

SERFF Tracking Number: NALH-126597244 State: Arkansas  
 Filing Company: North American Company for Life and Health Insurance State Tracking Number: 45608  
 Company Tracking Number: LS174  
 TOI: L04I Individual Life - Term Sub-TOI: L04I.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life  
 Product Name: LS174  
 Project Name/Number: LS174/LS174

## Filing at a Glance

Company: North American Company for Life and Health Insurance

Product Name: LS174

SERFF Tr Num: NALH-126597244 State: Arkansas

TOI: L04I Individual Life - Term

SERFF Status: Closed-Approved-Closed State Tr Num: 45608

Sub-TOI: L04I.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life

Co Tr Num: LS174

State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Laurie Gruba, Paula Kunkel-White, Gayle Lovorn

Disposition Date: 05/12/2010

Date Submitted: 05/07/2010

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: LS174

Status of Filing in Domicile: Pending

Project Number: LS174

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments: Iowa, state of domicile, approval pending review under the Interstate Compact process.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 05/12/2010

Explanation for Other Group Market Type:

State Status Changed: 05/12/2010

Deemer Date:

Created By: Paula Kunkel-White

Submitted By: Paula Kunkel-White

Corresponding Filing Tracking Number:

Filing Description:

LS17403 Adjustable Premium Level Term Life Insurance to Policy Age 95 with Change of Premium Provision with Schedule of Policy Benefits Forms PS174.

LR473 Accelerated Death Benefit Endorsement –Chronic & Terminal Illness

SERFF Tracking Number: NALH-126597244 State: Arkansas  
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#### LR474 Accelerated Death Benefit Endorsement –Terminal Illness

Dear Reviewer:

NOTE: We have a companion filing being submitted in SERFF under NALH-126602322 for Midland National Life Insurance Company, our sister company, for review and approval. We would like to request the same examiner be assigned to review these 2 companion filings, if possible, since the products are similar. The differences between the two filings are the issuing company and form numbers.

We are filing the above forms for your review and approval. These are new forms, do not replace any form currently on file with your Department, and are for use on a general basis. These forms will be laser printed and we reserve the right to change fonts and layouts. The minimum font size will never be less than 10 point type. Licensed agents will market this product on an individual basis.

#### Policy Form LS17403

This is an adjustable premium, level term life insurance policy to age 95. This product provides a guaranteed level current premium for either a 10, 15, or 20 years. After the level premium period, premiums will increase on an annual renewable basis. A schedule page with a 20 year level term period is attached with the policy form. Our computer system is programmed to produce the correct set of Schedule Pages, depending upon the guarantee period selected at the time of issue. Under Supporting Documentation, are samples schedules for the 20 year plan completed for each type of rating used by the Company. A Conversion privilege is available which allows an Insured to exercise a partial conversion or a full conversion to a permanent plan of insurance. Please refer to the Actuarial memorandum for additional details.

This is a non-illustrated policy.

#### Endorsement Form LR473 – Chronic & Terminal Illness

This endorsement form is substantially similar to the previously approved Chronic-Terminal Illness endorsement, LR463, approved on 01/04/2010 under State tracking number 44455. The differences between the versions are:

1. Form number
2. Removal of the term “survivor” and replaced with “insured”
3. Removal of language specific to Universal Life Policy forms & replaced with language specific to Term Life Policy forms, as applicable. (Specified Amount revised to Face Amount; Monthly deduction revised to Payment of Premium, etc.)
4. Conversion privilege for Chronic Illness

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This endorsement provides benefits for both Chronic Illness and Terminal Illness. It allows the policyowner to accelerate a portion of the Death Benefit if the Insured has been certified by a physician to be Chronically Ill or Terminally Ill. The policyowner can only elect the accelerate benefits under one of these conditions at any given time. There is no additional premium cost for this endorsement. However, there is an administrative fee when the benefit is elected. The default payment method is a lump sum but the policyowner can choose to receive Periodic Payments on a semi-annual basis. Please refer to the Actuarial Memorandum for further details.

#### Endorsement Form LR474 – Terminal Illness

This endorsement form is substantially similar to the previously approved Terminal Illness endorsement, LR464, approved on 01/04/2010 under State tracking number 44455. The differences between the versions are:

1. Form number
2. Removal of the term “survivor” and replaced with “insured”
3. Removal of language specific to Universal Life Policy forms & replaced with language specific to Term Life Policy forms, as applicable. (Specified Amount revised to Face Amount; Monthly deduction revised to Payment of Premium, etc.)

The endorsement allows the owner of the policy to accelerate a portion of the Death Benefit if the Insured has been certified by a physician to be Terminally Ill. The definition of Terminally Ill is stated in the endorsement form. There is no additional premium cost for this endorsement however; there is an administrative fee when the benefit is elected. Only one election can be made for Terminal Illness and payment will be lump sum. There are no underwriting restrictions for this endorsement form. Please refer to the Actuarial Memorandum for further details.

Included in this filing under the Supporting Documentation Tab are samples of the disclosure form which will be given to the applicant at time of application as well as a sample Benefit Worksheet and Payment summary form, which is provided to the Insured when they choose to elect the benefit. This information is considered supplemental and is submitted for informational purposes only.

We are requesting approval for general use for the Accelerated Benefit Endorsements in this filing so that they may be made available for both new issues and inforce business on any product currently being sold.

For informational purposes, included in this filing is a Statement of Variability that provides the variable ranges and variable text for the bracketed information shown on the Schedule of Policy Benefits.

General application form series L-3182, approved on 9/16/2009, under State number 43481, will be used with will be used in the solicitation of this policy.

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 Product Name: LS174  
 Project Name/Number: LS174/LS174

## Company and Contact

### Filing Contact Information

Paula Kunkel White, Contracts Analyst pwhite@nacolah.com  
 525 W. VAN BUREN 800-800-3656 [Phone] 27179 [Ext]  
 CHICAGO, IL 60607 312-648-7780 [FAX]

### Filing Company Information

North American Company for Life and Health CoCode: 66974 State of Domicile: Iowa  
 Insurance  
 Principal Office: 4601 Westown Parkway - Group Code: 431 Company Type: Life and Annuity  
 Suite 300  
 West Des Moines, IA 50266 Group Name: State ID Number:  
 (800) 800-3656 ext. [Phone] FEIN Number: 36-2428931  
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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation: \$50.00 per submission  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
North American Company for Life and Health Insurance	\$50.00	05/07/2010	36302504
North American Company for Life and Health Insurance	\$100.00	05/11/2010	36400579

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	05/12/2010	05/12/2010

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	05/11/2010	05/11/2010	Paula Kunkel-White	05/11/2010	05/11/2010

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## Disposition

Disposition Date: 05/12/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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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	Statement of variability		Yes
Supporting Document	Accelerated death benefits documents		Yes
Form	Adjustable Premium Level Term Insurance to Policy age 95		Yes
Form	Accelerated Death Benefit Endorsment - Chronic & Terminal Illness		Yes
Form	Accelerated Death Benefit Endorsment - Terminal Illness		Yes

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Project Name/Number: LS174/LS174

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 05/11/2010  
Submitted Date 05/11/2010  
Respond By Date 06/11/2010

Dear Paula Kunkel White,

This will acknowledge receipt of the captioned filing.

Objection 1

No Objections

Comment: Regulation 57 was revised effective January 1, 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$100.00 is received.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

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Project Name/Number: LS174/LS174

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 05/11/2010  
Submitted Date 05/11/2010

Dear Linda Bird,

### Comments:

Pursuant to your objection notice, we have authorized the additional filing fee.  
Thank you for the revised information.

### Response 1

Comments: Please see attached additional filing fee submission.

### Related Objection 1

#### Comment:

Regulation 57 was revised effective January 1, 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$100.00 is received.

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Thank you for your continued review of this filing.

Sincerely,

Gayle Lovorn, Laurie Gruba, Paula Kunkel-White

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## Form Schedule

### Lead Form Number: LS17403

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	LS17403	Policy/Cont Adjustable Premium ract/Fratern Level Term al Insurance to Policy Certificate age 95	Initial		50.400	AR LS17403.pdf
	LR473	Policy/Cont Accelerated Death ract/Fratern Benefit Endorsment - al Chronic & Terminal Certificate: Illness Amendmen t, Insert Page, Endorseme nt or Rider	Initial		50.200	LR473 Combo ABR.pdf
	LR474	Policy/Cont Accelerated Death ract/Fratern Benefit Endorsment - al Terminal Illness Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		51.900	LR474 Terminal Illness End.pdf



**North American Company for Life and Health Insurance**

Principal Office: 4601 Westown Parkway, Suite 300 • West Des Moines, IA 50266

Administrative Office: P.O. Box 5088 • Sioux Falls, SD 57117-5088

*A Stock Company*  
**www.nacolah.com**

In this Policy, North American Company for Life and Health is referred to as “We”, “Us”, “Our”, or the “Company”. “You” and “Your” refer to the Owner.

**This is a legal contract between You and Us. Read it carefully.**

We agree to pay to the Beneficiary the Policy Proceeds payable due to the Insured’s death if the Insured dies before the Expiry Date while this Policy is in effect. Payment will be made upon receipt at Our Administrative Office of due proof of the Insured’s death. This agreement is subject to the terms of this Policy.

**CONSIDERATION** - This policy is issued in consideration of the application(s) and payment of the first premium.

**RIGHT TO EXAMINE POLICY** - It is important to Us that You are satisfied with this Policy and that it meets Your insurance goals. Read it carefully. If You are not satisfied with it, You may return it to Our Administrative Office or to Your agent within 20 days after You receive it. We will then void it as of the Policy Date as though it was never issued and We will refund all premiums that have been paid. If we do not refund premiums within a reasonable period of time, We will pay interest on such refund at the rate of 8% per year.

Issued and signed by North American Company for Life and Health Insurance.

Secretary

President

**ADJUSTABLE PREMIUM  
LEVEL TERM LIFE INSURANCE TO POLICY AGE 95  
WITH CHANGE OF PREMIUM PROVISION**

**CONVERTIBLE DURING CONVERSION PERIOD  
INSURANCE PAYABLE UPON DEATH BEFORE EXPIRY DATE  
PREMIUMS PAYABLE TO EXPIRY PERIOD  
NON PARTICIPATING - NOT ELIGIBLE FOR DIVIDENDS**

## Guide to Policy Provisions

### Section

Page 1 .....	Right to Examine Policy
Schedules .....	Schedule of Policy Benefits Schedule of Current and Guaranteed Annual Premiums Schedule of Additional Benefits Provided by Endorsement or Rider Schedule of Supplemental Policy Premiums
<b>1 .....</b>	<b>Definitions</b>
<b>2 .....</b>	<b>Policy Proceeds</b>
2.1 .....	Payment of Proceeds
2.2 .....	Proceeds Payable
<b>3 .....</b>	<b>General Provisions</b>
3.1 .....	Contract
3.1.1 .....	Entire Contract
3.2 .....	Changes to Policy
3.3 .....	Incontestability
3.4 .....	Suicide
3.5 .....	Misstatement of Age or Sex
3.6 .....	Non-Participating
3.7 .....	Ownership and Beneficiary
3.7.1 .....	Owner's Rights
3.7.2 .....	Change of Owner or Contingent Owner
3.8 .....	Assignment
3.9 .....	Beneficiary
3.9.1 .....	Change of Beneficiary
3.9.2 .....	Beneficiary Death in Common Event
3.10 .....	Right to Request this Policy
3.11 .....	Effective Date
3.12 .....	Termination of Coverage
<b>4 .....</b>	<b>Premiums</b>
4.1 .....	Payment of Premiums
4.2 .....	Grace Period
4.3 .....	Reinstatement
4.4 .....	Change of Premium
<b>5 .....</b>	<b>Conversion Privilege</b>
5.1 .....	Conversion Period
5.2 .....	Partial Conversion
5.3 .....	Conversion Date
5.4 .....	Full Conversion
5.5 .....	How to Convert this Policy
5.6 .....	Terms of the New Policy

Copies of all applications and any Endorsements and Riders are attached.

