or the home office of Catholic Knights.

POLICY NUMBER:

[1234567]

OWNER:

[JOHN DOE]

ANNUITANT:

[JOHN DOE]

POLICY DATE:

[mm/dd/yyyy]

INITIAL MATURITY DATE:

[MM/DD/YYYY]

INITIAL PAYMENT:

[\$50]

SECTION 1. PARTIES

1.1 The Owner

The initial owner is named on page 3. There may be subsequent owners. See sections 5.1(a) and 7. In this contract, “owner” refers to the then-current owner. Before the maturity date, the owner has surrender rights, the right to receive the annuity proceeds at the maturity date, and other rights as specified below. The owner’s death before the annuitant’s death and before the maturity date causes payment of the death benefit.

1.2 The Annuitant

The annuitant is named on page 3. The annuitant is the measuring life that determines the payments of the annuity proceeds at the maturity date. The annuitant’s death before the owner’s death and before the maturity date causes payment of the death benefit.

1.3 The Beneficiary

The initial beneficiary is named in the application. The owner may change beneficiaries as provided in section 8. In this contract, “beneficiary” refers to the then-current beneficiary. If the owner or the annuitant dies before the maturity date, the death benefit is paid to the beneficiary. If a beneficiary is an entity that is ignored pursuant to IRC section 72(u) or the corresponding provision of any future U.S. tax law, the entity will be deemed to be a natural person for purposes of section 5.1(c)(3) and 6.1. The deemed natural person will be the individual for whom the entity is deemed to be acting as an agent.

SECTION 2. BENEFITS

2.1 Annuity Proceeds

The annuity proceeds are the total of:

The guaranteed value (described in section 10.1)
plus
Any Excess interest (described in section 10.2)
minus
A withdrawal charge, if any (described in section 4.3).

2.2 Payment of the Annuity Proceeds

The annuity proceeds will be paid to, or applied to a settlement option for,

1. The owner upon cash surrender of this policy (see section 4.1); or

2. One or more designated beneficiaries at the death of the owner or the annuitant before the maturity date (see section 5); or

3. The owner at the maturity date (see section 3.2),

whichever of these events occurs first. Upon such payment or application of the full annuity proceeds, this contract will terminate.

SECTION 3. PAYMENT AT THE MATURITY DATE

3.1 Maturity Date

This initial maturity date is stated on page 3. Before a maturity date then in effect, the owner may extend the maturity date to any date permitted by our maturity-date rules then in effect. To change the maturity date, the owner must comply with the procedures specified by those rules. These procedures may include a rule that deems the owner to have accepted an extended maturity date that we propose if the owner does not timely notify us of non-acceptance. Hereinafter, "maturity date" refers to the then-current maturity date.

3.2 Payments

The annuity proceeds become payable to the owner on the maturity date if at that time the annuitant is alive and this policy is in force. The payments will be made pursuant to the owner's election of a lump sum or a payout plan. If the owner does not make such an election, we will pay the annuity proceeds in a lump sum. If the owner elects a payout plan based on a life, we will use the annuitant's life to determine the amount, duration and other terms of the plan.

SECTION 4. SURRENDER AND WITHDRAWAL PROVISIONS

4.1 Full Cash Surrender

The owner may surrender this policy at any time before the maturity date while the annuitant is alive. A surrender will be effective when we receive a satisfactory written surrender request at our home office. Except as provided in the next paragraph, upon surrender, we will pay the owner the annuity proceeds as reduced by any withdrawal charges. The owner may apply all or part of the annuity proceeds to a payout plan under section 6. The policy will terminate on the date of surrender.

We may defer the payment of the proceeds for not more than six (6) months. If the deferral exceeds thirty-one (31) days, we will pay interest at the rate of three percent (3%) per annum for the deferral period.

4.2 Partial Cash Withdrawal

The owner may make withdrawals under the following rules:

- a) Only accumulated interest may be withdrawn during the first year.
- b) Each withdrawal must be at least \$100.
- c) The owner may make up to twelve (12) scheduled, electronic withdrawals per year and up to four (4) non-scheduled withdrawals per year.

4.3 Withdrawal Charges

There are no withdrawal charges for any withdrawal or surrender that:

- a) is not more than (1) ten percent (10%) of the cash value at that time less (2) the sum of previous withdrawals during the current policy year; or
- b) is applied to a payout plan C or D under section 6.2; or
- c) occurs after the tenth policy year.

There are withdrawal charges for each other partial withdrawal or surrender. Each withdrawal charge is a percentage of the amount withdrawn. The withdrawal charge is ten percent (10%) in the first policy year, nine percent (9%) in the second policy year, and one percentage point less for each subsequent policy year, so that there is no withdrawal charge after the tenth policy year.

SECTION 5. DEATH OF THE OWNER OR ANNUITANT BEFORE MATURITY DATE

5.1 The Owner's Death

This subsection 5.1 applies upon the death of the owner before the maturity date if the owner is also the annuitant or the annuitant is still alive.

(a) If the owner's spouse survives and is the sole primary beneficiary, the spouse may elect to continue this policy in force as the owner and annuitant, unless the owner chose a mandatory method of payment in the beneficiary designation that does not allow the spouse to change it. This subsection 5.1(a) does not apply to the subsequent death of the surviving spouse.

(b) If the owner's spouse does not make that election and in all other cases not covered by subsection (a), the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c) and to any method of payment that the deceased owner mandated. To the extent that the preceding sentence leaves choices

available to the beneficiary, the beneficiary may choose to receive the annuity proceeds in a lump sum and/or under one or more of the plans described in section 6.

(c) The restrictions to which subsections 5.1(b) and 5.2(b) refer are that the payments must be:

- 1) in a lump sum paid within five years after the decedent's death; or
- 2) under a payout plan A or C that specifies that full distribution must be made no later than five years after the decedent's death; or
- 3) under a payout plan C or D that specifies a payment period that begins within one year after the decedent's death and ends either at the beneficiary's death or at the end of a period not extending beyond the beneficiary's life expectancy; this option is available only if the beneficiary is a natural person.

5.2 The Annuitant's Death

This subsection 5.2 applies upon the annuitant's death if the annuitant is not the owner and dies before the owner and before the maturity date. Upon the annuitant's death:

(a) If the annuitant's spouse is the owner and sole first beneficiary, the owner may elect to continue this policy in force with the surviving spouse as the annuitant and owner.

(b) If the owner is not a natural person, the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c)(1) or (2). To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may elect to receive the annuity proceeds in a lump sum and/or under one or more of the payout plans described in section 6.

(c) If the owner does not elect under subsection 5.2(a) and subsection 5.2(b) does not apply, the annuity proceeds will be paid to the beneficiary. To the extent that the deceased owner did not mandate a form of payment, the beneficiary may elect a lump sum and/or one or more of the payout plans described in section 6.

SECTION 6. PAYOUT PLANS

6.1 Payout Plan Rules

The measuring life will be the annuitant, the owner, or the beneficiary for payments made pursuant to sections 3.2, 4.1, and 5 respectively.

All elections of payout plans must be made in accordance with our procedures and will take effect when we record them. When a payout plan starts, we will issue a contract that

will contain the plan's terms. If the payee is not a natural person, the choice of a payout plan will be subject to our approval. A payee who receives a contract providing for payments for life but with a selected guarantee period pursuant to plan C or E may from time-to-time designate one or more payout plan beneficiaries who would receive the guaranteed payment after the payee's death. If the payee does not designate a payout plan beneficiary or if no payout plan beneficiary survives the payee, any amount payable upon the payee's death will be paid to the payee's estate.

6.2 Payout Plans

The payout plans are:

- A. **Interest Deposit Account**— The allocated proceeds will earn interest annually at rates that we determine from time to time, but never less than three percent (3%). The interest may be paid periodically or left to accumulate. The payee may withdraw all or part of the account at any time.

- B. **Payments For a Guaranteed Period**-- We will periodically pay the amount that is calculated so that the allocated proceeds plus interest are fully paid over a guaranteed period that may be selected. The guaranteed period must be at least five years. We reserve the right to set a maximum limit. The payee may not withdraw any of the account at any time.

