

SERFF Tracking Number: KCLF-126467092 State: Arkansas  
Filing Company: Kansas City Life Insurance Company State Tracking Number: 44683  
Company Tracking Number: M624  
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other  
Product Name: M622-1  
Project Name/Number: M622-1/M622-1

## Filing at a Glance

Company: Kansas City Life Insurance Company

Product Name: M622-1

TOI: A10 Annuities - Other

Sub-TOI: A10.000 Annuities - Other

Filing Type: Form

SERFF Tr Num: KCLF-126467092 State: Arkansas

SERFF Status: Closed-Approved-  
Closed State Tr Num: 44683

Co Tr Num: M624

Author:

Date Submitted: 01/22/2010

State Status: Approved-Closed

Reviewer(s): Linda Bird

Disposition Date: 01/27/2010

Disposition Status: Approved-  
Closed

Implementation Date:

Implementation Date Requested: 02/01/2010

State Filing Description:

## General Information

Project Name: M622-1

Project Number: M622-1

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 01/27/2010

Deemer Date:

Submitted By: Jennifer Penfield

Filing Description:

M624: SIMPLE IRA Endorsement

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 01/27/2010

Created By: Jennifer Penfield

Corresponding Filing Tracking Number:

This endorsement was recently approved by the IRS. Kansas City Life is hereby submitting it for your review and approval.

Sincerely,

Jennifer Penfield

Compliance Analyst

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jpenfield@kclife.com  
 1-800-821-6164 ext 8420

## Company and Contact

### Filing Contact Information

Jennifer Penfield, Compliance Analyst jpenfield@kclife.com  
 3520 Broadway St 800-821-5529 [Phone] 8420 [Ext]  
 PO Box 219139  
 Kansas City, MO 64121-2139

### Filing Company Information

Kansas City Life Insurance Company CoCode: 65129 State of Domicile: Missouri  
 P O Box 219139 Group Code: 588 Company Type: Life  
 Kansas City, MO 64121-9139 Group Name: State ID Number:  
 (800) 821-5529 ext. [Phone] FEIN Number: 44-0308260

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? Yes  
 Fee Explanation: \$50.00 per filing in Missouri.  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Kansas City Life Insurance Company	\$50.00	01/22/2010	33719605

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	01/27/2010	01/27/2010

<i>SERFF Tracking Number:</i>	<i>KCLF-126467092</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Kansas City Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>44683</i>
<i>Company Tracking Number:</i>	<i>M624</i>		
<i>TOI:</i>	<i>A10 Annuities - Other</i>	<i>Sub-TOI:</i>	<i>A10.000 Annuities - Other</i>
<i>Product Name:</i>	<i>M622-1</i>		
<i>Project Name/Number:</i>	<i>M622-1/M622-1</i>		

## **Disposition**

Disposition Date: 01/27/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: KCLF-126467092 State: Arkansas  
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<b>Schedule</b>	<b>Schedule Item</b>	<b>Schedule Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Flesch Certification		Yes
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Acturial Memo		No
<b>Form</b>	SIMPLE IRA Endorsement		Yes

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## Form Schedule

### Lead Form Number: M624

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	M624	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial		51.000	M624 SIMPLE IRA KCL.pdf



**KANSAS CITY LIFE  
INSURANCE COMPANY**

***SIMPLE IRA Endorsement***

1) Purpose of the Endorsement

- a) *Purpose:* The purpose of this Endorsement, which is attached to and made a part of the annuity Contract issued by Kansas City Life Insurance Company, is to qualify the Contract as a SIMPLE individual retirement annuity (IRA) under Code section 408(p) and 408(b) to provide for the SIMPLE IRA Owner's retirement and for the support of his or her Beneficiary(ies) after death. The Contract is established for the exclusive benefit of the SIMPLE IRA Owner and his or her Beneficiary(ies). If any provisions of the Contract conflict with this Endorsement, the provisions of this Endorsement will apply.
- b) *Ownership Provisions:* The SIMPLE IRA Owner's interest in the Contract is nonforfeitable and nontransferable and the SIMPLE IRA Owner may exercise all rights under the Contract during his or her lifetime. In addition, the Contract may not be sold, assigned, discounted, or pledged as collateral or as security for the performance of an obligation or for any other purpose.
- c) *For More Information:* To obtain more information concerning the rules governing this Endorsement, contact Kansas City Life Insurance Company.

2) Definitions

The following words and phrases, when used in this Endorsement with initial capital letters, shall, for the purpose of this Endorsement, have the meanings set forth below unless the context indicates that other meanings are intended.