**SCHEDULE OF POLICY BENEFITS**

**POLICY SPECIFICATIONS**

<b>OWNER:</b>	[Mary Doe]	<b>POLICY NUMBER:</b>	[12345678910]
<b>INSURED:</b>	[John Doe]	<b>POLICY DATE:</b>	[05/01/2010]
<b>SEX:</b>	[Male]	<b>FACE AMOUNT:</b>	[\$350,000]
<b>BENEFICIARY</b>	Refer to Application	<b>ISSUE AGE:</b>	[35]
<b>MODE OF PREMIUM PAYMENT:</b>	[Annual]	<b>CONVERSION AVAILABLE TO:</b>	[05/01/2030]
<b>PREMIUM CLASS:</b>	[Standard Non-Tobacco]	<b>PREMIUM GUARANTEE PERIOD:</b>	[20] Policy Years

**BENEFITS**

<b>DESCRIPTION OF BASE POLICY BENEFITS</b>	<b>EXPIRY DATE</b>	<b>ANNUAL PREMIUM*</b>
ADJUSTABLE PREMIUM LEVEL TERM INSURANCE TO POLICY AGE 95	[05/01/2070]	[481.50]

\*SUBJECT TO THE CHANGE OF PREMIUM PROVISION, SEE SECTION 4.4 OF THE POLICY. THIS PREMIUM INCLUDES THE [\$65.00] ANNUAL POLICY FEE. THE ANNUAL PREMIUM IS GUARANTEED FOR THE FIRST [20] POLICY YEARS AFTER THE POLICY DATE INDICATED ABOVE. PREMIUMS FOR YEARS FOLLOWING THE GUARANTEE PERIOD ARE SHOWN IN THE SCHEDULE OF ANNUAL PREMIUMS. AFTER THE POLICY ANNIVERSARY AT THE END OF THE GUARANTEE PERIOD, ANNUAL PREMIUMS FOR THE BASE POLICY WILL NEVER BE MORE THAN THE MAXIMUM PREMIUMS SHOWN.

INQUIRIES REGARDING YOUR POLICY SHOULD BE DIRECTED TO YOUR AGENT, OR, IF HE OR SHE IS NOT AVAILABLE TO OUR ADMINISTRATIVE OFFICE AT THE FOLLOWING ADDRESS:

NORTH AMERICAN COMPANY FOR LIFE AND HEALTH  
ATTN: POLICY SERVICES  
P.O. BOX 5088  
SIOUX FALLS, SD 57117-5088  
TOLLFREE 1-877-872-0757

THE INSURANCE DEPARTMENT OF THE STATE IN WHICH THIS POLICY WAS DELIVERED MAY BE CONTACTED BY CALLING: [ (XXX) XXX-XXX ]

**BASE POLICY MODAL PREMIUMS**

MODES OF PREMIUM PAYMENT ARE SHOWN BELOW:

	<b>DIRECT BILL</b>		
	<b>PER MODE PREMIUM</b>	<b>TOTAL YEARLY PREMIUM</b>	
ANNUALLY	[481.50]	([481.50] X 1)	[481.50]
SEMI-ANNUALLY	[255.20]	([255.20] X 2)	[510.40]
QUARTERLY	[137.23]	([137.23] X 4)	[548.92]
MONTHLY	[N/A]	[N/A]	[N/A]

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**POLICY SPECIFICATIONS**

**EFT AUTHORIZATION**

	PER MODE PREMIUM	TOTAL YEARLY PREMIUM	
ANNUALLY	[481.50]	([481.50] X 1)	[481.50]
SEMI-ANNUALLY	[245.57]	([245.57] X 2)	[491.14]
QUARTERLY	[123.75]	([123.75] X 4)	[495.00]
MONTHLY	[42.13]	([42.13] X 12)	[505.56]

**[CREDIT CARD]**

	PER MODE PREMIUM	TOTAL YEARLY PREMIUM	
ANNUALLY	[481.50]	([481.50] X 1)	[481.50]
SEMI-ANNUALLY	[255.20]	([255.20] X 2)	[510.40]
QUARTERLY	[137.23]	([137.23] X 4)	[548.92]
MONTHLY	[42.13]	([42.13] X 12)	[505.56]

**[GOVERNMENT ALLOTMENT]**

	[PER MODE PREMIUM]	[TOTAL YEARLY PREMIUM]	
[ANNUALLY]	[481.50]	([481.50] X 1)	[481.50]
[SEMI-ANNUALLY]	[N/A]	[N/A]	[N/A]
[QUARTERLY]	[N/A]	[N/A]	[N/A]
[MONTHLY]	[42.13]	([42.13] X 12)	[505.56]

**[LIST BILL]**

	PER MODE PREMIUM	TOTAL YEARLY PREMIUM	
[ANNUALLY]	[481.50]	([481.50] X 1)	[481.50]
[SEMI-ANNUALLY]	[255.20]	([255.20] X 2)	[510.40]
[QUARTERLY]	[137.23]	([137.23] X 4)	[548.92]
[MONTHLY]	[45.74]	([45.74] X 12)	[548.88]

[Premium includes a \$0.50 per month Civil Service Allotment fee, for a total annual increase of \$6.00.]

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**ADDITIONAL BENEFITS PROVIDED BY ENDORSEMENT OR RIDER**

<b>DESCRIPTION OF ADDITIONAL POLICY BENEFITS</b>	<b>EXPIRY DATE</b>	<b>BENEFIT UNITS OR AMOUNT</b>	<b>ANNUAL PREMIUM</b>
[CHILDREN'S TERM INSURANCE RIDER ]	[01/01/2040]	[5,000.00]	[\$30.00]
[WAIVER OF PREMIUM RIDER]	[01/01/2030]	[N/A]	[\$29.90]*

\*PREMIUM SHOWN FOR THIS BENEFIT REPRESENTS THE FIRST YEAR PREMIUM ONLY. PREMIUMS FOR SUBSEQUENT YEARS ARE SHOWN ON THE SCHEDULE OF SUPPLEMENTAL POLICY PREMIUMS.

IF YOU ELECT TO PAY PREMIUM FOR THE ENDORSEMENTS OR RIDERS LISTED ABOVE ON A PREMIUM MODE OTHER THAN ANNUAL YOU WILL PAY MORE PREMIUM THAN THE AMOUNT(S) SHOWN ABOVE AND ON THE SCHEDULE OF SUPPLEMENTAL POLICY PREMIUMS.

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**ADDITIONAL BENEFITS PROVIDED BY ENDORSEMENT OR RIDER**

DESCRIPTION OF ADDITIONAL POLICY BENEFITS	EXPIRY DATE	BENEFIT UNITS OR AMOUNT	ANNUAL PREMIUM
<b>ACCELERATED BENEFIT ENDORSEMENT</b>			
Maximum Accelerated Death Benefit: \$1,000,000			
Terminal Illness: Maximum Election: The Smaller Of 75% Of The Death Benefit On Election Date Or \$750,000 Life Expectancy To Qualify For Benefits: 24 Months Or Less]	[01/01/2070]	[N/A]	[None]
Chronic Illness: Maximum of Each Election: The Smaller of 24% Of The Death Benefit On Initial Election Date Or \$240,000	[01/01/2015]	[N/A]	[NONE]

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**SCHEDULE OF CURRENT AND GUARANTEED ANNUAL PREMIUMS  
FOR THE BASE POLICY**

<u>BEGINNING OF POLICY YEAR</u>	<u>CURRENT ANNUAL PREMIUM</u>	<u>GUARANTEED ANNUAL PREMIUM</u>	<u>BEGINNING OF POLICY YEAR</u>	<u>CURRENT ANNUAL PREMIUM</u>	<u>GUARANTEED ANNUAL PREMIUM</u>
[1	481.50	481.50	31	8846.50	10894.00
2	481.50	481.50	32	9791.50	11972.00
3	481.50	481.50	33	10813.50	13064.00
4	481.50	481.50	34	11912.50	14240.00
5	481.50	481.50	35	13109.50	15458.00
6	481.50	481.50	36	14460.50	16935.00
7	481.50	481.50	37	16238.50	18587.00
8	481.50	481.50	38	17754.00	20757.00
9	481.50	481.50	39	19784.00	23046.00
10	481.50	481.50	40	22059.00	25454.00
11	481.50	481.50	41	24505.50	28086.00
12	481.50	481.50	42	27106.00	30956.00
13	481.50	481.50	43	29839.50	34288.00
14	481.50	481.50	44	32681.50	38180.00
15	481.50	481.50	45	35691.50	42674.00
16	481.50	481.50	46	41333.50	47574.00
17	481.50	481.50	47	47787.50	53153.00
18	481.50	481.50	48	53219.50	58963.00
19	481.50	481.50	49	58875.50	65228.00
20	481.50	481.50	50	65137.00	72165.00
21	3316.50	3915.00	51	72126.50	79914.00
22	3652.50	4363.00	52	79879.00	88503.00
23	4009.50	4846.00	53	88345.50	97883.00
24	4398.00	5259.00	54	97417.50	107935.00
25	4832.00	5735.00	55	106986.50	118540.00
26	5318.50	6309.00	56	116975.50	129607.00
27	5861.00	7009.00	57	126366.00	140016.00
28	6477.00	7863.00	58	136159.00	150866.00
29	7177.00	8822.00	59	146491.00	162311.00
30	7971.50	9830.00	60	157400.50	174400.00]

THE ANNUAL PREMIUMS SHOWN ABOVE ARE FOR THE BASE INSURANCE BENEFITS OF THE POLICY ONLY. ANNUAL PREMIUMS FOR ADDITIONAL ENDORSEMENTS OR RIDERS, IF ANY, ARE SHOWN ON THE SCHEDULE OF POLICY BENEFITS/ADDITIONAL BENEFITS PROVIDED BY ENDORSEMENT OR RIDER PAGE AND THE SCHEDULE OF SUPPLEMENTAL POLICY PREMIUMS.

**SCHEDULE OF SUPPLEMENTAL POLICY PREMIUMS  
WAIVER OF PREMIUM RIDER**

<b>BEGINNING OF POLICY <u>YEAR</u></b>	<b>CURRENT ANNUAL <u>PREMIUM</u></b>	<b>BEGINNING OF POLICY <u>YEAR</u></b>	<b>CURRENT ANNUAL <u>PREMIUM</u></b>
[1	29.90	25	242.08
2	29.90	26	274.97
3	29.90	27	304.19
4	29.90	28	336.8
5	29.90	29	347.37
6	29.90	30	294.15]
7	29.90		
8	29.90		
9	29.90		
10	29.90		
11	29.90		
12	29.90		
13	29.90		
14	29.90		
15	29.90		
16	29.90		
17	29.90		
18	29.90		
19	29.90		
20	29.90		
21	123.71		
22	152.67		
23	180.43		
24	210.22		

THE ANNUAL PREMIUMS SHOWN ABOVE ARE FOR THE WAIVER OF PREMIUM RIDER ONLY. THESE PREMIUMS ASSUME NO POLICY CHANGES ARE MADE AND ARE BASED ON CURRENT PREMIUMS FOR THE ISSUE AGE OF THE INSURED FOR THE GUARANTEE PERIOD AND THE ATTAINED AGE OF THE INSURED THEREAFTER.