- C. **Payments Based on a Single Life**
 - 1. **Life Only**--We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over the payee's life expectancy. We will make no further payments after the payee's death. The payee may not withdraw any of the account at any time.

 - 2. **Life or Certain Period**--We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the payee's life expectancy and the probability that the payee would not survive a certain period that may be selected. The certain period must be either ten or twenty years. If the payee dies during the certain period, we will pay the present value of the remaining certain-period payments to the payout plan beneficiary pursuant to his or her election of a lump sum or an eligible payout pay out plan. To be eligible, the pay out plan must pay out at least as rapidly as the plan in effect when the payee died. If the payout plan beneficiary does not make such an election, we will pay the annuity proceeds in a lump sum. If the payee survives beyond the selected period, we will continue making the periodic payments until the payee's death. The payee may not withdraw any of the account at any time.

D. Joint and Survivor Lifetime Payments ---We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the life expectancies of two payees. We will pay that amount as long as one or both payees are living. Neither beneficiary may withdraw any of the account at any time.

E. Other Plans--Other periodic plans may be arranged with us.

F. Minimum Payment Guarantee

1. The amount of the periodic payment under paragraphs B through E will be determined by a single interest rate that we will declare when the plan takes effect and which will be at least three percent (3%). Payments that depend on one or more lives will also be determined by a mortality table that we will declare when the plan takes effect and which will be at least as favorable to the beneficiary as the Annuity 2000 Mortality tables, split by sex.

2. Tables 1, 2 and 3 show the minimum guaranteed payments for each plan under paragraphs B, C and D respectively under certain stated assumptions.

6.3. Frequency of Payments

Monthly, quarterly, semi-annual or annual payments may be selected.

6.4 Payout Plan Guaranteed Payments

The monthly amounts shown are for each \$1,000 applied. To change monthly payments to quarterly, semi-annual or annual payments, multiply the monthly amount by 2.99, 5.96 or 11.81 respectively. The tables assume that no withdrawals are made, only the guaranteed interest of three percent (3%) is paid, and payments are made at the end of the payment mode selected. Tables 2 and 3 are based on the Annuity 2000 Mortality tables, split by sex.

TABLE 1 PAYOUT PLAN B: PAYMENTS FOR A GUARANTEED PERIOD							
Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts
5	17.95	9	10.56	13	7.73	17	6.24
6	15.18	10	9.64	14	7.28	18	5.98
7	13.20	11	8.88	15	6.89	19	5.74
8	11.71	12	8.26	16	6.54	20	5.53

TABLE 2 PAYOUT PLANS C: PAYMENTS FOR LIFE						
	No Certain Period		Certain Periods			
			10 Year		20 Year	
Payee's Age	Male	Female	Male	Female	Male	Female
50	4.09	3.84	4.06	3.83	3.96	3.77
55	4.48	4.17	4.43	4.14	4.25	4.05
60	5.00	4.61	4.90	4.56	4.57	4.37
65	5.72	5.20	5.51	5.10	4.90	4.73
70	6.71	6.04	6.26	5.81	5.18	5.07

TABLE 3 PAYOUT PLAN D: JOINT AND SURVIVOR LIFETIME ANNUITY PAYMENTS					
Male Age	Female Age				
	50	55	60	65	70
50	3.53	3.66	3.77	3.86	3.94
55	3.62	3.78	3.94	4.09	4.21
60	3.68	3.89	4.11	4.32	4.52
65	3.74	3.98	4.25	4.55	4.84
70	3.77	4.04	4.37	4.75	5.15

SECTION 7. OWNERSHIP

7.1 The Owner

The owner's rights expire at the maturity date, except for the right under section 3.2 to elect a payout plan. Until the maturity date, the owner may exercise all available policy rights without the consent of any beneficiary or the annuitant.

7.2 Transfer of Ownership

Prior to the maturity date, the owner may transfer the ownership of this contract by a written assignment that is satisfactory to us and received at our home office. Such a transfer is then effective when the owner signs the assignment.

7.3 Collateral Assignment

Prior to the maturity date, the owner may assign this policy as collateral security by a written assignment that is satisfactory to us. We assume no responsibility for the validity or effect of any collateral assignment of this policy. We will not be responsible to an assignee for any payment or other action that we take before we receive the assignment at our home office.

An assignment of this policy as collateral for a loan will modify a prior choice of payout plan. The amount due the assignee will be payable in one sum, and the balance will be applied under the payout plan. Payout plans may not be assigned for the benefit of creditors.

The rights of a beneficiary under this contract are subordinate to those of an assignee, unless the beneficiary was effectively designated as an irrevocable beneficiary prior to the assignment.

SECTION 8. BENEFICIARY

8.1. Designated Beneficiary

The owner may designate one or more beneficiaries to receive the annuity proceeds upon the death of the owner or the annuitant before the maturity date (“the applicable death”). A designation may include one or more contingent beneficiaries who become the beneficiaries if all the primary beneficiaries die before the applicable death. If more than one beneficiary in the applicable class (primary or contingent) is alive at the applicable death, we will pay them in equal shares unless the owner has specified otherwise. If no designated beneficiary is alive at the applicable death, we will pay the owner if then living or, if not, the owner’s estate.

8.2 Change of Beneficiary

While the annuitant is alive, the owner may change any beneficiary by signing a written notice and sending it to us. No change is binding on us until it is recorded at our home office. Once recorded, the change binds us as of the date the owner signed it. The change will not apply to any payment we made before we recorded the owner’s request. We may require that you send us this policy to make the change.

SECTION 9. PREMIUMS

9.1 Flexible Premium Payment

Each premium is payable to Catholic Knights at its home office. Premiums may be paid at any payment interval that Catholic Knights offers from time to time. We allow changes from one payment mode to another. The initial payment is shown on page 3. The owner may vary subsequent payments, but each payment must be at least \$25. The owner may skip any or all future premium payments without causing the termination of the contract. The owner may resume premium payments after skipping one or more payments. The annuity proceeds depend upon the premiums paid. Premiums may be paid only while the annuitant is alive and the maturity date has not been reached.

SECTION 10. GUARANTEED VALUE AND EXCESS INTEREST

10.1 Guaranteed Value

The guaranteed value of this contract is the accumulation of premiums, offset by withdrawals, at an annual effective interest rate of four percent (4%) during the first four policy years and three percent (3%) thereafter. Interest begins to accumulate on a premium when the home office receives it. Guaranteed values at any time during a policy year will be determined with allowance for the part of the year that has elapsed.

The following table illustrates guaranteed values at the end of the indicated policy years. The table assumes that:

- a) we received a \$100 premium on the policy date and each policy anniversary date thereafter; and
- b) the owner made no withdrawals.

Table of Guaranteed Values

End of Policy Year	Guaranteed Values	End of Policy Year	Guaranteed Values	End of Policy Year	Guaranteed Values
1	\$ 104.00	16	\$ 2,091.44	31	\$ 5,174.09
2	\$ 212.16	17	\$ 2,257.18	32	\$ 5,432.31
3	\$ 324.65	18	\$ 2,427.90	33	\$ 5,698.28
4	\$ 441.63	19	\$ 2,603.74	34	\$ 5,972.23
5	\$ 557.88	20	\$ 2,784.85	35	\$ 6,254.39
6	\$ 677.62	21	\$ 2,971.39	36	\$ 6,545.02
7	\$ 800.95	22	\$ 3,163.54	37	\$ 6,844.37
8	\$ 927.97	23	\$ 3,361.44	38	\$ 7,152.71
9	\$ 1,058.81	24	\$ 3,565.29	39	\$ 7,470.29
10	\$ 1,193.58	25	\$ 3,775.24	40	\$ 7,797.40
11	\$ 1,332.39	26	\$ 3,991.50	41	\$ 8,134.32
12	\$ 1,475.36	27	\$ 4,214.25	42	\$ 8,481.35
13	\$ 1,622.62	28	\$ 4,443.67	43	\$ 8,838.79
14	\$ 1,774.30	29	\$ 4,679.98	44	\$ 9,206.95
15	\$ 1,930.53	30	\$ 4,923.38	45	\$ 9,586.16

10.2 Excess Interest

In addition to the guaranteed values, We may pay or credit excess interest from time to time at an interest rate specified by us.