- a) *Application:* Means the document executed by the SIMPLE IRA Owner through which the SIMPLE IRA Owner adopts this Endorsement and thereby agrees to be bound by all terms and conditions of this Endorsement.
- b) *Beneficiary:* Means the individual(s) or entity(ies) properly named to receive any remaining SIMPLE IRA benefits upon the death of the SIMPLE IRA Owner.
- c) *Code:* Means the Internal Revenue Code of 1986, as amended from time to time.
- d) *Contract:* Means the annuity contract used in conjunction with this Endorsement.
- e) *Designated Beneficiary:* Means the Beneficiary named as of the date of the SIMPLE IRA Owner's death who remains a Beneficiary as of September 30 of the year following the year of the SIMPLE IRA Owner's death.
- f) *Endorsement:* Means this SIMPLE IRA Endorsement, including the Application, that was completed and signed to establish this SIMPLE IRA.
- g) *IRA:* Means a SIMPLE IRA as defined in Code section 408(p) and 408(b) unless otherwise indicated.
- h) *SIMPLE IRA Owner:* Means the individual who participates in this SIMPLE IRA, thereby owning the Contract.
- i) *Premium:* Means any payments made to the SIMPLE IRA.
- j) *Regulations:* Means the Treasury regulations.
- k) *SIMPLE IRA:* Means an IRA which satisfies the requirements of Code sections 408(b) and 408(p).

3) Premium Payments

- a) *Permissible Premiums.* The only Premiums permitted to this contract are cash Premiums under a qualified salary reduction arrangement as defined in Code section 408(p) and rollover Premiums or transfers of assets from another SIMPLE IRA of the SIMPLE IRA Owner. No other Premiums will be accepted. Both elective deferrals and employer Premiums may be permitted. Premiums shall not exceed

the limits specified in Code section 408(p) and other applicable sections of the Code and related Regulations.

- b) *Excess Premium.* Any refund of Premiums (other than those attributable to excess Premiums) will be applied, before the close of the calendar year following the year of the refund, toward the payment of future Premiums or the purchase of additional benefits.
- c) *Contract Requirements.* If the Premiums are interrupted, the Contract will be reinstated at any date prior to maturity upon payment of a Premium other than a rollover or transfer Premium, to Kansas City Life Insurance Company, and the minimum Premium amount for reinstatement shall be \$50. However, Kansas City Life Insurance Company may, at its option, either accept additional future Premiums or terminate the contract by payment in cash of the then present value of the paid up benefit if no Premiums have been received for two full consecutive policy years and the paid up annuity benefit at maturity would be less than \$20 per month.

#### 4) Distribution Requirements

##### *SIMPLE IRA Owner Distributions*

Notwithstanding any provision of this SIMPLE IRA to the contrary, the distribution of the SIMPLE IRA Owner's interest in the SIMPLE IRA shall be made in accordance with the requirements of Code section 408(b)(3) and the Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are not made in the form of an annuity on an irrevocable basis (except for acceleration), then distribution of the interest in the SIMPLE IRA (as determined under d) below) must satisfy the requirements of Code section 408(a)(6) and the Regulations thereunder, rather than paragraphs a), b) and c) below and Beneficiary Rights below.

- a) The entire interest of the SIMPLE IRA Owner for whose benefit the SIMPLE IRA is maintained will commence to be distributed no later than the first day of April following the calendar year in which such SIMPLE IRA Owner attains age 70½ (the "required beginning date") over
  - i) the SIMPLE IRA Owner's life or the lives of such SIMPLE IRA Owner and his or her Designated Beneficiary(ies), or
  - ii) a period certain not extending beyond the SIMPLE IRA Owner's life expectancy or the joint and last survivor expectancy of such SIMPLE IRA Owner and his or her Designated Beneficiary(ies).

Distributions must be made in periodic payments at intervals of no longer than one year and must be either non-increasing or they may increase only as provided in Q&As-1 and -4 of Regulations section 1.401(a)(9)-6. In addition, any distribution must satisfy the incidental benefit requirements specified in Q&A-2 of 1.401(a)(9)-6.

- b) The distribution periods described in paragraph a) of this article cannot exceed the periods specified in Regulations section 1.401(a)(9)-6T.
- c) The first required distribution can be made as late as the required beginning date and must be the distribution that is required for one payment interval. The second distribution need not be made until the end of the next payment interval.
- d) If the SIMPLE IRA Owner fails to elect a method of distribution by his or her required beginning date Kansas City Life Insurance Company shall have complete and sole discretion to do any one of the following:
  - make no distribution until the SIMPLE IRA Owner provides a proper withdrawal request;
  - distribute the SIMPLE IRA Owner's entire interest in a single sum payment;
  - distribute the SIMPLE IRA Owner's entire interest over a period certain not extending beyond the SIMPLE IRA Owner's life expectancy or the life expectancy of the SIMPLE IRA Owner and his or her Beneficiary; or
  - annuitize the SIMPLE IRA within the parameters described in this Section.