ANNUAL PREMIUMS FOR ADDITIONAL ENDORSEMENTS OR RIDERS, IF ANY, ARE SHOWN ON THE SCHEDULE OF POLICY BENEFITS/ADDITIONAL BENEFITS PROVIDED BY ENDORSEMENT OR RIDER PAGE AND THE SCHEDULE OF SUPPLEMENTAL POLICY PREMIUMS.

## SECTION 1: DEFINITIONS

The following are key words used in this Policy. They are important in describing both Your rights and Ours. When they are used, they are capitalized. As You read Your Policy, refer back to these definitions.

**Additional Benefits** – is a benefit provided by an Endorsement or Rider and is in addition to the other benefits of this Policy.

**Administrative Office** – is Our office in Sioux Falls, SD. The address of Our Administrative Office is shown on Page 1.

**Annual Premium** – is the amount of premium that is paid once per Policy Year.

**Assign** – means to transfer Your rights as the Owner of this Policy to another person or entity. If You transfer all of Your rights irrevocably, the Assignment is absolute. If You transfer all or some of Your rights as the Owner of this Policy as security for any of Your liabilities, with the condition that those rights be returned to You once the liability is satisfied, then the Assignment is collateral. For details, see Section 3.8: Assignment.

**Beneficiary** – is the recipient of the Policy Proceeds at the Insured's death. For details, see Section 3.9: Beneficiary.

**Common Event** – is a disaster common to two or more people which results in loss of their lives.

**Contingent Beneficiary** – means the person(s) designated by You, to receive the Policy Proceeds if the named Primary Beneficiary dies before the Insured. In the event more than one Primary Beneficiary is named, the Contingent Beneficiary will become the Beneficiary if all named Primary Beneficiaries die before the Insured. If more than one Contingent Beneficiary is named, each named Contingent Beneficiary will share equally in any benefit or rights granted by this Policy, unless You have given Us other Written Notice.

**Contingent Owner** – if any, will become the Owner if the named Owner dies before the Insured. In the event of joint Owners the Contingent Owner will become the Owner if both named joint Owners die before the Insured.

**Conversion Period** – is the period during which You may convert this Policy to another Plan of insurance. For details, see Section 5: Conversion Privilege.

**Endorsement or Rider** – is a form which amends this Policy or which provides additional benefits.

**Expiry Date** – is the date on which the insurance coverage under this Policy ends.

**Face Amount** – is an amount used to determine the Death Benefit of this Policy, for details, see Sections 2.2: Proceeds Payable. The Face Amount is shown on the Schedule of Policy Benefits.

**Insured** – is the person whose life is covered under this Policy. The Insured is shown on the Schedule of Policy Benefits.

**Irrevocable Beneficiary** – is a Beneficiary named by You as irrevocable, whose written consent is necessary for You to exercise any rights specified in this Policy.

**Issue Age** – is the Insured's age shown on the Schedule of Policy Benefits.

**Policy Age on Policy Date** – is the Insured's age on the birthday nearest to the Policy Date.

**Owner** – is the person who may exercise the rights under this Policy. For details, see Section 3.7.1: Owner's Rights. The Owner is shown on the Schedule of Policy Benefits.

**Policy Age** – is the Issue Age plus the number of completed Policy Years.

**Policy Anniversary** – is the same day and month as the Policy Date for each year this Policy is in effect.

**Policy Date** – is the date on which this Policy is issued and the insurance coverage becomes effective. The Policy Date is shown on the Schedule of Policy Benefits.

**Policy Months and Policy Years** – refer to the months and years during which this Policy is in effect. Policy Months and Policy Years are measured from the Policy Date.

**Premium Class** – is a classification determined by the underwriting process where the health, activities and history of the Insured are evaluated. The Premium Class for the Insured is shown on the Schedule of Policy Benefits.

**Premium Due Date** – is the date by which premiums, other than the first, must be paid. If the annual mode of premium payment is chosen, the Premium Due Dates are the Policy Anniversaries. If a monthly, quarterly, or semi-annual mode of premium payment is chosen, the Premium Due Dates are, respectively, every 1 month, 3 months, or 6 months from the Policy Date. The first Premium Due Date is measured from the Policy Date. All following Premium Due Dates are measured from the immediately preceding Premium Due Date.

**Primary Beneficiary** – means the person(s), designated by You, who has the first right to receive the Policy Proceeds in the event of the death of the Insured. If more than one Primary Beneficiary is named, each named Beneficiary will share equally in any benefit or rights granted by this Policy, unless You have given Us other Written Notice.

**Rider Charge** – means the cost of additional benefits provided by any Endorsements or Riders.

**Supplementary Benefit** – is a benefit provided by an Endorsement or Rider and is in addition to the other benefits of this Policy.

**Schedule of Policy Benefits** – means the Schedule of Policy Benefits issued with this Policy on the Policy Date. It also means amendments to the Schedule of Policy Benefits for changes that may occur after the Policy Date.

**Written Notice** – means a written form satisfactory to Us and received by Us at Our Administrative Office.

## SECTION 2: POLICY PROCEEDS

**2.1 PAYMENT OF PROCEEDS** – Policy Proceeds, as used in this Policy, means the amount payable on the death of the Insured. The Proceeds Payable on the date of death of any other person insured by Endorsement or Rider will be as provided in the Endorsement or Rider.

**2.2 PROCEEDS PAYABLE** – If the Insured dies while this Policy is in effect, We will pay the Policy Proceeds to the Beneficiary within 30 days upon receipt at Our Administrative Office of due proof of the Insured's death acceptable to Us. "Proof of death" includes, but is not limited to, a certified copy of the death certificate of the Insured, or other lawful evidence providing equivalent information.

Policy Proceeds payable at the Insured's death are equal to:

- (a) The amount of the Death Benefit plus
- (b) Any Endorsement or Rider providing proceeds which are payable on the Insured's death; plus
- (c) An amount equal to the premium already paid to Us for each Policy Month following the Policy Month of the Insured's death (However, We will not pay this amount if We are waiving premiums for this Policy.); less
- (d) Any unpaid premium for the Policy Month in which the Insured dies, if the Insured dies during the Grace Period, We will deduct the unpaid premium from the Policy Proceeds.

Policy Proceeds will be paid in one lump sum, unless You or the Beneficiary requests otherwise and such request is agreed to by Us. We will pay interest from the date of the Insured's death until the date when Policy Proceeds are paid. The proceeds payable will include premiums paid for any period beyond the end of the Policy Month in which the Insured's death occurred. If proceeds are not paid within 30 days after our receipt of proof of the Insured's death, we will pay interest on the proceeds at the rate of 8% per year.

The Policy Proceeds will be exempt from the claims of creditors and from legal process, to the extent the law permits.

## SECTION 3: GENERAL PROVISIONS

### 3.1 CONTRACT

- 3.1.1 ENTIRE CONTRACT** – The entire contract between You and Us consists of this Policy, including any attached Endorsements or Riders, any attached schedules, the attached written application for this Policy, and any attached supplemental written application(s). Each statement made in any such written application, in the absence of fraud, is deemed a representation and not a warranty. We will not use any statement made by the Insured, or on the Insured's behalf, to contest a claim under this Policy unless it is contained in a written application and attached to this Policy.

Any Endorsement or Rider attached to this Policy is a part of this Policy and is subject to the terms of this Policy, unless stated otherwise in the Endorsement or Rider.

- 3.2 CHANGES TO POLICY** – No one has the authority to change any part of this Policy or to waive any of its provisions unless the change is approved in writing by Our President, one of Our Vice Presidents or Our Secretary. We may change this Policy without Your consent to conform to state or federal laws or regulations by attaching an Endorsement or Rider to this Policy that was approved by the proper regulatory authority.

- 3.3 INCONTESTABILITY** – We cannot contest this Policy, or any Rider attached to it, after it has been in effect during the lifetime of the Insured for two years from the Policy Date or, if reinstated, for two years from the date of Reinstatement, except for:

- (a) Non-payment of premium;
- (b) Provisions related to benefits payable in the event of total and permanent disability or accidental death benefits; or
- (c) Fraud, when permitted by applicable law in the state where this Policy is delivered or issued for delivery.

A Premium Class change effective after the Policy Date that requires underwriting may be contested only with respect to material misstatements made in the application for the Premium Class change for two years from the effective date of the Premium Class change.

Reinstatements may be contested only with respect to material misstatements made in the application for Reinstatement for two years from the effective date of Reinstatement.

As long as this Policy remains contestable, the Insured, Owner, Beneficiary, or next-of-kin will cooperate with the Company in any contestable investigation conducted by the Company, including, but not limited to, supplying the Company with necessary authorizations for medical and other information.

- 3.4 SUICIDE** – If the Insured commits suicide, while sane or insane, within two years from the Policy Date, Our liability is limited to an amount equal to the total premiums paid. We will pay this amount to the Beneficiary in one sum.

- 3.5 MISSTATEMENT OF AGE OR SEX** – If We learn that the age or sex of the Insured has been misstated, We will adjust the Policy Proceeds to the amount which the premiums paid would have purchased at the correct age or sex. Thereafter, premium due will be based upon the Insured's correct age and sex.

If We learn that the age or sex of a person covered under an Endorsement or Rider has been misstated, the benefit amount for the Endorsement or Rider, if any, will be changed to that which would have been purchased by the most recent Endorsement or Rider charge based on the covered person's correct age and sex. Thereafter, premium due will be based upon the covered person's correct age and sex.

- 3.6 NON-PARTICIPATING** – This Policy is not entitled to share in Our profits or surplus.

### 3.7 OWNERSHIP AND BENEFICIARY

- 3.7.1 OWNER'S RIGHTS** – This Policy belongs to You. You have all rights granted by this Policy, including the right to change Owners and Beneficiaries, subject to the rights of any:
- (a) Assignee of record with Us;
  - (b) Irrevocable Beneficiary; and
  - (c) Restricted ownership.
- We must receive Written Notice informing Us of any change, designation, or revocation. Once recorded, a change, designation or revocation takes effect as of the date the Written Notice was signed. However, We are not liable for payments made by Us before We record the Written Notice.
- 3.7.2 CHANGE OF OWNER OR CONTINGENT OWNER** – On the Policy Date the Owner and any Contingent Owner are as designated in the application. You may change the Owner by absolute Assignment. For details, see Section 3.8: Assignment. You may designate, change, or revoke a Contingent Owner. We must receive Written Notice informing Us of the designation, change, or revocation. Upon receipt, a designation, change, or revocation takes effect as of the date the Written Notice was signed. However, We are not liable for any payment made by Us before We record the Written Notice.
- 3.8 ASSIGNMENT** – You may Assign this Policy. We are bound by an Assignment only if We receive the original Assignment, or a certified copy, at Our Administrative Office and it is accepted and recorded by Us. We are not liable for any payment made by Us before We record the Assignment. The Assignment takes effect on the date the notice of Assignment is signed by the Owner. We take no responsibility for the validity of any Assignment.
- You may revoke any Assignment prior to its effective date provided We receive Written Notice of revocation before the Assignment is recorded by Us.
- An Assignment will not change or revoke the Beneficiary designation in effect at the time the Assignment is made. If an Assignment is absolute, Your rights and privileges, including any right to change the Beneficiary, vest in the assignee. If any Assignment is collateral, the collateral assignee has priority over the interest of any Beneficiary or payee.
- 3.9 BENEFICIARY** – On the Policy Date, Beneficiaries are as stated in the application. If no Beneficiaries are designated in the application, You are the Beneficiary. A Beneficiary is revocable unless otherwise stated in the Beneficiary Designation. If no Primary Beneficiaries are living at the time of the Insured's death, the Policy Proceeds are payable to the Contingent Beneficiary, if any. If there are no Beneficiaries living at the time of the Insured's death, You or Your estate will receive Policy Proceeds.
- Proceeds Payable to a single surviving Beneficiary will be the entire Policy Proceeds. If there is more than one surviving Beneficiary, they will share the Policy Proceeds as stated in the application or in a Written Notice received by Us. If a named Beneficiary predeceases the Insured, that share of the Policy Proceeds will be divided among the surviving Beneficiaries in the same proportion as stated in the application or Written Notice. If no direction is provided by You on the application or in a Written Notice as to the division of the Policy Proceeds, they will be divided equally among the surviving Beneficiaries, as described in this Section.
- 3.9.1 CHANGE OF BENEFICIARY** – You may change a revocable Beneficiary. An Irrevocable Beneficiary can be changed if the current Irrevocable Beneficiary consents to the change. We must receive Written Notice informing Us of the change. Upon receipt, a change takes effect as of the date the Written Notice was signed by the Owner. However, We are not liable for any payment made by Us before We record the Written Notice.
- 3.9.2 BENEFICIARY DEATH IN COMMON EVENT** – If any Beneficiary dies with the Insured in a Common Event, benefits will be paid as if the Beneficiary predeceased the Insured unless it is proved otherwise to Our satisfaction.
- 3.10 RIGHT TO REQUEST THIS POLICY** – If You request a change that would cause the information in the Schedule of Policy Benefits, the application, or any supplemental application to be incorrect, We reserve the right to require this Policy be returned to Us so that the appropriate changes can be made.