SECTION 11. DIVIDENDS

11.1 Dividends

Each year we determine our divisible surplus. We will credit this contract's share, if any, on the policy anniversary. Since we do not expect this policy to contribute to divisible surplus, we do not expect to credit any dividends to it. If a dividend were credited, the owner could choose between receiving it in cash or applying it toward a premium payment.

SECTION 12. GENERAL PROVISIONS

12.1 This Contract

This contract consists of this policy, the application, and the Articles of Incorporation and Bylaws of Catholic Knights. Any subsequent changes to the Articles of Incorporation or Bylaws shall be binding upon the owner, annuitant, beneficiaries and other persons affected and shall govern and control in all respects, except that no changes shall destroy or diminish benefits promised in this policy when it was issued. No change in this policy is valid unless approved by an officer of Catholic Knights. No agent has authority to change this policy or to waive any of its provisions.

Membership in Catholic Knights that is based solely on being an owner or an annuitant under this policy will expire if and when this contract is surrendered or lapses. However, cessation of membership will not change any of the contractual rights under this contract.

We will treat statements made in the application as representations and not warranties. We will not use statements made during the application process but not included in the application to rescind the contract or to change our obligations under the contract.

Any paid-up annuity, cash surrender or death benefits that may be available under this contract are not less than the minimum benefits required by any statute of the state in which the contract is delivered.

12.2 Incontestability

We will not contest this contract after it has been in force for two years from the policy date.

12.3 Misstatement of Age or Sex

If the annuitant's age or sex is not correctly shown in the application, we will adjust the income payable. The annuity income on the maturity date will be based on the annuitant's correct age and sex at that time.

12.4 Maintenance of Legal Reserves

As required by a statute, if Catholic Knights' financial position becomes impaired, the Board of Directors or the Council may equitably apportion the deficiency among any or all of Catholic Knights' members, insured employees or policy owners. If any share of the deficiency is apportioned to this contract, the owner may (a) pay it, (b) accept it as an indebtedness against this contract, or (c) accept a proportionate reduction in benefits under the policy. Any indebtedness will be charged interest at variable rates that we specify from time to time, compounded annually. The interest rate will not exceed eight percent (8%) per year. The Board of Directors or the Council may specify the manner of election and which alternative is to be presumed if no election is made.

12.5 Effective Date of Changes

Any election or request for a change provided in this contract must be received, approved and recorded at the home office before it is effective. Once received, approved and recorded, it is effective as of the date it was signed or the date it was received at the home office if no signing date appears on it.

12.6 Amendment of Contract

We reserve the right to amend this contract at any time without the owner's consent if we determine that the amendment is necessary to preserve the contract's status as an annuity for tax purposes.



A Fraternal Benefit Society

1100 West Wells Street
P O Box 05900
Milwaukee Wisconsin 53205-0900
(414) 273-6266

Annuity Policy

- Flexible Premium Deferred Annuity
- Participating Dividends
- Guaranteed Annuity
- Guaranteed Cash Values
- Premiums Payable to the Maturity Date or to prior settlement Date



A Fraternal Benefit Society

ANNUITY CERTIFICATE

- Flexible Premium Deferred Annuity
- Guaranteed Monthly Life Income
- Guaranteed Cash Values
- Premiums Payable to the Maturity Date or Prior Settlement
- Withdrawal Charges for Only the First Six (6) Contract Years
- Dividends Payable If Earned

Catholic Knights agrees to pay the benefits provided in this certificate subject to its terms and conditions. Signed at Milwaukee, Wisconsin, on the certificate date.

William R. O'Toole

President

Allan G. Lorge

Allan G. Lorge
Secretary

RIGHT TO CANCEL—The owner may cancel this contract for any reason before midnight of the twentieth (20th) day after the owner received the certificate. This is done by delivering or mailing a written notice and the certificate to Catholic Knights, 1100 West Wells Street, Milwaukee, Wisconsin 53233. If mail is used, it is effective on the date postmarked with a correct address and sufficient postage. Catholic Knights will return all payments for this contract within ten (10) days after it receives the notice and the certificate. This contract will then be void from the beginning.

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SPECIFICATIONS PAGE

THIS CERTIFICATE IS A LEGAL CONTRACT BETWEEN THE OWNER AND CATHOLIC KNIGHTS.

READ YOUR CERTIFICATE CAREFULLY.

Definition—In this certificate, “we”, “our” and “us” refer to Catholic Knights.

CERTIFICATE NUMBER:

[1234567]

Contract Years—Contract years and months are measured from the certificate date. For example, if the certificate date were May 1, 2009, the first contract year would end April 30, 2010.

OWNER:

[JOHN DOE]

Initial Fixed Interest Rate—The Annual Effective Interest Rate guaranteed until the Initial Fixed Interest Rate Expiry Date.

ANNUITANT:

[JOHN DOE]

Initial Fixed Interest Rate Expiry Date—The date until which the Initial Fixed Interest Rate applies.

CERTIFICATE DATE:

[02/01/2009]

Guaranteed Minimum Interest Rate—We will credit the Initial Fixed Interest Rate from the certificate date until the Initial Fixed Interest Rate Expiry Date. After the Initial Fixed Interest Rate Expiry Date, we may change the current interest rate from time to time. However, we guarantee that the current interest rate will always be at least equal to an annual effective interest rate of three percent (3%). See Sections 10.1 and 10.2.

INITIAL MATURITY DATE:

[MM/DD/YYYY]

Surrender and Withdrawal Provisions—This contract provides certain limits on partial withdrawals. See section 4.2. This contract also provides for withdrawal charges in some instances if the owner surrenders the contract or takes partial withdrawals before a specified date. However, there are no withdrawal charges for payouts on the death of the owner or annuitant. There are no withdrawal charges for any withdrawal or surrender that: (a) is not more than (1) ten percent (10%) of the cash value at that time less (2) the sum of previous withdrawals during the current contract year; or (b) is applied to a payout plan C or D under section 6.2; or (c) occurs after the sixth contract year. There are withdrawal charges for each other partial withdrawal or surrender. Each withdrawal charge is a percentage of the amount withdrawn. The withdrawal charge is six percent (6%) in the first contract year, five percent (5%) in the second contract year, and one percentage point less for each subsequent contract year, so that there is no withdrawal charge after the sixth contract year.

INITIAL PAYMENT:

[\$50]

INITIAL FIXED INTEREST RATE:

[5.00%]

INITIAL FIXED INTEREST RATE EXPIRY DATE:

[01/31/2010]

Forms and Procedures—We may require the owner to follow our procedures and to use our forms to take any action such as changing a beneficiary or requesting a withdrawal. We may require the owner to submit this certificate for endorsement to show any change. The owner may obtain any information and forms from a sales representative or the home office of Catholic Knights.

Guaranteed Values—The following table illustrates guaranteed values at the end of the indicated contract years. The table assumes that:

- a) we received a \$100 premium on the certificate date and each contract anniversary date thereafter; and
- b) the owner made no withdrawals.

TABLE OF GUARANTEED VALUES

The table uses the Initial Fixed Interest Rate through the Initial Fixed Interest Rate Expiry Date and then assumes an annual effective interest rate of three percent (3.0%) for all subsequent years. Withdrawal charges may apply as described in section 4.3.

End of Contract Year	Guaranteed Values	End of Contract Year	Guaranteed Values	End of Contract Year	Guaranteed Values
1	\$105.00	16	\$2,079.27	31	\$5,155.13
2	211.15	17	2,244.65	32	5,412.78
3	320.48	18	2,414.99	33	5,678.17
4	433.10	19	2,590.44	34	5,951.51
5	549.09	20	2,771.16	35	6,233.06
6	668.56	21	2,957.29	36	6,523.05
7	791.62	22	3,149.01	37	6,821.74
8	918.37	23	3,346.48	38	7,129.39
9	1,048.92	24	3,549.87	39	7,446.28
10	1,183.39	25	3,759.37	40	7,772.66
11	1,321.89	26	3,975.15	41	8,108.84
12	1,464.55	27	4,197.41	42	8,455.11
13	1,611.48	28	4,426.33	43	8,811.76
14	1,762.83	29	4,662.12	44	9,179.12
15	1,918.71	30	4,904.98	45	9,557.49

SECTION 1. PARTIES

1.1 The Owner

The initial owner is named on page 3. There may be subsequent owners. See sections 5.1(a) and 7. In this certificate, "owner" refers to the then-current owner. Before the maturity date, the owner has surrender rights, the right to receive the annuity proceeds at the maturity date, and other rights as specified below. The owner's death before the annuitant's death and before the maturity date causes payment of the death benefit.