Kansas City Life Insurance Company will not be liable for any penalties or taxes related to the SIMPLE IRA Owner's failure to take a required minimum distribution.

- e) If this SIMPLE IRA is maintained by a designated financial institution (within the meaning of Code section 408(p)(7)) under the terms of a SIMPLE IRA Plan of the SIMPLE IRA Owner's employer, the SIMPLE IRA Owner must be permitted to transfer the SIMPLE IRA Owner's balance without cost or penalty (within the meaning of Code section 408(p)(7)) to another SIMPLE IRA of the SIMPLE IRA Owner that is qualified

under Code section 408(a), (b) or (p), or to another eligible retirement plan described in Code section 402(c)(8)(B).

- f) Prior to the expiration of the two-year period beginning on the date the SIMPLE IRA Owner first participated in any SIMPLE IRA Plan maintained by the SIMPLE IRA Owner's employer, any rollover or transfer by the SIMPLE IRA Owner of funds from this SIMPLE IRA must be made to another SIMPLE IRA of the SIMPLE IRA Owner. Any distribution of funds to the SIMPLE IRA Owner during this two-year period may be subject to a 25-percent additional tax if the SIMPLE IRA Owner does not roll over the amount distributed into a SIMPLE IRA. After the expiration of this two-year period, the SIMPLE IRA Owner may roll over or transfer funds to any IRA of the SIMPLE IRA Owner that is qualified under Code section 408(a), (b) or (p), or to another eligible retirement plan described in Code section 402(c)(8)(B).

*Beneficiary Rights.* If the SIMPLE IRA Owner dies before his or her entire interest is distributed to him or her, the entire remaining interest will be distributed as follows.

- a) Death on or after Required Beginning Date. If the SIMPLE IRA Owner dies on or after the required beginning date for distributions, the remaining portion of such SIMPLE IRA Owner's interest will continue to be distributed under the contract option chosen.
- b) Death before Required Beginning Date. If the SIMPLE IRA Owner dies before required distributions commence, such SIMPLE IRA Owner's entire interest will be distributed at least as rapidly as follows.
  - i) If the Designated Beneficiary is someone other than the SIMPLE IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the SIMPLE IRA Owner's death, over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the SIMPLE IRA Owner's death, or, if elected, in accordance with paragraph iii) below.
  - ii) If the SIMPLE IRA Owner's sole Designated Beneficiary is the SIMPLE IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the SIMPLE IRA Owner's death (or by the end of the calendar year in which the SIMPLE IRA Owner would have attained age 70½, if later), over such spouse's life, or, if elected, in accordance with paragraph iii) below. If the surviving spouse dies before required distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with paragraph iii) below. If the surviving spouse dies after required distributions commence to him or her, any remaining interest will continue to be distributed under the contract option chosen.
  - iii) If there is no Designated Beneficiary, or, if applicable by operation of paragraph i) or ii) above, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the SIMPLE IRA Owner's death (or the spouse's death in the case of the surviving spouse's death before distributions are required to begin under paragraph ii) above).
  - iv) Life expectancy is determined using the Single Life Table in Q&A-1 of Regulations section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in paragraph i) or ii) above and reduced by one for each subsequent year.
- c) The value of the SIMPLE IRA for purposes of this Section is the prior December 31 balance adjusted to include the amount of any outstanding rollovers, transfers and recharacterizations under Q&As-7 and -8 of Regulations section 1.408-8 and the actuarial value of any other benefits provided under the SIMPLE IRA, such as guaranteed death benefits.
- d) For purposes of paragraphs a) and b) above, required distributions are considered to commence on the SIMPLE IRA Owner's required beginning date or, if applicable, on the date distributions are required to begin to the surviving spouse under paragraph ii) above. However, if distributions start prior to the applicable date in the preceding sentence, on an irrevocable basis (except for acceleration) under an annuity contract meeting the requirements of Regulations section 1.401(a)(9)-6T, the required distributions are considered to commence on the annuity starting date.
- e) If the Designated Beneficiary is the SIMPLE IRA Owner's surviving spouse, the spouse may elect to treat the SIMPLE IRA as his or her own SIMPLE IRA. This election will be deemed to have been made if such

surviving spouse, who is the sole Beneficiary of the SIMPLE IRA, makes a Premium to the SIMPLE IRA (permitted under the Premium rules for SIMPLE IRAs as if the surviving spouse were the Owner) or fails to take required distributions as a Beneficiary.