- 3.11 EFFECTIVE DATE** – Benefits under this Policy become effective as follows:
- (a) All benefits provided in the original application are effective as of the Policy Date.
  - (b) Any addition to coverage is effective on the Premium Due Date that falls on or next follows the date We approve any supplemental application. A notice will be mailed to Your last known address confirming the change and effective date of the change.
  - (c) For any insurance that has been reinstated, coverage is effective on the Premium Due Date that falls on or next follows the date We approve the application for Reinstatement.
- 3.12 TERMINATION OF COVERAGE** – All benefits provided by this Policy will cease if:
- (a) The Insured dies; or
  - (b) This Policy expires; or
  - (c) This entire Face Amount of this Policy is converted under the terms of the Full Conversion provision as described in Section 5.4: Full Conversion.

## **SECTION 4: PREMIUMS**

- 4.1 PAYMENT OF PREMIUMS** – Premiums are payable in advance. The first premium must be received by Us by the Policy Date and it may be paid to Our authorized agent or to Us at Our Administrative Office. Premiums received before the Policy Date are applied on the Policy Date. Each premium, other than the first, must be paid to Us at Our Administrative Office. Premium is not refundable after it has been received by Us except as described in Section 2: Policy Proceeds or as described in the provision, Right To Examine Policy.

The Annual Premium at issue for the base Policy is shown in the Schedule of Current and Guaranteed Annual Premiums. The Annual Premium(s) for additional benefits, if any, are shown in the Schedule of Policy Benefits/Additional Benefits Provided By Endorsement or Rider and Schedule of Supplemental Policy Premiums, if any.

If You want to change the mode of premium payment, We must receive Written Notice from You. You may only change to a mode of premium payment being offered by Us at the time of Written Notice. If You elect to pay premium on a premium mode other than annual You will pay more premium than shown in the Schedule of Current and Guaranteed Annual Premiums for the Base Policy and more premium than the Annual Premium shown in Additional Benefits Provided By Endorsement or Rider and Schedule of Supplemental Policy Premiums, if any.

- 4.2 GRACE PERIOD** – Before this Policy will terminate for insufficient payment of premium, a Grace Period of 31 days will be given for the payment of premiums to keep this Policy in effect. Notice of such premium will be mailed to Your last known address, or any person designated to receive premium notices that is on record with Us, no later than 30 days prior to termination. Such notice is also sent to any assignee of record. If the Grace Period expires without payment of the premium, this Policy will terminate as of the unpaid Premium Due Date. If the Insured dies during the Grace Period, We will deduct the unpaid premium from the Proceeds Payable.
- 4.3 REINSTATEMENT** – This Policy may be reinstated following the end of the Grace Period. Such reinstatement must be made while the Insured is living and within 5 years after the Premium Due Date of the unpaid premium. For such reinstatement We will require:
- (a) Written application for Reinstatement received by Us;
  - (b) Evidence of insurability satisfactory to Us;
  - (c) Payment of all past due premiums.

We reserve the right to charge interest with the payment of all past due premium to the date of reinstatement, not to exceed a maximum of to 6% interest per year compounded annually.

All other charges, including charges for any reinstated Endorsement or Rider, will continue to be deducted after Reinstatement.

Reinstatement will be effective from the date We approve of the Reinstatement application.

- 4.4 CHANGE OF PREMIUM** – The current and guaranteed Annual Premiums are shown in the Schedule of Current and Guaranteed Annual Premiums. After the Premium Guarantee Period shown in the Schedule of Policy Benefits, We reserve the right to change the current premiums payable from those shown. The Annual Premium for the base Policy may be more or less than the current premiums shown but will never be more than the Guaranteed Annual Premiums shown. Adjustments in current premiums, if any, will be made on the Policy Anniversary. Adjustments in current premiums will be by Premium Class and based upon changes in future expectations for such factors as: investment earnings; mortality; persistency; taxes and expenses. Any change in premiums will be determined in accordance with the procedures and standards on file with the Department of Insurance. Any change will be on a uniform basis for all Insureds under this Policy form series of the same Policy Age, duration, sex, and Premium Class. No change in Premium Class or Premium will occur on account of deterioration of the Insured's health or change in the Insured's occupation.

Premiums for Supplementary Benefits are not subject to this provision.

- 4.5 CHANGES IN PREMIUM CLASS** – A change in the Insured's Premium Class may be requested on or after the end of the first Policy Year. The Insured must meet the eligibility requirements for a specified Premium Class. To apply for a change in Premium Class, We will require:

- (a) A written application for a Premium Class change received by Us; and
- (b) Evidence of insurability satisfactory to Us.

A Premium Class change is effective on or following Our approval of such change. We will send You a notice confirming the Premium Class change and the effective date of the change. Such notice will be mailed to Your last known address. A Premium Class change is subject to Section 3.3: Incontestability.

## **SECTION 5: CONVERSION PRIVILEGE**

You may convert up to the Face Amount of this Policy, without evidence of insurability, to an individual permanent life insurance policy then available from Us for Conversion from this plan, subject to the terms below.

- 5.1 CONVERSION PERIOD** – You may convert this Policy on any Premium Due Date before the Conversion Available To date shown in the Schedule of Policy Benefits if the following conditions are met:

- (a) The Insured is living;
- (b) This Policy is in effect.

- 5.2 CONVERSION DATE** – The Conversion Date is the Policy Date of the new policy.

- 5.3 PARTIAL CONVERSION** – If a portion of the Face Amount of this Policy is converted for a new policy as a Partial Conversion, the following terms apply:

- (a) The Face Amount of the new policy will equal the converted Face Amount on the Conversion Date. The converted Face Amount may not be less than the minimum issue limits for the new policy on the Conversion Date.
- (b) The remaining Face Amount of this Policy may not be less than the minimum issue limits for this Policy.
- (c) Additional benefits may be included on the new policy only with Our consent and subject to the terms and conditions of each Rider or Endorsement.

**5.4 FULL CONVERSION** – If the entire Face Amount of this Policy is converted for a new policy, the following terms apply:

- (a) The Face Amount of the new policy will equal the Face Amount of this Policy on the Conversion Date.
- (b) If this Policy includes a chronic illness or disability Endorsement or Rider that is in effect on the Conversion Date, then the new policy may include such Endorsement or Rider. The new Endorsement or Rider will be issued on the form We are issuing on the Conversion Date. However, if the Insured is chronically ill or disabled on the Conversion Date, no chronic illness or disability Endorsement or Rider will be included in the new policy and no benefits will be paid on the new policy after the Conversion Date.
- (c) Except as stated in (b) above, additional benefits may be included on the new policy only with Our consent and subject to the terms and conditions of each Rider or Endorsement.
- (d) This Policy will terminate as described in Section 3.12.

**5.4 HOW TO CONVERT THIS POLICY** – We must receive all of the items below:

- (a) Completed application for Conversion;
- (b) The premium for the new policy that is at least equal to the Premium Due for this Policy shown on the Schedule of Policy Benefits; and
- (c) This Policy, if requesting a Full Conversion.

We will issue the new policy after We receive these items and approve the new policy. The Conversion is effective on the first Premium Due Date on or following Our approval of the Conversion.

**5.5 TERMS OF THE NEW POLICY** – The new policy will be issued subject to these terms.

- (a) The new policy will be issued at the equivalent Premium Class then available for the plan of insurance being applied for. In the event there is more than one Premium Class for this Policy, the new policy will be issued at the equivalent Premium Class of the most recently determined Premium Class of the Insured under this Policy on the Conversion Date.
- (b) The new policy will be effective as of its Policy Date, which is the same date as the Conversion Date.
- (c) The amount of insurance under the new Policy may not be less than the minimum issue limits for the new policy on the Conversion Date. or more than the Face Amount of this Policy.
- (d) The Insured's Issue Age on the new policy will be equal to the Policy Age on Policy Date of this Policy on the Conversion Date.
- (e) The new policy will be issued on the form and at the premium rate We are using on the Conversion Date.
- (f) The new policy will be subject to any Assignment and any Beneficiary designation of this Policy recorded at Our Administrative Office.
- (g) If this Policy includes a chronic illness or disability Endorsement or Rider that is in effect on the Conversion Date, then the new policy may include such Endorsement or Rider. The new Endorsement or Rider will be issued on the form We are issuing on the Conversion Date. However, if the Insured is chronically ill or disabled on the Conversion Date, no chronic illness or disability Endorsement or Rider will be included in the new policy and no benefits will be paid on the new policy after the Conversion Date.
- (h) Except as stated in Section 5.4 (b) above, an additional benefit may be included on the new policy only with Our consent and subject to the terms and conditions of each Rider or Endorsement.
- (i) The new policy will be amended so that the time limit specified in the Incontestability and Suicide provisions will be measured from the Policy Date of this Policy.

**ADJUSTABLE PREMIUM  
LEVEL TERM LIFE INSURANCE TO POLICY AGE 95  
WITH CHANGE OF PREMIUM PROVISION**

**CONVERTIBLE DURING CONVERSION PERIOD**

**INSURANCE PAYABLE UPON DEATH BEFORE EXPIRY DATE  
PREMIUMS PAYABLE TO EXPIRY PERIOD  
NON PARTICIPATING - NOT ELIGIBLE FOR DIVIDENDS**



**North American Company for Life and Health Insurance**

Principal Office: 4601 Westown Parkway, Suite 300 • West Des Moines, IA 50266

Administrative Office: P.O. Box 5088 - Sioux Falls, SD 57117-5088

A Member of the Sammons Financial Group

*A Stock Company*  
**www.nacolah.com**

**ACCELERATED DEATH BENEFIT ENDORSEMENT**

**PAYMENT OF ACCELERATED DEATH BENEFITS PAID UNDER THIS ENDORSEMENT WILL REDUCE THE POLICY’S DEATH BENEFIT.**

**UNLIKE CONVENTIONAL LIFE INSURANCE PROCEEDS, AMOUNTS PAYABLE AS ACCELERATED DEATH BENEFITS COULD BE TAXABLE UNDER SOME CIRCUMSTANCES. WE RECOMMEND THAT YOU CONSULT YOUR PERSONAL TAX ADVISOR PRIOR TO ELECTING AN ACCELERATED DEATH BENEFIT UNDER THIS ENDORSEMENT TO ASSESS THE TAX TREATMENT IN YOUR INDIVIDUAL CIRCUMSTANCES.**

**THE ACCELERATED DEATH BENEFITS OF THIS ENDORSEMENT ARE NOT PAYABLE IF THE POLICY TO WHICH IT IS ATTACHED IS NOT IN EFFECT.**

The Owner is referred to as “You” or “Your”; North American Company for Life and Health Insurance is referred to as “We”, “Our”, or “Us.