1.2 The Annuitant

The annuitant is named on page 3. The annuitant is the measuring life that determines the payments of the annuity proceeds at the maturity date. The annuitant's death before the owner's death and before the maturity date causes payment of the death benefit.

1.3 The Beneficiary

The initial beneficiary is named in the application. The owner may change beneficiaries as provided in section 8. In this certificate, "beneficiary" refers to the then-current beneficiary. If the owner or the annuitant dies before the maturity date, the death benefit is paid to the beneficiary. If a beneficiary is an entity that is ignored pursuant to IRC section 72(u) or the corresponding provision of any future U.S. tax law, the entity will be deemed to be a natural person for purposes of section 5.1(c)(3) and 6.1. The deemed natural person will be the individual for whom the entity is deemed to be acting as an agent.

SECTION 2. BENEFITS

2.1 Annuity Proceeds

The annuity proceeds are the total of:

The guaranteed value (described in section 10.1)
plus
Any excess interest (described in section 10.2)
minus
A withdrawal charge, if any (described in section 4.3).

2.2 Payment of the Annuity Proceeds

The annuity proceeds will be paid to, or applied to a settlement option for,

1. The owner upon cash surrender of this contract (see section 4.1); or
2. One or more designated beneficiaries at the death of the owner or the annuitant before the maturity date (see section 5); or
3. The owner at the maturity date (see section 3.2),

whichever of these events occurs first. Upon such payment or application of the full annuity proceeds, this contract will terminate.

SECTION 3. PAYMENT AT THE MATURITY DATE

3.1 Maturity Date

The initial maturity date is stated on page 3. Before a maturity date then in effect, the owner may extend the maturity date to any date permitted by our maturity-date rules then in effect. To change the maturity date, the owner must comply with the procedures specified by those rules. These procedures may include a rule that deems the owner to have accepted an extended maturity date that we propose if the owner does not timely notify us of non-acceptance. Hereinafter, "maturity date" refers to the then-current maturity date.

3.2 Payments

The annuity proceeds become payable to the owner on the maturity date if at that time the annuitant is alive and this contract is in force. The payments will be made pursuant to the owner's election of a lump sum or a payout plan under section 6. If the owner does not make such an election, we will pay the annuity proceeds in a lump sum. If the owner elects a payout plan based on a life, we will use the annuitant's life to determine the amount, duration and other terms of the plan.

SECTION 4. SURRENDER AND WITHDRAWAL PROVISIONS

4.1 Full Cash Surrender

The owner may surrender this contract at any time before the maturity date while the annuitant is alive. A surrender will be effective when we receive a satisfactory written surrender request at our home office. Except as provided in the next paragraph, upon surrender, we will pay the owner the annuity proceeds as reduced by any withdrawal charges. The owner may apply all or part of the annuity proceeds as reduced by any withdrawal charges to a payout plan under section 6. The contract will terminate on the date of surrender.

We may defer the payment of the proceeds for not more than six (6) months. If the deferral exceeds thirty-one (31) days, we will pay interest at the rate of three percent (3%) per annum for the deferral period.

4.2 Partial Cash Withdrawal

The owner may make withdrawals under the following rules:

- a) Only accumulated interest may be withdrawn during the first year.
- b) Each non-scheduled withdrawal must be at least \$200 and each scheduled withdrawal must be at least \$100. If annuity proceeds would be less than \$1,000 following any scheduled or non-scheduled withdrawal, we reserve the right to pay the withdrawal with the entire annuity proceeds as a full cash surrender under section 4.1..
- c) The owner may make up to twelve (12) scheduled, electronic withdrawals per year and up to four (4) non-scheduled withdrawals per year.

4.3 Withdrawal Charges

There are no withdrawal charges for any withdrawal or surrender that:

- a) is not more than (1) ten percent (10%) of the cash value at that time less (2) the sum of previous withdrawals during the current contract year; or
- b) is applied to a payout plan C or D under section 6.2; or
- c) occurs after the sixth contract year.

There are withdrawal charges for each other partial withdrawal or surrender. Each withdrawal charge is a percentage of the amount withdrawn. The withdrawal charge is six percent (6%) in the first contract year, five percent (5%) in the second contract year, and one percentage point less for each subsequent contract year, so that there is no withdrawal charge after the sixth contract year.

4.4 Minimum Annuity Proceeds

We have the right to terminate this contract on any contract anniversary if:

- 1. the Annuity Proceeds is less than \$1,000; and
- 2. no premium payment has been received by us for at least 36 months.

We will notify you 60 days prior to termination of the contract. Upon termination we will pay you the annuity proceeds. No withdrawal charges will apply.

SECTION 5. DEATH OF THE OWNER OR ANNUITANT BEFORE MATURITY DATE

5.1 The Owner's Death

This subsection 5.1 applies upon the death of the owner before the maturity date, if the owner is also the annuitant or if the owner dies before the annuitant. Upon the owner's death:

- a) If the owner's spouse survives and is the sole primary beneficiary, the spouse may elect to continue this contract in force as the owner and annuitant, unless the owner chose a mandatory method of payment in the beneficiary designation that does not allow the spouse to change it. This subsection 5.1(a) does not apply to the subsequent death of the surviving spouse.
- b) If the owner's spouse does not make that election and in all other cases not covered by subsection (a), the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c) and to any method of payment that the deceased owner mandated. To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may choose to receive the annuity proceeds in a lump sum and/or under one or more of the payout plans described in section 6.
- c) The restrictions to which subsections 5.1(b) and 5.2(b) refer are that the payments must be:
 - 1) in a lump sum paid within five (5) years after the decedent's death; or

- 2) pursuant to a payout plan A or B under section 6.2 that specifies that full distribution must be made no later than five (5) years after the decedent's death; or
- 3) pursuant to a payout plan C or D under section 6.2 that specifies a payment period that begins within one year after the decedent's death and ends either at the beneficiary's death or at the end of a period not extending beyond the beneficiary's life expectancy; this option is available only if the beneficiary is a natural person.

5.2 The Annuitant's Death

This subsection 5.2 applies upon the death of the annuitant before the maturity date, if the annuitant is not the owner and dies before the owner. Upon the annuitant's death:

- a) If the annuitant's surviving spouse is the sole primary beneficiary, the surviving spouse may elect to continue this contract in force with the surviving spouse as the annuitant and owner.
- b) If the owner is not a natural person, the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c)(1) or (2). To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may elect to receive the annuity proceeds in a lump sum and/or under one or more of the payout plans described in section 6
- c) If the owner does not elect under subsection 5.2(a) and subsection 5.2(b) does not apply, the annuity proceeds will be paid to the beneficiary. To the extent that the owner did not mandate a form of payment, the beneficiary may elect a lump sum and/or one or more of the payout plans described in section 6.

SECTION 6. PAYOUT PLANS

6.1 Payout Plan Rules

The measuring life will be the annuitant, the owner, or the beneficiary for payments made pursuant to sections 3.2, 4.1, and 5, respectively.

All elections of payout plans must be made in accordance with our procedures and will take effect when we record them. When a payout plan starts, we will issue a contract that will contain the plan's terms. If the payee is not a natural person, the choice of a payout plan will be subject to our approval. A payee who receives a contract providing for payments for life but with a selected guarantee period pursuant to plan C or E may from time-to-time designate one or more payout plan beneficiaries who would receive the guaranteed payment after the payee's death. If the payee does not designate a payout plan beneficiary or if no payout plan beneficiary survives the payee, any amount payable upon the payee's death will be paid to the payee's estate.