- f) If the Beneficiary payment election as describe in *Beneficiary Rights* above is not made by December 31 of the year following the year the SIMPLE IRA Owner dies, Kansas City Life Insurance Company reserves the right to elect, in its complete and sole discretion, to do any one of the following:
- make no distribution until the Beneficiary(ies) provides a proper withdrawal request;
  - distribute the entire SIMPLE IRA to the Beneficiary(ies) in a single sum payment;
  - distribute the entire remaining interest to the Beneficiary(ies) pursuant to the applicable option in paragraphs a) or b) above.

Kansas City Life Insurance Company will not be liable for any penalties or taxes related to the Beneficiary's failure to take a required minimum distribution

#### 5) Reporting

The SIMPLE IRA Owner agrees to provide Kansas City Life Insurance Company with information necessary for Kansas City Life Insurance Company to prepare any report required under Code sections 408(l) and 408(l)(2)(B) and Regulations sections 1.408-5 and 1.408-8.

Kansas City Life Insurance Company shall furnish annual calendar year reports concerning the status of the annuity and such information concerning required minimum distributions as is prescribed by the IRS.

If Premiums made on behalf of the SIMPLE IRA Owner under a SIMPLE IRA plan maintained by the SIMPLE IRA Owner's employer are received directly by Kansas City Life Insurance Company from the employer, Kansas City Life Insurance Company will provide the employer with the summary description required by Code section 408(l)(2)(B). Notwithstanding the foregoing, Kansas City Life Insurance Company will be deemed to have satisfied its summary description reporting requirements under Section 408(l)(2) of the Code if either:

- a) Kansas City Life Insurance Company provides a summary description directly to the SIMPLE IRA Owner, or
- b) Kansas City Life Insurance Company provides its name, address and withdrawal procedures to the SIMPLE IRA Owner and the SIMPLE IRA Owner's employer provides the SIMPLE IRA Owner with all other required information.

#### 6) Amendments

Any amendment made for the purpose of complying with provisions of the Code and related Regulations may be made without the consent of the SIMPLE IRA Owner. The SIMPLE IRA Owner will be deemed to have consented to any other amendment unless the SIMPLE IRA Owner notifies Kansas City Life Insurance Company that he or she does not consent within 30 days from the date Kansas City Life Insurance Company mails the amendment to the SIMPLE IRA Owner.

#### 7) Responsibility of the Parties

Kansas City Life Insurance Company shall not be responsible for any penalties, taxes, judgments or expenses incurred by the SIMPLE IRA Owner in connection with this SIMPLE IRA and shall have no duty to determine whether any Premiums to or distributions from this SIMPLE IRA comply with the Code, Regulations, rulings or this Endorsement.

Signed for Kansas City Life Insurance Company, a stock company, at its Home Office, 3520 Broadway, P.O. Box 219139, Kansas City, Missouri, 64121-9139.



Secretary



President

<i>SERFF Tracking Number:</i>	<i>KCLF-126467092</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Kansas City Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>44683</i>
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<i>TOI:</i>	<i>A10 Annuities - Other</i>	<i>Sub-TOI:</i>	<i>A10.000 Annuities - Other</i>
<i>Product Name:</i>	<i>M622-1</i>		
<i>Project Name/Number:</i>	<i>M622-1/M622-1</i>		

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b>		
<b>Attachments:</b>		
AR Cert.pdf		
M624 Read Cert.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application		
<b>Bypass Reason:</b> N/A		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Life & Annuity - Acturial Memo		
<b>Bypass Reason:</b> N/A		
<b>Comments:</b>		

**STATE OF ARKANSAS  
COMPLIANCE CERTIFICATION**

COMPANY NAME: Kansas City Life Insurance

FORM TITLE(S): SIMPLE IRA Endorsement

FORM NUMBER(S): M624

I hereby certify that to the best of my knowledge and belief, the above form and submission is in compliance with Regulation 19 and Regulation 49, as well as the other laws, rules, and regulations of the State of Arkansas.



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Marc Bensing  
Assistant Vice President  
Kansas City Life Insurance Company

Date: January 22, 2010



**KANSAS CITY LIFE  
INSURANCE COMPANY**

Broadway at Armour / Box 219139 / Kansas City, Missouri 64121-9139  
Telephone: (816) 753-7000  
Web Site: [www.kclife.com](http://www.kclife.com)

**FLESCH SCORE - READABILITY CERTIFICATION**

**FORM**  
**M624**

**SCORE**  
**51**

*Marc S. Bensing*

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**Marc Bensing**  
**Assistant Vice President**  
**Kansas City Life Insurance Company**  
**Date: January 22, 2010**