This Endorsement is attached to and made a part of Your Policy. Except as provided in this Endorsement, all other terms, provisions and conditions of Your Policy remain the same.

**EFFECTIVE DATE** – The Effective Date of this Endorsement is the Policy Date shown in the Schedule of Policy Benefits of Your Policy.

**CONSIDERATION** – This Endorsement is issued in consideration of the application and payment of the initial premium for the base Policy. There is no additional charge associated with this Endorsement. However, an administrative fee is required when an Accelerated Death Benefit Payment is made.

**ENDORSEMENT BENEFITS** – This Endorsement provides Accelerated Death Benefits for:

- 1. Terminal Illness; and
- 2. Chronic Illness.

You can only elect to Accelerate Death Benefits under one of these conditions at any given time.

We will pay You, or Your estate, a portion of the Policy Death Benefit You wish to accelerate upon Our receipt of due Proof of Qualifying Event that the Insured is Terminally Ill or Chronically Ill as defined in this Endorsement. Unless the Accelerated Death Benefits have been otherwise assigned or designated by You, such Accelerated Death Benefits will be paid:

- 1. While the Policy is in effect, other than by reduced paid-up life insurance; and
- 2. Upon Election by You; and
- 3. In lieu of payment of the full Death Benefit of the Policy upon the death of the Insured; and
- 4. Subject to the terms of this Endorsement.

The Insured’s Accidental Death Benefit, if any, will not be affected by the acceleration of Death Benefits under this Endorsement.

The maximum Death Benefit We will accelerate on the Policy is \$1,000,000.

Prior to or beginning with the Election to accelerate Death Benefits, You, and any Irrevocable Beneficiary, will be provided a statement demonstrating the effect of the acceleration of the Death Benefit payment on the Policy's Death Benefit. It will include any premium necessary to continue coverage following acceleration, the administrative fee and the discount applied to the Accelerated Death Benefit.

**ACCELERATED DEATH BENEFIT PAYMENT** – The Accelerated Death Benefit Payment will be determined upon Your Election. The following factors may be used in the determination of the payment:

1. The Accelerated Death Benefit; and
2. The Guaranteed Annual Premiums of the Policy; and
3. The future expected lifetime of the Insured; and
4. The Accelerated Death Benefit Interest Rate in effect; and
5. The administrative fee. The maximum administrative fee will not exceed \$200.00 for each Election.

We will pay the present value of the Policy Death Benefit that is being accelerated (the Accelerated Death Benefit). An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount reflects the early payment of the Death Benefit that is being accelerated. The discount will be based on mortality rates and an annual interest rate which has been declared by Us in effect as of the Election Date.

The Accelerated Death Benefit Payment will be less than the Accelerated Death Benefit.

**DEATH BENEFIT** – If You elect to receive Accelerated Death Benefits under this Endorsement, the Policy's Death Benefit payable upon due proof of death of the Insured to Your Beneficiary will be reduced. We will reduce the Death Benefit amount by the Accelerated Death Benefits under this Endorsement. Upon due proof of death of the Insured, We will pay the Beneficiary any remaining portion of the Death Benefit that We have not accelerated to the Owner under this Endorsement. For Periodic Payments for Chronic Illness, the Death Benefit will be reduced at the time of each Periodic Payment.

**COORDINATION OF ACCELERATED DEATH BENEFITS** – We will not simultaneously accelerate any portion of the Policy's Death Benefit for Chronic Illness and Terminal Illness under this Endorsement. You must discontinue any existing Accelerated Death Benefit Payments in order to elect the other Accelerated Death Benefit under this Endorsement.

## DEFINITIONS

**Activities of Daily Living** – are those basic human functional abilities, which measure the Insured's ability for self care, to live independently without Substantial Assistance from another person as described below.

1. Bathing – the ability to wash oneself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower;
2. Continence – the ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag);
3. Dressing – the ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs;
4. Eating – the ability to feed oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously;
5. Toileting – the ability to get to and from the toilet, getting on and off the toilet, and performing associated personal hygiene; and
6. Transferring – the ability to move into or out of a bed, chair or wheelchair.

**Accelerated Death Benefits** – are the advance payment of a portion of the Death Benefits payable under Your Policy, subject to the conditions of this Endorsement. At the time of each Election, You will specify the portion of the Death Benefit You wish to accelerate, which is the Accelerated Death Benefit on the Election Date.

**Accelerated Death Benefit Interest Rate** – means the interest rate used in calculating the Accelerated Death Benefit Payment. The Accelerated Death Benefit Interest Rate will not exceed the greater of:

1. The yield on 90-day U.S. Treasury Bills on the Election Date; and
2. The maximum adjustable Policy Loan interest rate allowed by law on each Election Date.

**Chronically Ill or Chronic Illness** – means the Insured has been certified through a written certification by a Physician within the last 12 months as:

1. Being permanently unable to perform, for at least 90 consecutive days without Substantial Assistance from another person, at least two Activities of Daily Living; “90 consecutive days” includes consecutive days immediately prior to the Policy being in effect; or
2. Requiring Substantial Supervision by another person, to protect oneself from threats to health and safety due to Severe Cognitive Impairment.

**Chronic Illness Accelerated Death Benefit Period** – is the period during which You may elect the Chronic Illness Accelerated Death Benefit under this Endorsement. The Expiry Date for Chronic Illness is shown on the Additional Benefits Provided by Endorsement or Rider on the Schedule of Policy Benefits.

**Election Date** – means the Premium Due Date immediately following the date the signed application to elect Accelerated Death Benefits under this Endorsement is approved by Us.

**Immediate Family** – means Your or the Insured’s spouse, children, siblings, parents, grandparents, grandchildren, and any of their spouses.

**Initial Election Date** – means the first Election Date You elect Accelerated Death Benefits for Chronic Illness under this Endorsement.

**Physician** – is a licensed medical doctor or licensed doctor of osteopathy operating within the scope of the license. A Physician cannot be You, the Insured, a member of Your Immediate Family, or a member of the Insured’s Immediate Family.

**Proof of Qualifying Event** – is a Written Notice consisting of documents necessary to prove the Insured’s eligibility for Accelerated Death Benefits under this Endorsement. “Written Notice” is a properly completed application form and a Physician’s written certification acceptable to Us that the Insured meets the definition of Chronic Illness or Terminal Illness. We may request additional medical information from the Insured’s Physician which describes the nature and extent of the Qualifying Event. For Chronic Illness, a Physician’s written certification must be received every 12 months to continue to qualify for Accelerated Death Benefits.

**Qualifying Event** – means a medical condition which results in a Chronic Illness or Terminal Illness. After We receive Proof of Qualifying Event, We may require a second opinion and examination by a Physician We designate. In the event the Insured’s Physician and Our appointed Physician disagree on whether the Insured is Chronically Ill or Terminally Ill, Accelerated Death Benefit eligibility will be determined by a third medical opinion provided by a Physician mutually acceptable to both You and Us. We will pay for the expense of these additional medical opinions.

**Residual Death Benefit** – is the greater of 5% of the Policy Death Benefit on the Initial Election Date or \$10,000. The Residual Death Benefit only applies to Accelerated Death Benefits for Chronic Illness.

**Severe Cognitive Impairment** – means deterioration or loss of intellectual capacity that is measured by clinical evidence and standardized tests, which reliably measure impairment in:

1. Short-term or long-term memory; or
2. Orientation to person, place or time; or
3. Deductive or abstract reasoning; or
4. Judgment as it relates to safety awareness.

**Substantial Assistance** – means stand-by or hands-on assistance from another person without which the Insured receiving such assistance would be unable to perform Activities of Daily Living. Stand-by assistance means the presence of another person within arm's reach of the Insured that is necessary to prevent, by physical intervention, injury to the Insured while he/she is performing Activities of Daily Living. Hands-on assistance means the direct physical assistance of another person.

**Substantial Supervision** – means requiring continual supervision by another person to protect the Insured from threats to health or safety due to Severe Cognitive Impairment and may include cueing by verbal prompting, gestures, or other similar demonstrations.

**Terminally Ill or Terminal Illness** – means the Insured has been certified through a written certification by a Physician that the Insured has been diagnosed with a medical condition which results in a drastically limited life span. A drastically limited life span is a life span of 24 months or less.

## **SECTION 1: ACCELERATED DEATH BENEFITS FOR TERMINAL ILLNESS**

**BENEFIT AMOUNT FOR TERMINAL ILLNESS** – At the time of Election, You will specify the Accelerated Death Benefit, which is the portion of the Policy Death Benefit You wish to accelerate.

The minimum Accelerated Death Benefit for Terminal Illness is the smaller of 10% of the Death Benefit on the Election Date or \$100,000.

The maximum Accelerated Death Benefit for Terminal Illness is the smaller of 75% of the Death Benefit on the Election Date or \$750,000.

**BENEFIT PAYMENT FOR TERMINAL ILLNESS** – The Accelerated Death Benefit Payment will be paid in a lump sum.

**ELECTION OF BENEFITS FOR TERMINAL ILLNESS** – To elect Accelerated Death Benefits, You must complete an application. We will provide this application within 15 days of the receipt of Your written request at Our Administrative Office. If We do not send the application to Your last known address within 15 days of the receipt of Your request, it will be considered You complied with the Election requirements as long as You submit a Physician's written certification that the Insured is Terminally Ill. You must also provide Us with written consent of any assignee and any Irrevocable Beneficiaries.

Only one Election can be made for Terminal Illness. If the Insured dies after You elect to receive Accelerated Death Benefits under this Endorsement, but before any Accelerated Death Benefit Payment is made, the Election will be cancelled and the Death Benefit will be paid as described in Your Policy.

### **SECTION 1A: EFFECT OF TERMINAL ILLNESS ACCELERATED DEATH BENEFIT PAYMENTS ON POLICY PROVISIONS AND RIDERS AND ENDORSEMENTS**

**FACE AMOUNT** – The Face Amount will be reduced on the Election Date by the ratio of 1. divided by 2., where 1. and 2. are as defined below:

1. Accelerated Death Benefit on the Election Date.
2. Death Benefit immediately prior to the Election Date.

The remaining portion of the Face Amount in effect may be less than Our minimum requirements for the Policy.

**PAYMENT OF PREMIUMS** – We will waive the Payment of Premiums following the Election of Accelerated Death Benefits for Terminal Illness.

**OTHER RIDERS AND ENDORSEMENTS** – Upon Election, all Riders and Endorsements attached to the Policy will continue to be effective subject to the terms and conditions of each Rider or Endorsement.

## SECTION 2: ACCELERATED DEATH BENEFITS FOR CHRONIC ILLNESS

**BENEFIT AMOUNT FOR CHRONIC ILLNESS** – At the time of Election, You will specify the portion of the Policy Death Benefit You wish to accelerate.

The minimum Accelerated Death Benefit for Chronic Illness at each Election, except the Final Election, is the smaller of 5% of the Policy Death Benefit on the Initial Election Date or \$50,000.