6.2 Payout Plans

The payout plans are:

- A. **Interest Deposit Account**—The allocated proceeds may be left on deposit with us and earn interest annually at rates that we determine from time to time, but never less than three percent (3%). The interest may be paid periodically or left to accumulate. The payee may withdraw all or part of the account at any time.
- B. **Payments For a Guaranteed Period**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest are fully paid over a guaranteed period that may be selected. Payments will continue for the guaranteed period even if the payee dies during that period. The guaranteed period must be at least five (5) years. We reserve the right to set a maximum limit. The payee may not withdraw any of the account at any time.
- C. **Payments Based on a Single Life**
 - 1. **Life Only**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over the payee's life expectancy. We will make payments for as long as the payee is alive. We will make no further payments after the payee's death. The payee may not withdraw any of the account at any time.
 - 2. **Life With Guaranteed Period**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the payee's life expectancy and the probability that the payee would not survive a guaranteed period that may be selected. The payee may select a guaranteed period of ten (10) or twenty (20) years. Periodic payments will be made until the payee's death. The payee may not withdraw any of the account at any time. If the payee dies during the guaranteed period, the payout plan beneficiary may elect to receive the present value of the remaining guaranteed-period payments as a lump sum, or to continue the periodic payments to the end of the guaranteed period. If the payee dies after the guaranteed period, payments cease and no amount is due the payment plan beneficiary.
- D. **Joint and Survivor Lifetime Payments**—We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the life expectancies of two (2) payees. We will pay that amount as long as one or both payees are living. Neither payee may withdraw any of the account at any time.
- E. **Other Plans**—Other periodic plans may be arranged with us.
- F. **Minimum Payment Guarantee**
 - 1. The amount of the periodic payment under paragraphs B through E will be determined by a single interest rate that we will declare when the plan takes effect and which will be at least three percent (3%). Payments that depend on one or more lives will also be determined by a mortality table that we will declare when the plan takes effect and which will be at least as favorable to the beneficiary as the Annuity 2000 Mortality tables, split by sex.

2. Tables 1, 2 and 3 show the minimum guaranteed payments for each plan under paragraphs B, C, and D, respectively, under certain stated assumptions.

6.3. Frequency of Payments

Monthly, quarterly, semi-annual or annual payments may be selected.

6.4 Payout Plan Guaranteed Payments

The monthly amounts shown are for each \$1,000 applied. To change monthly payments to quarterly, semi-annual or annual payments, multiply the monthly amount by 2.99, 5.96 or 11.81, respectively. The tables assume that no withdrawals are made, only the guaranteed interest of three percent (3%) is paid, and payments are made at the end of the payment mode selected. Tables 2 and 3 are based on the Annuity 2000 Mortality tables, split by sex.

TABLE 1 PAYOUT PLAN B: PAYMENTS FOR A GUARANTEED PERIOD							
Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts
5	17.95	9	10.56	13	7.73	17	6.24
6	15.18	10	9.64	14	7.28	18	5.98
7	13.20	11	8.88	15	6.89	19	5.74
8	11.71	12	8.26	16	6.54	20	5.53

TABLE 2 PAYOUT PLANS C: PAYMENTS FOR LIFE						
Payee's Age	No Guaranteed Period		Guaranteed Periods			
	Male	Female	10 Year		20 Year	
			Male	Female	Male	Female
50	4.09	3.84	4.06	3.83	3.96	3.77
55	4.48	4.17	4.43	4.14	4.25	4.05
60	5.00	4.61	4.90	4.56	4.57	4.37
65	5.72	5.20	5.51	5.10	4.90	4.73
70	6.71	6.04	6.26	5.81	5.18	5.07

TABLE 3 PAYOUT PLAN D: JOINT AND SURVIVOR LIFETIME ANNUITY PAYMENTS					
Male Age	Female Age				
	50	55	60	65	70
50	3.53	3.66	3.77	3.86	3.94
55	3.62	3.78	3.94	4.09	4.21
60	3.68	3.89	4.11	4.32	4.52
65	3.74	3.98	4.25	4.55	4.84
70	3.77	4.04	4.37	4.75	5.15

SECTION 7. OWNERSHIP

7.1 The Owner

The owner's rights expire at the maturity date, except for the right under section 3.2 to elect a payout plan under section 6. Until the maturity date, the owner may exercise all available contract rights without the consent of any beneficiary or the annuitant.

7.2 Transfer of Ownership

Prior to the maturity date, the owner may transfer the ownership of this contract by a written assignment that is satisfactory to us and received at our home office. Such a transfer is then effective as of the date the owner signed it.

7.3 Collateral Assignment

Prior to the maturity date, the owner may assign this contract as collateral security by a written assignment that is satisfactory to us. We assume no responsibility for the validity or effect of any collateral assignment of this contract. We will not be responsible to an assignee for any payment or other action that we take before we receive the assignment at our home office.

An assignment of this contract as collateral for a loan will modify a prior choice of payout plan. The amount due the assignee will be payable in one sum, and the balance will be applied under the payout plan. Payout plans may not be assigned for the benefit of creditors.

The rights of a beneficiary under this contract are subordinate to those of an assignee, unless the beneficiary was effectively designated as an irrevocable beneficiary prior to the assignment.

SECTION 8. BENEFICIARY

8.1. Designated Beneficiary

The owner may designate one or more beneficiaries to receive the annuity proceeds upon the death of the owner or the annuitant before the maturity date ("the applicable death"). A designation may include one or more contingent beneficiaries who become the beneficiaries if all the primary beneficiaries die before the applicable death. If more than one beneficiary in the same class (primary or contingent) is alive at the applicable death, we will pay them in equal shares unless the owner has specified otherwise. If no designated beneficiary is alive at the applicable death, we will pay the owner if then living or, if not, the owner's estate.

8.2 Change of Beneficiary

While the annuitant is alive, the owner may change any beneficiary by signing a written notice and sending it to us. No change is binding on us until it is recorded at our home office. Once recorded, the change binds us as of the date the owner signed it. The change will not apply to any payment we made before we recorded the owner's request. We may require that you send us this certificate to make the change.

SECTION 9. PREMIUMS

9.1 Flexible Premium Payment

Each premium is payable to Catholic Knights at its home office. Premiums may be paid at any payment interval that Catholic Knights offers from time to time. We allow changes from one payment mode to another. The initial payment is shown on page 3. The owner may vary subsequent payments, but each payment must be at least \$25. The owner may skip any or all future premium payments without causing the termination of the contract. The owner may resume premium payments after skipping one or more payments. The annuity proceeds depend upon the premiums paid. Premiums may be paid only while the annuitant is alive and the maturity date has not been reached.

SECTION 10. GUARANTEED VALUE AND EXCESS INTEREST

10.1 Guaranteed Value

The guaranteed value of this contract is the accumulation of premiums, offset by withdrawals, at the annual effective interest rates guaranteed on Page 3. The Initial Fixed Interest Rate remains effective through the Initial Fixed Interest Rate Expiry Date. The Guaranteed Minimum Interest Rate after the Initial Fixed Interest Rate Expiry Date will be equal to an annual effective interest rate of three percent (3%). Interest begins to accumulate on a premium when the home office receives it. Guaranteed values at any time during a contract year will be determined with allowance for the part of the year that has elapsed. A representative Table of Guaranteed Values for this contract is shown on page 4.

10.2 Excess Interest

In addition to the guaranteed values, We may pay or credit excess interest from time to time at an interest rate specified by us.

SECTION 11. DIVIDENDS

11.1 Dividends

Each year we determine our divisible surplus. We will credit this contract's share, if any, on the contract anniversary. Since we do not expect this contract to contribute to divisible surplus, we do not expect to credit any dividends to it. If a dividend were credited, the owner could choose between receiving it in cash or applying it toward a premium payment.

SECTION 12. GENERAL PROVISIONS

12.1 This Contract

This contract consists of this certificate, the application, and the Articles of Incorporation and Bylaws of Catholic Knights. Any subsequent changes to the Articles of Incorporation or Bylaws shall be binding upon the owner, annuitant, beneficiaries and other persons affected and shall govern and control in all respects, except that no changes shall destroy or diminish benefits promised in this certificate when it was issued. No change in this certificate is valid unless approved by an officer of Catholic Knights. No agent has authority to change this certificate or to waive any of its provisions.

Membership in Catholic Knights that is based solely on being an annuitant under this contract and will expire if and when this contract is surrendered or lapses. However, cessation of membership will not change any of the contractual rights under this contract.

We will treat statements made in the application as representations and not warranties. We will not use statements made during the application process but not included in the application to rescind the contract or to change our obligations under the contract.

Any paid-up annuity, cash surrender or death benefits that may be available under this contract are not less than the minimum benefits required by any statute of the state in which the contract is made.

12.2 Incontestability

We will not contest this contract after it has been in force for two (2) years from the certificate date.

12.3 Misstatement of Age or Sex

If the annuitant's age or sex is not correctly shown in the application, we will adjust the income payable. The annuity income on the maturity date will be based on the annuitant's correct age and sex at that time.

12.4 Maintenance of Legal Reserves

As required by a statute, if Catholic Knights' financial position becomes impaired, the Board of Directors or the Council may equitably apportion the deficiency among any or all of Catholic Knights' members, insured employees or contract owners. If any share of the deficiency is apportioned to this contract, the owner may (a) pay it, (b) accept it as an indebtedness against this contract, or (c) accept a proportionate reduction in benefits under the contract. Any indebtedness will be charged interest at variable rates that we specify from time to time, compounded annually. The interest rate will not exceed eight percent (8%) per year. The Board of Directors or the Council may specify the manner of election and which alternative is to be presumed if no election is made.

12.5 Effective Date of Changes

Any election or request for a change provided in this contract must be received, approved and recorded at the home office before it is effective. Once received, approved and recorded, it is effective as of the date it was signed or the date it was received at the home office if no signing date appears on it.

12.6 Amendment of Contract

We reserve the right to amend this contract at any time without the owner's consent if we determine that the amendment is necessary to preserve the contract's status as an annuity for tax purposes.



A Fraternal Benefit Society

1100 West Wells Street
P O Box 05900
Milwaukee Wisconsin 53205-0900
(414) 273-6266

ANNUITY CERTIFICATE

- Flexible Premium Deferred Annuity
- Guaranteed Monthly Life Income
- Guaranteed Cash Values
- Premiums Payable to the Maturity Date or Prior Settlement
- Withdrawal Charges for Only the First Six (6) Contract Years
- Dividends Payable If Earned



ANNUITY POLICY

- Single Premium Deferred Annuity
- Participating Dividends
- Guaranteed Annuity
- Guaranteed Cash Values

Catholic Knights agrees to pay the benefits provided in this policy subject to its terms and conditions. Signed at Milwaukee, Wisconsin, on the policy date.

William R. O'Toole
President

Allan G. Lorge
Secretary

RIGHT TO CANCEL—The owner may cancel this policy for any reason before midnight of the twentieth day after the owner received the policy. This is done by delivering or mailing a written notice and the policy to Catholic Knights, 1100 West Wells Street, Milwaukee, Wisconsin 53233. If mail is used, it is effective on the date postmarked with a correct address and sufficient postage. Catholic Knights will return all payments for this policy within ten days after it receives the notice and the policy. This policy will then be void from the beginning.

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THIS POLICY IS A LEGAL CONTRACT BETWEEN THE OWNER AND CATHOLIC KNIGHTS.

READ YOUR POLICY CAREFULLY.

Definition--In this policy, “we”, “our” and “us” refer to Catholic Knights.

Policy Years--Policy years and months are measured from the policy date. For example, if the policy date were November 1, 2003, the first policy year would end October 31, 2004.

Initial Fixed Interest Rate-- the rate of interest guaranteed for the Initial Guarantee Period.

Initial Guarantee Period-- The period of years during which the Initial Fixed Interest Rate applies. The Initial Guarantee Period begins on the Policy Date

Guaranteed Minimum Interest Rate-- During the Initial Guarantee Period, we will not change the current interest rate. It is fixed at the Initial Fixed Interest Rate. After the Initial Guarantee Period, we may change the current interest rate from time to time. However, we guarantee that the current interest rate will always be at least equal to the Guaranteed Minimum Interest Rate determined as described in section 10.1. See sections 10.1 and 10.2.

Surrender and Withdrawal Provisions-- This policy provides certain limits on partial withdrawals. See section 4.2. This policy also provides for withdrawal charges in some instances if the owner surrenders the policy or takes partial withdrawals before a specified date. Withdrawals and surrenders are generally subject to the withdrawal charges shown in the table below. However, there are no withdrawal charges for payouts on the death of the owner or annuitant; or for any withdrawal or surrender that: (a) is not more than (1) ten percent (10%) of the cash value at that time less (2) the sum of previous withdrawals during the current policy year; or (b) is applied to a payout plan C or D under section 6.2. Each withdrawal charge is a percentage of the amount withdrawn. The following is the policy schedule of withdrawal charges:

Policy Year	1	2	3	4	5	6+
Withdrawal Charge	8%	7%	6%	4%	2%	0%

POLICY NUMBER:

[1234567]

OWNER:

[JOHN DOE]

ANNUITANT:

[JOHN DOE]

POLICY DATE:

[11/01/2003]

INITIAL MATURITY DATE:

[11/01/2018]

SINGLE PREMIUM:

[\$50,000]

INITIAL FIXED INTEREST RATE:

[3.5%]

INITIAL GUARANTEE PERIOD:

[5 years]

Forms and Procedures-- We may require the owner to follow our procedures and to use our forms to take any action such as changing a beneficiary or requesting a withdrawal. We may require the owner to submit this policy for endorsement to show any change. The owner may obtain any information and forms from a sales representative or the home office of Catholic Knights.

Guaranteed Values-- The following table illustrates guaranteed values at the end of the indicated policy years. The table assumes that:

- a) we received a \$1000 premium on the policy date; and
- b) the owner made no withdrawals.

Table of Guaranteed Values:

The table uses the Initial Fixed Interest Rate during the Initial Guarantee Period and then assumes an interest rate of 1.5% for all subsequent years. Withdrawal charges may apply as described in section 4.3.

End of Policy Year	Guaranteed Values	End of Policy Year	Guaranteed Values	End of Policy Year	Guaranteed Values
1	\$ 1,035.00	16	\$ 1,399.03	31	\$ 1,749.12
2	1,071.23	17	1,420.02	32	1,775.35
3	1,108.72	18	1,441.32	33	1,801.98
4	1,147.52	19	1,462.94	34	1,829.01
5	1,187.69	20	1,484.88	35	1,856.45
6	1,205.50	21	1,507.16	36	1,884.30
7	1,223.58	22	1,529.76	37	1,912.56
8	1,241.94	23	1,552.71	38	1,941.25
9	1,260.57	24	1,576.00	39	1,970.37
10	1,279.48	25	1,599.64	40	1,999.92
11	1,298.67	26	1,623.64	41	2,029.92
12	1,318.15	27	1,647.99	42	2,060.37
13	1,337.92	28	1,672.71	43	2,091.28
14	1,357.99	29	1,697.80	44	2,122.65
15	1,378.36	30	1,723.27	45	2,154.48

SECTION 1. PARTIES

1.1 The Owner

The initial owner is named on page 3. There may be subsequent owners. See sections 5.1(a) and 7. In this contract, “owner” refers to the then-current owner. Before the maturity date, the owner has surrender rights, the right to receive the annuity proceeds at the maturity date, and other rights as specified below. The owner’s death before the annuitant’s death and before the maturity date causes payment of the death benefit.

1.2 The Annuitant

The annuitant is named on page 3. The annuitant is the measuring life that determines the payments of the annuity proceeds at the maturity date. The annuitant’s death before the owner’s death and before the maturity date causes payment of the death benefit.

1.3 The Beneficiary

The initial beneficiary is named in the application. The owner may change beneficiaries as provided in section 8. In this contract, “beneficiary” refers to the then-current beneficiary. If the owner or the annuitant dies before the maturity date, the death benefit is paid to the beneficiary. If a beneficiary is an entity that is ignored pursuant to IRC section 72(u) or the corresponding provision of any future U.S. tax law, the entity will be deemed to be a natural person for purposes of section 5.1(c)(3) and 6.1. The deemed natural person will be the individual for whom the entity is deemed to be acting as an agent.

SECTION 2. BENEFITS

2.1 Annuity Proceeds

The annuity proceeds are the total of:

The guaranteed value (described in section 10.1)
plus
Any Excess interest (described in section 10.2)
minus
A withdrawal charge, if any (described in section 4.3).