The maximum Accelerated Death Benefit for Chronic Illness at each Election is the smaller of 24% of the Policy Death Benefit on the Initial Election Date, or \$240,000. This amount may be smaller for a Final Election.

You can accelerate an amount less than the minimum Accelerated Death Benefit for Chronic Illness allowed if it is necessary to do so to comply with the \$1,000,000 maximum Accelerated Death Benefit limitation for this Endorsement.

**BENEFIT PAYMENT FOR CHRONIC ILLNESS** – Each Accelerated Death Benefit Payment will be paid in a lump sum, unless a Periodic Payment is chosen by You.

**PERIODIC PAYMENT** – Under a Periodic Payment, We will divide the Accelerated Death Benefit Payment into equal Periodic Payments that will be paid in lieu of a lump sum payment. You may select to receive Periodic Payments as frequently as once each month.

**FINAL ELECTION** – A Final Election is available if the maximum Chronic Illness Accelerated Death Benefit at the time of the Election is greater than the remaining Death Benefit in the Policy, minus the Residual Death Benefit. A Final Election occurs when You accelerate all of the remaining Death Benefit in Your Policy minus the Residual Death Benefit.

Upon a Final Election, all Riders and Endorsements attached to the Policy, except this Endorsement, will terminate on the Final Election date.

**RESIDUAL DEATH BENEFIT** – If a Final Election has occurred, the Residual Death Benefit will be paid to the Beneficiary in a lump sum upon due proof of death of the Insured.

**ELECTION OF BENEFITS FOR CHRONIC ILLNESS** – To elect Accelerated Death Benefits, You must complete an application. We will provide this application within 15 days of the receipt of Your written request at Our Administrative Office. If We do not send the application to Your last known address within 15 days of the receipt of Your notice, it will be considered You complied with the Election requirements as long as You submit a Physician's written certification that the Insured is Chronically Ill. You must also provide Us with written consent of any assignee and any Irrevocable Beneficiaries.

A Chronic Illness Election is effective for 12 months starting from the Election Date and only one Election can be made in this 12-month period.

If the Insured is receiving Benefit Payments for Chronic Illness at the end of the Chronic Illness Accelerated Death Benefit Period, such benefits will continue until:

1. The Insured no longer meets the requirements of Chronic Illness subject to the terms of this Endorsement; or
2. The date You elect the Conversion Privilege under the Policy and this Endorsement; or
3. The Policy terminates.

If the Insured dies after You elect to receive Accelerated Death Benefits, but before the payment is made, the Election will be cancelled and the Death Benefit will be paid as described in Your Policy. If the Insured dies before all Periodic Payments are paid, We will pay the Death Benefit in lieu of the remaining Accelerated Death Benefit Payments.

## **SECTION 2A: EFFECT OF CHRONIC ILLNESS ACCELERATED DEATH BENEFIT PAYMENTS ON POLICY PROVISIONS AND RIDERS AND ENDORSEMENTS**

**FACE AMOUNT** – The Face Amount will be reduced on each Election Date by the ratio of 1. divided by 2., where 1. and 2. are as defined below:

1. Accelerated Death Benefit on the Election Date.
2. Death Benefit immediately prior to the Election Date.

For Periodic Payments, the reduction to the Face Amount will be divided equally among the Periodic Payments and made at the time of each Periodic Payment.

The remaining portion of the Face Amount in effect may be less than Our minimum requirements for the Policy.

**PAYMENT OF PREMIUMS** – If the Death Benefit immediately prior to the initial Election Date does not exceed \$1,000,000, We will waive the Payment of Premiums while an Election is in effect (12 months following Election Date).

If the Death Benefit immediately prior to the initial Election Date exceeds \$1,000,000, while an Election is in effect, (12 months following the Election Date), the Payment of Premiums will be multiplied by the ratio of 1. divided by 2., where 1. and 2. are as defined below:

1. Face Amount immediately prior to the initial Election Date less \$1,000,000
2. Face Amount on the Election Date.

Payment of Premiums will stop being waived when an Election is no longer in effect.

**OTHER RIDERS AND ENDORSEMENTS** – Upon any Election other than a Final Election, all Riders and Endorsements attached to the Policy will continue to be effective subject to the terms and conditions of each Rider or Endorsement. Upon a Final Election, all Riders and Endorsements, except this Endorsement, attached to the Policy will terminate on the Final Election date. After the Initial Election Date, no additional Riders or Endorsements may be added to the Policy to which this Endorsement is attached. The Insured's Accidental Death Benefit, if any, will not be affected by the acceleration of Death Benefits under this Endorsement.

## **SECTION 2B: CONVERSION PRIVILEGE FOR ACCELERATED DEATH BENEFITS FOR CHRONIC ILLNESS**

The Partial Conversion and Full Conversion provisions contained in Your Policy apply to the base Policy and all attached Endorsements and Riders, except Accelerated Death Benefits for Chronic Illness. The following provisions are applicable to Accelerated Death Benefits for Chronic Illness under this Endorsement.

**PARTIAL CONVERSION** – If a portion of the Face Amount of Your Policy is converted for a new policy and the Face Amount of the Policy is \$1,000,000 or less at the time of the Partial Conversion, the new policy will include a chronic illness Endorsement or Rider without requiring evidence of insurability provided all the following apply:

1. A chronic Illness Endorsement or Rider is available on the new policy at the time of the Partial Conversion; and
2. The Partial Conversion is within the Chronic Illness Accelerated Death Benefit Period; and
3. No benefit Elections have been made under this Endorsement.

If the Face Amount of Your Policy is greater than \$1,000,000 at the time of the Partial Conversion and items 1., 2., and 3. above apply, the new policy will include a Chronic Illness Endorsement or Rider without requiring evidence of insurability provided all the following apply:

1. You provide Your written request to terminate this Endorsement; and
2. The Face Amount of the new policy is \$1,000,000 or less.

The new chronic illness Endorsement or Rider will be issued on the new policy on the Conversion Date.

**FULL CONVERSION** – If the entire Face Amount of Your Policy is converted for a new policy and the Face Amount of the Policy is \$1,000,000 or less at the time of the Conversion, the new policy will include a chronic illness Endorsement or Rider without requiring evidence of insurability provided all the following apply:

1. A chronic illness Endorsement or Rider is available on the new policy-at the time of the Conversion; and
2. The Conversion is within the Chronic Illness Accelerated Death Benefit Period; and
3. No benefit Elections have been made under this Endorsement.

The new chronic illness Endorsement or Rider will be issued on the form We are issuing on the new policy on the Conversion Date.

If the policy being converted has a Face Amount greater than \$1,000,000 at the time of Conversion, a chronic illness Endorsement or Rider will not be included on the new policy.

### OTHER PROVISIONS

**INCONTESTABILITY** – This Endorsement is contestable on the same basis as the Policy to which it is attached.

**REINSTATEMENT** – If the Policy is reinstated, this Endorsement will be reinstated unless the maximum Accelerated Death Benefit has been paid under this Endorsement.

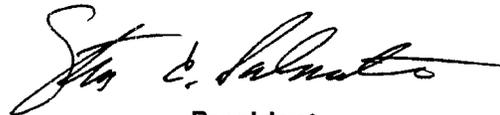
**TERMINATION OF THIS ENDORSEMENT** – This Endorsement will terminate upon the earliest of:

1. The date the Insured dies; or
2. The date the maximum Accelerated Death Benefit is paid; or
3. The first Premium Due Date on or following Our receipt of Your written request to terminate this Endorsement; or
4. The date the Policy terminates; or
5. The date You elect the Full Conversion provision under the Policy.

Termination of this Endorsement will not affect any Accelerated Death Benefit Payments that were made before the Expiry Dates shown on the Additional Benefits Provided by Endorsement or Rider on the Schedule of Policy Benefits for Accelerated Death Benefits.



Secretary



President



## North American Company for Life and Health Insurance

Principal Office: 4601 Westown Parkway, Suite 300 • West Des Moines, IA 50266

Administrative Office: P.O. Box 5088 • Sioux Falls, SD 57117-5088

A Stock Company  
[www.nacolah.com](http://www.nacolah.com)

### ACCELERATED DEATH BENEFIT ENDORSEMENT

**PAYMENT OF ACCELERATED DEATH BENEFITS PAID UNDER THIS ENDORSEMENT WILL REDUCE THE POLICY'S DEATH BENEFIT.**

**UNLIKE CONVENTIONAL LIFE INSURANCE PROCEEDS, AMOUNTS PAYABLE AS ACCELERATED DEATH BENEFITS COULD BE TAXABLE UNDER SOME CIRCUMSTANCES. WE RECOMMEND THAT YOU CONSULT YOUR PERSONAL TAX ADVISOR PRIOR TO ELECTING AN ACCELERATED DEATH BENEFIT UNDER THIS ENDORSEMENT TO ASSESS THE TAX TREATMENT IN YOUR INDIVIDUAL CIRCUMSTANCES.**

**THE ACCELERATED DEATH BENEFITS OF THIS ENDORSEMENT ARE NOT PAYABLE IF THE POLICY TO WHICH IT IS ATTACHED IS NOT IN EFFECT.**

The Owner is referred to as "You" or "Your"; North American Company for Life and Health Insurance is referred to as "We", "Our", or "Us."

This Endorsement is attached to and made a part of Your Policy. Except as provided in this Endorsement, all other terms, provisions and conditions of Your Policy remain the same.

**EFFECTIVE DATE** – The Effective Date of this Endorsement is the Policy Date shown in the Schedule of Policy Benefits of Your Policy.

**CONSIDERATION** – This Endorsement is issued in consideration of the application and payment of the initial premium for the base Policy. There is no additional charge associated with this Endorsement. However, an administrative fee is required when an Accelerated Death Benefit Payment is made.

**ENDORSEMENT BENEFITS** – This Endorsement provides Accelerated Death Benefits for Terminal Illness.

We will pay You, or Your estate, a portion of the Policy Death Benefit You wish to accelerate upon Our receipt of due Proof of Qualifying Event that the Insured is Terminally Ill as defined in this Endorsement. Unless the Accelerated Death Benefits have been otherwise assigned or designated by You, such Accelerated Death Benefit will be paid:

1. While the Policy is in effect, other than by reduced paid-up life insurance; and
2. Upon Election by You; and
3. In lieu of payment of the full Death Benefit of the Policy upon the death of the Insured; and
4. Subject to the terms of this Endorsement.

The Insured's Accidental Death Benefit, if any, will not be affected by the acceleration of Death Benefits under this Endorsement.

Prior to or beginning with the Election to accelerate Death Benefits, You, and any Irrevocable Beneficiary, will be provided a statement demonstrating the effect of the acceleration of the Death Benefit payment on the Policy's Death Benefit. It will include the administrative fee and the discount applied to the Accelerated Death Benefit. Such statement will be mailed to the last known address for You and any Irrevocable Beneficiary.

**ACCELERATED DEATH BENEFIT PAYMENT** – The Accelerated Death Benefit Payment will be determined upon Your Election. The following factors may be used in the determination of the payment:

1. The Accelerated Death Benefit; and
2. The Guaranteed Annual Premiums of the Policy; and
3. The future expected lifetime of the Insured; and
4. The Accelerated Death Benefit Interest Rate in effect; and
5. The administrative fee. The maximum administrative fee will not exceed \$200.00 for the Election.

We will pay the present value of the Policy Death Benefit that is being accelerated (the Accelerated Death Benefit). An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount reflects the early payment of the Death Benefit that is being accelerated. The discount will be based on mortality rates and an annual interest rate which has been declared by Us in effect as of the Election Date.

The Accelerated Benefit Payment will be less than the Accelerated Death Benefit.