2.2 Payment of the Annuity Proceeds

The annuity proceeds will be paid to, or applied to a settlement option for,

1. The owner upon cash surrender of this policy (see section 4.1); or

2. One or more designated beneficiaries at the death of the owner or the annuitant before the maturity date (see section 5); or
3. The owner at the maturity date (see section 3.2),

whichever of these events occurs first. Upon such payment or application of the full annuity proceeds, this contract will terminate.

SECTION 3. PAYMENT AT THE MATURITY DATE

3.1 Maturity Date

This initial maturity date is stated on page 3. Before a maturity date then in effect, the owner may extend the maturity date to any date permitted by our maturity-date rules then in effect. To change the maturity date, the owner must comply with the procedures specified by those rules. These procedures may include a rule that deems the owner to have accepted an extended maturity date that we propose if the owner does not notify us of non-acceptance by the proposed date. Hereinafter, "maturity date" refers to the then-current maturity date.

3.2 Payments

The annuity proceeds become payable to the owner on the maturity date if at that time the annuitant is alive and this policy is in force. The payments will be made pursuant to the owner's election of a lump sum or a payout plan. If the owner does not make such an election, we will pay the annuity proceeds in a lump sum. If the owner elects a payout plan based on a life, we will use the annuitant's life to determine the amount, duration and other terms of the plan.

SECTION 4. SURRENDER AND WITHDRAWAL PROVISIONS

4.1 Full Cash Surrender

The owner may surrender this policy at any time before the maturity date while the annuitant is alive. A surrender will be effective when we receive a satisfactory written surrender request at our home office. Except as provided in the next paragraph, upon surrender, we will pay the owner the annuity proceeds as reduced by any withdrawal charges. The owner may apply all or part of the annuity proceeds to a payout plan under section 6. The policy will terminate on the date of surrender.

We may defer the payment of the proceeds for not more than six (6) months. If the deferral exceeds thirty-one (31) days, we will pay interest at the rate of three percent (3%) per annum for the deferral period.

4.2 Partial Cash Withdrawal

The owner may make withdrawals under the following rules:

- a) Only accumulated interest may be withdrawn during the first year.
- b) Each withdrawal must be at least \$100.
- c) The owner may make up to twelve (12) scheduled, electronic withdrawals per year and up to four (4) non-scheduled withdrawals per year.

4.3 Withdrawal Charges

Withdrawals and surrenders are generally subject to the withdrawal charges shown in the table on page 3. Each withdrawal charge is a percentage of the amount withdrawn. However, there are no withdrawal charges for any withdrawal or surrender that:

- a) is not more than (1) ten percent (10%) of the cash value at that time less (2) the sum of previous withdrawals during the current policy year; or
- b) is applied to a payout plan C or D under section 6.2.

There are no withdrawal charges for payouts on the death of the owner or annuitant.

SECTION 5. DEATH OF THE OWNER OR ANNUITANT BEFORE MATURITY DATE

5.1 The Owner's Death

This subsection 5.1 applies upon the death of the owner before the maturity date if the owner is also the annuitant or the annuitant is still alive.

- a) If the owner's spouse survives and is the sole primary beneficiary, the spouse may elect to continue this policy in force as the owner and annuitant, unless the owner chose a mandatory method of payment in the beneficiary designation that does not allow the spouse to change it. This subsection 5.1(a) does not apply to the subsequent death of the surviving spouse.
- b) If the owner's spouse does not make that election and in all other cases not covered by subsection (a), the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c) and to any method of payment that the deceased owner mandated. To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may choose to receive the annuity proceeds in a lump sum and/or under one or more of the plans described in section 6.

- c) The restrictions to which subsections 5.1(b) and 5.2(b) refer are that the payments must be:
 - 1) in a lump sum paid within five years after the decedent's death; or
 - 2) under a payout plan A or B that specifies that full distribution must be made no later than five years after the decedent's death; or
 - 3) under a payout plan C or D that specifies a payment period that begins within one year after the decedent's death and ends either at the beneficiary's death or at the end of a period not extending beyond the beneficiary's life expectancy; this option is available only if the beneficiary is a natural person.

5.2 The Annuitant's Death

This subsection 5.2 applies upon the annuitant's death if the annuitant is not the owner and dies before the owner and before the maturity date. Upon the annuitant's death:

- a) If the annuitant's spouse is the owner and sole first beneficiary, the owner may elect to continue this policy in force with the surviving spouse as the annuitant and owner.
- b) If the owner is not a natural person, the annuity proceeds will be paid to the beneficiary in a way that conforms to the restrictions of subsection 5.1(c)(1) or (2). To the extent that the preceding sentence leaves choices available to the beneficiary, the beneficiary may elect to receive the annuity proceeds in a lump sum and/or under one or more of the payout plans described in section 6.
- c) If the owner does not elect under subsection 5.2(a) and subsection 5.2(b) does not apply, the annuity proceeds will be paid to the beneficiary. To the extent that the owner did not mandate a form of payment, the beneficiary may elect a lump sum and/or one or more of the payout plans described in section 6.

SECTION 6. PAYOUT PLANS

6.1 Payout Plan Rules

The measuring life will be the annuitant, the owner, or the beneficiary for payments made pursuant to sections 3.2, 4.1, and 5 respectively.

All elections of payout plans must be made in accordance with our procedures and will take effect when we record them. When a payout plan starts, we will issue a contract that will contain the plan's terms. If the payee is not a natural person, the choice of a payout plan will be subject to our approval. A payee who receives a contract providing for payments for life but with a selected guarantee period pursuant to plan C or E may from

time-to-time designate one or more payout plan beneficiaries who would receive the guaranteed payment after the payee's death. If the payee does not designate a payout plan beneficiary or if no payout plan beneficiary survives the payee, any amount payable upon the payee's death will be paid to the payee's estate.

6.2 Payout Plans

The payout plans are:

- A. Interest Deposit Account**— The allocated proceeds will earn interest annually at rates that we determine from time to time, but never less than one and one-half percent (1.5%). The interest may be paid periodically or left to accumulate. The payee may withdraw all or part of the account at any time.
- B. Payments For a Guaranteed Period**-- We will periodically pay the amount that is calculated so that the allocated proceeds plus interest are fully paid over a guaranteed period that may be selected. The guaranteed period must be at least five years. We reserve the right to set a maximum limit. The payee may not withdraw any of the account at any time.
- C. Payments Based on a Single Life**
- 1. Life Only**--We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over the payee's life expectancy. We will make no further payments after the payee's death. The payee may not withdraw any of the account at any time.
 - 2. Life or Certain Period**--We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the payee's life expectancy and the probability that the payee would not survive a certain period that may be selected. The certain period must be either ten or twenty years. If the payee dies during the certain period, we will pay the present value of the remaining certain-period payments to the payout plan beneficiary pursuant to his or her election of a lump sum or an eligible payout plan. To be eligible, the payout plan must pay out at least as rapidly as the plan in effect when the payee died. If the payout plan beneficiary does not make such an election, we will pay the annuity proceeds in a lump sum. If the payee survives beyond the selected period, we will continue making the periodic payments until the payee's death. The payee may not withdraw any of the account at any time.
- D. Joint and Survivor Lifetime Payments** ---We will periodically pay the amount that is calculated so that the allocated proceeds plus interest would be fully paid over a period based on the life expectancies of two payees. We will pay that amount as long as one or both payees are living. Neither beneficiary may withdraw any of the account at any time.

E. Other Plans--Other periodic plans may be arranged with us.

F. Minimum Payment Guarantee

1. The amount of the periodic payment under paragraphs B through E will be determined by a single interest rate that we will declare when the plan takes effect and which will be at least one and one-half percent (1.5%). Payments that depend on one or more lives will also be determined by a mortality table that we will declare when the plan takes effect and which will be at least as favorable to the beneficiary as the Annuity 2000 Mortality tables on an age-nearest birthday basis, split by sex.

2. Tables 1, 2 and 3 show the minimum guaranteed payments for each plan under paragraphs B, C and D respectively under certain stated assumptions.

6.3. Frequency of Payments

Monthly, quarterly, semi-annual or annual payments may be selected.

6.4 Payout Plan Guaranteed Payments

The monthly amounts shown are for each \$1,000 applied. We will adjust the monthly payments by interest and mortality, if appropriate, to obtain quarterly, semi-annual or annual payments. The tables assume that payments are made at the end of the payment mode selected. Table 1 is based on an annual effective interest rate of one and one-half percent (1.5%). Tables 2 and 3 are based on an annual effective interest rate of one and one-half percent (1.5%) and the Annuity 2000 Mortality tables, split by sex.

TABLE 1 PAYOUT PLAN B: PAYMENTS FOR A GUARANTEED PERIOD							
Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts	Years Selected	Monthly Amounts
5	17.31	9	9.90	13	7.05	17	5.55
6	14.53	10	8.97	14	6.60	18	5.28
7	12.54	11	8.22	15	6.20	19	5.04
8	11.06	12	7.59	16	5.86	20	4.82

TABLE 2 PAYOUT PLANS C: PAYMENTS FOR LIFE					
	No Certain Period	Certain Periods			
		10 Year		20 Year	
Payee's					

Age	Male	Female	Male	Female	Male	Female
50	3.26	3.01	3.23	3.00	3.15	2.96
55	3.65	3.35	3.61	3.33	3.46	3.25
60	4.17	3.79	4.09	3.75	3.80	3.59
65	4.88	4.39	4.71	4.30	4.15	3.97
70	5.86	5.22	5.47	5.02	4.45	4.34

TABLE 3 PAYOUT PLAN D: JOINT AND SURVIVOR LIFETIME ANNUITY PAYMENTS					
Male Age	Female Age				
	50	55	60	65	70
50	2.72	2.86	2.97	3.06	3.13
55	2.81	2.99	3.16	3.31	3.42
60	2.88	3.10	3.33	3.55	3.75
65	2.93	3.19	3.48	3.79	4.09
70	2.96	3.25	3.59	3.99	4.41

SECTION 7. OWNERSHIP

7.1 The Owner

The owner's rights expire at the maturity date, except for the right under section 3.2 to elect a payout plan. Until the maturity date, the owner may exercise all available policy rights without the consent of any beneficiary or the annuitant.

7.2 Transfer of Ownership

Prior to the maturity date, the owner may transfer the ownership of this contract by a written assignment that is satisfactory to us and received at our home office. Such a transfer is then effective when the owner signs the assignment.

7.3 Collateral Assignment

Prior to the maturity date, the owner may assign this policy as collateral security by a written assignment that is satisfactory to us. We assume no responsibility for the validity or effect of any collateral assignment of this policy. We will not be responsible to an assignee for any payment or other action that we take before we receive the assignment at our home office.

An assignment of this policy as collateral for a loan will modify a prior choice of payout plan. The amount due the assignee will be payable in one sum, and the balance will be applied under the payout plan. Payout plans may not be assigned for the benefit of creditors.

The rights of a beneficiary under this contract are subordinate to those of an assignee, unless the beneficiary was effectively designated as an irrevocable beneficiary prior to the assignment.

SECTION 8. BENEFICIARY

8.1. Designated Beneficiary

The owner may designate one or more beneficiaries to receive the annuity proceeds upon the death of the owner or the annuitant before the maturity date (“the applicable death”). A designation may include one or more contingent beneficiaries who become the beneficiaries if all the primary beneficiaries die before the applicable death. If more than one beneficiary in the applicable class (primary or contingent) is alive at the applicable death, we will pay them in equal shares unless the owner has specified otherwise. If no designated beneficiary is alive at the applicable death, we will pay the owner if then living or, if not, the owner’s estate.

8.2 Change of Beneficiary

While the annuitant is alive, the owner may change any beneficiary by signing a written notice and sending it to us. No change is binding on us until it is recorded at our home office. Once recorded, the change binds us as of the date the owner signed it. The change will not apply to any payment we made before we recorded the owner’s request. We may require that you send us this policy to make the change.

SECTION 9. PREMIUMS

9.1 Single Premium Payment

The single premium must be paid to Catholic Knights at its home office on or before delivery of this policy and during the lifetime of the annuitant.

SECTION 10. GUARANTEED VALUE AND EXCESS INTEREST

10.1 Guaranteed Value

The minimum guaranteed value of this contract is the accumulation of the single premium, offset by withdrawals, at the Initial Fixed Interest Rate for the Initial Guarantee Period followed by the Guaranteed Minimum Interest Rate after the Initial Guarantee Period. The Initial Fixed Interest Rate for the Initial Guarantee Period is listed on page 3. The Guaranteed Minimum Interest Rate after the Initial Guarantee Period will be determined at the end of the Initial Guarantee Period as follows and will continue unchanged for the duration of the contract:

- a) Determine the 12-month average five-year constant maturity treasury rate reported by the Federal Reserve as of the end of the Initial Guarantee Period and round that number to the nearest 1/20 of one percent;
- b) Reduce that number by 1.25 percent (125 basis points);
- c) The Guaranteed Minimum Interest Rate will be that result, except that it will not be less than one and one-half percent (1.5%) nor more than three percent (3.0%).

Interest begins to accumulate on the premium when the home office receives it. Guaranteed values at any time during a policy year will be determined with allowance for the part of the year that has elapsed. A representative Table of Guaranteed Values for this contract is shown on page 4.

10.2 Excess Interest

In addition to the guaranteed values, We may pay or credit excess interest from time to time at an interest rate specified by us.

SECTION 11. DIVIDENDS

11.1 Dividends

Each year we determine our divisible surplus. We will credit this contract's share, if any, on the policy anniversary. Since we do not expect this policy to contribute to divisible surplus, we do not expect to credit any dividends to it. If a dividend were credited, the owner could choose between receiving it in cash or applying it toward a premium payment.

SECTION 12. GENERAL PROVISIONS

12.1 This Contract

This contract consists of this policy, the application, and the Articles of Incorporation and Bylaws of Catholic Knights. Any subsequent changes to the Articles of Incorporation or Bylaws shall be binding upon the owner, annuitant, beneficiaries and other persons affected and shall govern and control in all respects, except that no changes shall destroy or diminish benefits promised in this policy when it was issued. No change in this policy is valid unless approved by an officer of Catholic Knights. No agent has authority to change this policy or to waive any of its provisions.

Membership in Catholic Knights that is based solely on being an owner or an annuitant under this policy will expire if and when this contract is surrendered or lapses. However, cessation of membership will not change any of the contractual rights under this contract.

We will treat statements made in the application as representations and not warranties. We will not use statements made during the application process but not included in the application to rescind the contract or to change our obligations under the contract.

Any paid-up annuity, cash surrender or death benefits that may be available under this contract are not less than the minimum benefits required by any statute of the state in which the contract is delivered.

12.2 Incontestability

We will not contest this contract after it has been in force for two years from the policy date.

12.3 Misstatement of Age or Sex

If the annuitant's age or sex is not correctly shown in the application, we will adjust the income payable. The annuity income on the maturity date will be based on the annuitant's correct age and sex at that time.

12.4 Maintenance of Legal Reserves

As required by a statute, if Catholic Knights' financial position becomes impaired, the Board of Directors or the Council may equitably apportion the deficiency among any or all of Catholic Knights' members, insured employees or policy owners. If any share of the deficiency is apportioned to this contract, the owner may (a) pay it, (b) accept it as an indebtedness against this contract, or (c) accept a proportionate reduction in benefits under the policy. Any indebtedness will be charged interest at variable rates that we specify from time to time, compounded annually. The interest rate will not exceed eight percent (8%) per year. The Board of Directors or the Council may specify the manner of election and which alternative is to be presumed if no election is made.

12.5 Effective Date of Changes

Any election or request for a change provided in this contract must be received, approved and recorded at the home office before it is effective. Once received, approved and recorded, it is effective as of the date it was signed or the date it was received at the home office if no signing date appears on it.

12.6 Amendment of Contract

We reserve the right to amend this contract at any time without the owner's consent if we determine that the amendment is necessary to preserve the contract's status as an annuity for tax purposes.

ANNUITY POLICY



- Single Premium Deferred Annuity
- Participating Dividends
- Guaranteed Annuity
- Guaranteed Cash Values