**DEATH BENEFIT** – If You elect to receive Accelerated Death Benefits under this Endorsement, the Policy's Death Benefit payable upon due proof of death of the Insured to Your Beneficiary will be reduced. We will reduce the Death Benefit amount by the Accelerated Death Benefits under this Endorsement. Upon due proof of death of the Insured, We will pay the Beneficiary any remaining portion of the Death Benefit that We have not accelerated to the Owner under this Endorsement.

## DEFINITIONS

**Accelerated Death Benefits** – are the advance payment of a portion of the Death Benefits payable under Your Policy, subject to the conditions of this Endorsement. At the time of Election, You will specify the portion of the Death Benefit You wish to accelerate, which is the Accelerated Death Benefit on the Election Date.

**Accelerated Death Benefit Interest Rate** – means the interest rate used in calculating the Accelerated Death Benefit. The Accelerated Death Benefit Interest Rate will not exceed the greater of:

1. The yield on 90-day U.S. Treasury Bills on the Election Date; and
2. The maximum adjustable Policy Loan interest rate allowed by law on each Election Date

**Election Date** – means the Premium Due Date immediately following the date the signed application to elect Accelerated Death Benefits under this Endorsement is approved by Us.

**Immediate Family** – means Your or the Insured's spouse, children, siblings, parents, grandparents, grandchildren, and any of their spouses.

**Physician** – is a licensed medical doctor or licensed doctor of osteopathy operating within the scope of the license. A Physician cannot be You, the Insured, a member of Your Immediate Family, or a member of the Insured's Immediate Family.

**Proof of Qualifying Event** – is a Written Notice consisting of documents necessary to prove the Insured's eligibility for Accelerated Death Benefits under this Endorsement. "Written Notice" is a properly completed application form and a Physician's written certification acceptable to Us that the Insured meets the definition of Terminal Illness. We may request additional medical information from the Insured's Physician which describes the nature and extent of the Qualifying Event.

**Qualifying Event** – means a medical condition which results in a Terminal Illness. After We receive Proof of Qualifying Event, We may require a second opinion and examination by a Physician We designate. In the event the Insured's Physician and Our appointed Physician disagree on whether the Insured is Terminally Ill, Accelerated Death Benefit eligibility will be determined by a third medical opinion provided by a Physician mutually acceptable to both You and Us. We will pay for the expense of these additional medical opinions.

**Terminally Ill or Terminal Illness** – means the Insured has been certified through a written certification by a Physician that the Insured has been diagnosed with a medical condition which results in a drastically limited life span. A drastically limited life span is a life span of 24 months or less.

## ACCELERATED DEATH BENEFITS FOR TERMINAL ILLNESS

**BENEFIT AMOUNT FOR TERMINAL ILLNESS** – At the time of Election, You will specify the Accelerated Death Benefit, which is the portion of the Policy Death Benefit You wish to accelerate.

The minimum Accelerated Death Benefit for Terminal Illness is the smaller of 10% of the Death Benefit on the Election Date or \$100,000.

The maximum Accelerated Death Benefit for Terminal Illness is the smaller of 75% of the Death Benefit on the Election Date or \$750,000.

**BENEFIT PAYMENT FOR TERMINAL ILLNESS** – The Accelerated Death Benefit Payment will be paid in a lump sum.

**ELECTION OF BENEFITS FOR TERMINAL ILLNESS** – To elect Accelerated Death Benefits, You must complete an application. We will provide this application within 15 days of the receipt of Your written request at Our Administrative Office. If We do not send the application to Your last known address within 15 days of the receipt of Your request, it will be considered You complied with the Election requirements as long as You submit a Physician's written certification that the Insured is Terminally Ill. You must also provide Us with written consent of any assignee and any Irrevocable Beneficiaries.

Only one Election can be made for Terminal Illness. If the Insured dies after You elect to receive Accelerated Death Benefits under this Endorsement, but before any Accelerated Death Benefit Payment is made, the Election will be cancelled and the Death Benefit will be paid as described in Your Policy.

### **SECTION 1: EFFECT OF TERMINAL ILLNESS ACCELERATED DEATH BENEFIT PAYMENTS ON POLICY PROVISIONS AND RIDERS AND ENDORSEMENTS**

**FACE AMOUNT** – The Face Amount will be reduced on the Election Date by the ratio of 1. divided by 2., where 1. and 2. are as defined below:

1. Accelerated Death Benefit on the Election Date.
2. Death Benefit immediately prior to the Election Date.

The remaining portion of the Face Amount in effect may be less than Our minimum requirements for the Policy.

**PAYMENT OF PREMIUMS** – We will waive the Payment of Premiums following the Election of Accelerated Death Benefits for Terminal Illness.

**OTHER RIDERS AND ENDORSEMENTS** – Upon Election, all Riders and Endorsements attached to the Policy will continue to be effective subject to the terms and conditions of each Rider or Endorsement.

### **OTHER PROVISIONS**

**INCONTESTABILITY** – This Endorsement is contestable on the same basis as the Policy to which it is attached.

**REINSTATEMENT** – If the Policy is reinstated, this Endorsement will be reinstated unless the maximum Accelerated Death Benefit has been paid under this Endorsement.

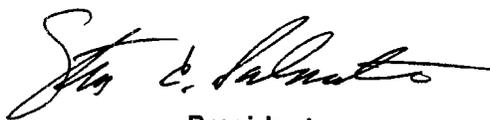
**TERMINATION OF THIS ENDORSEMENT** – This Endorsement will terminate upon the earliest of:

1. The date the Insured dies; or
2. The date the maximum Accelerated Death Benefit is paid; or
3. The first Premium Due Date on or following Our receipt of Your written request to terminate this Endorsement; or
4. The date the Policy terminates; or
5. The date You elect the Full Conversion provision under the Policy.

Termination of this Endorsement will not affect any Accelerated Death Benefit Payment that was made while this Endorsement was in effect.



Secretary



President

SERFF Tracking Number: NALH-126597244 State: Arkansas  
 Filing Company: North American Company for Life and Health State Tracking Number: 45608  
 Insurance  
 Company Tracking Number: LS174  
 TOI: L04I Individual Life - Term Sub-TOI: L04I.213 Specified Age or Duration -  
 Fixed/Indeterminate Premium - Single Life  
 Product Name: LS174  
 Project Name/Number: LS174/LS174

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b>		
<b>Attachments:</b>		
AR LS174 READABILITY CERTIFICATE.pdf		
AR L&H Certification.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Application		
<b>Comments:</b>		
General application form series L-3182, approved on 9/16/2009, under State number 43481, will be used with will be used in the solicitation of this policy.		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Statement of variability		
<b>Comments:</b>		
<b>Attachment:</b>		
AR LS174 Statement of Variability.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Accelerated death benefits documents		
<b>Comments:</b>		
These documents are being submitted for informational purposes.		
<b>Attachments:</b>		
L-3195 ABE Disclosure Form.pdf		
L-3196 Benefit Worksheet & Payment Notice CI sample.pdf		

## READABILITY CERTIFICATE

I certify that Readability has been tested under the Flesch Readability formula set forth by Rudolph Flesch in his book, The Art of Readability Writing and that the form(s) meet your minimum readability requirements for the form(s) listed below:

<u>Form Number</u>	<u>Description</u>	<u>Score</u>
LS17403	Adjustable Premium Level Term Life Insurance to Policy Age 95 with Change of Premium Provision	50.4
LR473	Accelerated Death Benefit Endorsement (Chronic – Terminal)	50.2
LR474	Accelerated Death Benefit Endorsement (Terminal)	51.9

A handwritten signature in black ink, appearing to read "Tim Reuer", is written over a horizontal line.

Timothy Reuer, FSA, MAAA  
Vice President - Product Development  
North American Company for Life and Health Insurance

April 30, 2010

Date

# STATE OF ARKANSAS

## Certificate of Compliance

Policy Form LS17403

On behalf of North American Company for Life and Health Insurance I certify the company is in compliance with:

Rule and Regulation 19.

Rule and Regulation 49 – each policyholder will be provided a life and health guaranty notice.

A.C.A 23-79-138 for Policy Information Requirements – each policy will contain the contact information of the policyholder's service office, soliciting agent and the state insurance department.



Paula Kunkel-White, Senior Contacts Analyst

Date May 3, 2010

**Statement of Variability  
Policy Form Series LS17403 w/Schedule Pages PS174**

The following is a list of bracketed items and the corresponding range of text and/or values. Some of the items are bracketed for future flexibility.

The following criteria are used to determine the value of each bracketed item:

Consumer demands and preferences

The market conditions and the competitive environment.

The economic environment and its impact on our investment portfolio.

The Company's experience for lapses, mortality and expenses

Bracketed Item	Variable Text/Range
<b>Owner</b>	Varies with consumer
<b>Policy Number</b>	Varies with consumer
<b>Insured</b>	Varies with consumer
<b>Policy Date</b>	Varies with consumer
<b>Sex</b>	Varies with consumer
<b>Face Amount</b>	Minimum \$100,000; maximum upon Company approval
<b>Insured's Policy Age on Policy Date</b>	Varies with consumer
<b>Mode of Premium Payment</b>	Varies with consumer: annually, semi-annually, quarterly, monthly
<b>Conversion Available To</b>	Varies with consumer
<b>Premium Class</b>	Super-Preferred Non tobacco, Preferred Non Tobacco, Preferred Tobacco, Standard Non Tobacco, Standard Tobacco.  If the Policy is table rated, additional text applies. Substandard Rating Premium includes permanent percent extra of 100% The table rating range is 25% -- 400%  If the Policy has a flat extra, additional text applies: Substandard Rating Premium includes permanent flat extra of \$1.00 a month per thousand for all years. The dollar range for the Flat extra is \$1.00 - \$200.00
<b>Premium Guarantee Period</b>	Varies with consumer. 10, 15 or 20.
<b>Expiry Date</b>	Varies with consumer
<b>Annual Premium</b>	Varies with consumer
<b>Policy Fee</b>	\$60-\$95
<b># of policy Years (in text field)</b>	Varies with consumer. 10, 15 or 20.
<b>Beginning of Policy Year</b>	Varies with consumer
<b>Base Policy Modal Premiums: Direct Bill; EFT Authorization; Credit Card; Government Allotment; List Bill</b>	Per Mode Premium varies with consumer.  Total Yearly Premium varies with consumer annually, semi-annually, quarterly, monthly
<b>Civil Service Allotment</b>	This statement will print if Civil Service Allotment is selected by the consumer: [Premium includes a \$0.50 per month Civil Service Allotment fee, for a total annual increase of \$6.00.]  Fee range is \$0.50 to \$12.00

Bracketed Item	Variable Text/Range
<b>Current Annual Premiums – Base Policy</b>	Varies with consumer (varies by Issue Age, Sex, Premium Class, Face Amount, and Premium Guarantee Period)
<b>Guaranteed Annual Premiums – Base Policy</b>	Varies with consumer (varies by Issue Age, Sex, Premium Class & Face Amount)
<b>Additional Benefits Provided by Endorsement or Rider</b>	<p>Endorsements and Riders are optional and/or specific underwriting criteria must be met for the insured. The expiry date, benefit units and annual premium would vary by the insured.</p> <p>Previously approved riders or endorsements may be added to the Policy in the future.</p>
<b>Current Annual Premiums – Schedule of Supplemental Policy Premiums</b>	Varies with consumer (varies by Issue Age, Premium Class, Sex and Premium Guarantee Period)
<b>Guaranteed Annual Premiums- Schedule of Supplemental Policy Premiums</b>	Varies with consumer. (varies by Issue Age, Premium Class, Sex and Premium Guarantee Period).



## ACCELERATED DEATH BENEFIT SUMMARY and DISCLOSURE STATEMENT for TERM PRODUCT

**EFFECTIVE DATE** – The Accelerated Death Benefit Endorsement takes effect on the Policy/Certificate Date.

**PREMIUM** – There is no additional premium charge for the Accelerated Death Benefit Endorsement provided under this life insurance Policy/Certificate. However, there is an administrative fee when an Accelerated Death Benefit Payment is made.

The accelerated death benefits provided under the endorsement of this life insurance Policy/Certificate may provide benefits to pay for long-term care services but are NOT part of a long-term care or nursing home insurance Policy/Certificate and the amount these products pay may not be enough to cover your medical, nursing home or other bills. Accelerated Death Benefit Payments used to pay for long-term care services are subject to limits imposed by the federal government and any amounts received in excess of these limits are includible in taxable income. You may use the money you receive as an accelerated death benefit for any purpose. Unlike conventional life insurance proceeds, amounts payable as accelerated death benefits **COULD BE TAXABLE UNDER SOME CIRCUMSTANCES**. We recommend that you consult your personal tax advisor prior to electing an accelerated death benefit.

If you already have long-term care insurance, Medicaid, or similar coverage, you should consider whether the accelerated death benefits provided under this Policy/Certificate are suitable for your needs. Receipt of accelerated death benefits under this Policy/Certificate **MAY AFFECT YOUR ELIGIBILITY FOR MEDICAID, SUPPLEMENTAL SECURITY INCOME (“SSI”), OR OTHER GOVERNMENT BENEFITS OR ENTITLEMENTS**. Contact the Medicaid Unit of your local Department of Public Welfare and the Social Security Administration Office for more information.

### THE BENEFIT AND ITS EFFECT ON POLICY/CERTIFICATE PROVISIONS

Upon written request by the owner (“You”) of the Policy/Certificate, the company will pay an Accelerated Death Benefit described below, subject to the limitations and requirements outlined in the Accelerated Death Benefit Endorsement. Any assignee or Irrevocable Beneficiary must consent before we make an Accelerated Death Benefit Payment. The maximum Accelerated Death Benefit that We will accelerate on the Policy/Certificate is \$1,000,000. Accelerated Death benefits paid under this Endorsement will reduce the Policy’s/Certificate’s Death Benefit.

**Accelerated Death Benefit for Terminal Illness:** You may elect to receive advancement of the Death Benefit when the Insured has a Terminal Illness while this Endorsement is in effect. An Insured qualifies as being Terminally Ill if a Physician has certified that the Insured’s life expectancy is 24 months or less.

The minimum Accelerated Death Benefit for Terminal Illness is the smaller of 10% of the Death Benefit on the Election Date or \$100,000.

The maximum Accelerated Death Benefit for Terminal Illness is the smaller of 75% of the Death Benefit on the Election Date or \$750,000.

The Accelerated Benefit Payment (hereinafter “Payment”) will be determined upon Your election. Payment will be paid in a lump sum. We will pay the present value of the Policy/Certificate Death Benefit that is being accelerated (the Accelerated Death Benefit). An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount reflects the early payment of the Death Benefit that is being accelerated.

We will waive the Payment of Premiums following the Election of Accelerated Death Benefits for Terminal Illness. Upon Election, all Riders and Endorsements attached to the Policy/Certificate will continue to be effective subject to the terms and conditions of each Rider or Endorsement.

Only one election can be made for Terminal Illness under this Endorsement. If the Insured dies after You elect to receive Accelerated Death Benefits under this Endorsement, but before any Accelerated Death Benefit Payment is made, the Election will be cancelled and the Death Benefit will be paid as described in Your Policy/Certificate.

**Accelerated Death Benefit for Chronic Illness (if available)<sup>1</sup>:** You may elect to receive advancement of the Accelerated Death Benefits when the Insured is Chronically Ill while this Endorsement is in effect.

An Insured qualifies as being Chronically Ill if a Physician has certified within the last 12 months that the Insured:

1. Is permanently unable to perform for at least 90 consecutive days, without Substantial Assistance from another person, at least two Activities of Daily Living; "90 consecutive days" includes consecutive days immediately prior to the Policy/Certificate being in effect; or
2. Requires Substantial Supervision by another person to protect oneself from threats to health and safety due to Severe Cognitive Impairment.

Activities of Daily Living are: bathing, continence, dressing, eating, toileting, or transferring.

Severe Cognitive Impairment means deterioration or loss of intellectual capacity that is measured by clinical evidence and standardized tests which reliably measure impairment in:

1. Short-term or long-term memory; or
2. Orientation to people, places, or time; or
3. Deductive or abstract reasoning.

The minimum Accelerated Death Benefit for Chronic Illness, at each Election, except the Final Election, is the smaller of 5% of the Policy/Certificate Death Benefit on the Initial Election Date or \$50,000.

You can accelerate an amount less than the minimum Accelerated Death Benefit for Chronic Illness allowed if it is necessary to do so to comply with the \$1,000,000 maximum Accelerated Death Benefit limitation for this Endorsement.

The maximum Accelerated Death Benefit for Chronic Illness, at each Election, is the smaller of 24% of the Policy/Certificate Death Benefit on the initial Election Date, or \$240,000. This amount may be smaller for a Final Election.

The Accelerated Benefit Payment will be determined as of each Election Date. Each Payment will be paid in a lump sum, unless a Periodic Payment is chosen by You. We will pay the present value of the Policy/Certificate Death Benefit that is being accelerated (the Accelerated Death Benefit). An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount reflects the early payment of the Death Benefit that is being accelerated.

Under a Periodic Payment, We will divide the Accelerated Death Benefit Payment into equal Periodic Payments that will be paid in lieu of a lump sum payment. You may select to receive Periodic Payments as frequently as once each month.

A Final Election is available if the maximum Chronic Illness Accelerated Death Benefit at the time of Election is greater than the remaining Death Benefit in the Policy/Certificate, minus the Residual Death Benefit. A Final Election occurs when You accelerate all of the Death Benefit in Your Policy/Certificate, minus the Residual Death Benefit.

Residual Death Benefit is the greater of 5% of the Policy/Certificate Death Benefit on the Initial Election Date or \$10,000. The Residual Death Benefit only applies to Accelerated Death Benefits for Chronic Illness.

We will waive the Payment of Premiums while a Chronic Illness Election is in effect (12 months following the Election Date) immediately prior to the Initial Election Date if the Death Benefit does not exceed \$1,000,000. If the Death Benefit immediately prior to the initial Election Date exceeds \$1,000,000, while an Election is in effect the Payment of Premiums will be multiplied by the specified ratio, as stated in the Endorsement. Payment of Premiums will stop being waived when an Election is no longer in effect.

Upon any Election other than a Final Election, all Riders and Endorsements attached to the Policy/Certificate will continue to be effective subject to the terms and conditions of each Rider or Endorsement. Upon a Final Election, all Riders and Endorsements, except this Endorsement, attached to the Policy/Certificate will terminate on the Final Election date. After the Initial Election Date, no additional Riders or Endorsements may be added to the Policy/Certificate to which this Endorsement is attached.

A Chronic Illness Election is effective for 12 months starting from the Election Date and only one Election can be made in this 12-month period. If the Insured dies after You elect to receive Accelerated Death Benefits, but before the payment is made, the Election will be cancelled and the Death Benefit will be paid as described in Your Policy/Certificate. If the Insured dies before all Periodic Payments are paid, We will pay the Death Benefit in lieu of the remaining Accelerated Death Benefit Payments. If a Final Election has occurred, the Residual Death Benefit will be paid to the Beneficiary in a lump sum upon due proof of death of the Insured.

**<sup>1</sup> Proposed Insureds are subject to underwriting eligibility requirements to qualify for the Chronic Illness benefit of the Accelerated Death Benefit Endorsement. If a Proposed Insured does not meet the underwriting eligibility requirements, only the Accelerated Death Benefits Endorsement for Terminal Illness is available.**

**ACKNOWLEDGEMENT** – I acknowledge that I have received and read this Accelerated Benefit Summary and Disclosure Statement that was furnished to me prior to signing the application.

A signed copy of this disclosure is required to be returned with the application to the Administrative Office for the following states: AL, AR, IL, IN, KS, LA, MA, MI, MN, MS, NC, OH, OK, PA, VA and WA.

Signature of Proposed Owner One  X	Date
Signature of Proposed Owner Two  X	Date
Signature of Agent (Insurance Producer in OR )  X	Date

Policy/Certificate Number \_\_\_\_\_

For Conversions and exchanges, please indicate new policy/certificate number, if assigned.

<b>Sample Illustration of Impact of Accelerated Death Benefits on Policy/Certificate Provisions For Chronic Illness</b>	<b>Sample Illustration of Impact of Accelerated Death Benefits on Policy/Certificate Provisions For Terminal Illness</b>
<b>Immediately Prior to initial Election:</b> Death Benefit (DB) \$100,000	<b>Immediately Prior to initial Election:</b> Death Benefit (DB) \$100,000
<b>Initial Election:</b> <u>Limitations on Benefits</u> Maximum Accelerated Death Benefit \$24,000 24% of DB or \$240,000 if smaller Residual Death Benefit \$10,000 5% of DB or \$10,000 if greater <u>Requested on Application for Election:</u> Accelerated Death Benefit \$20,000	<b>Election:</b> <u>Limitations on Benefits</u> Maximum Accelerated Death Benefit \$75,000 75% of DB or \$750,000 if smaller <u>Requested on Application for Election:</u> Accelerated Death Benefit \$20,000
<b>Immediately After Initial Election:</b> Death Benefit \$80,000 Reduced by Accelerated DB \$100,000 - \$20,000 Payment of Premiums \$0 (Waived)	<b>Immediately After Election:</b> Death Benefit \$80,000 Reduced by Accelerated DB \$100,000 - \$20,000 Payment of Premiums \$0 (Waived)



## ACCELERATED DEATH BENEFIT WORKSHEET & PAYMENT NOTICE

Accelerated Death Benefits may provide benefits to pay for long-term care services but the Benefit is NOT part of a long-term care or nursing home insurance Policy or Certificate and the amount of the benefit may not be enough to cover Your medical, nursing home or other bills. Accelerated Death Benefit Payments used to pay for long-term care services are subject to limits imposed by the federal government and any amounts received in excess of these limits are includible in taxable income. You may use the money You receive as an Accelerated Death Benefit for any purpose.

**UNLIKE CONVENTIONAL LIFE INSURANCE PROCEEDS, AMOUNTS PAYABLE AS ACCELERATED DEATH BENEFITS COULD BE TAXABLE UNDER SOME CIRCUMSTANCES. WE RECOMMEND THAT YOU CONSULT YOUR PERSONAL TAX ADVISOR PRIOR TO ELECTING AN ACCELERATED DEATH BENEFIT TO ASSESS THE TAX TREATMENT IN YOUR INDIVIDUAL CIRCUMSTANCES. THE ACCELERATED DEATH BENEFITS ARE NOT PAYABLE IF YOUR POLICY OR CERTIFICATE IS NOT IN EFFECT.**

If You have long-term care insurance, Medicaid, or similar coverage, You should consider whether the Accelerated Death Benefits being provided are suitable for Your needs. Receipt of Accelerated Death Benefits MAY AFFECT YOUR ELIGIBILITY FOR MEDICARE, SUPPLEMENTAL SECURITY INCOME ("SSI"), OR OTHER GOVERNMENT BENEFITS OR ENTITLEMENTS. Contact the Medicaid Unit of Your local Department of Public Welfare and the Social Security Administration Office for more information.

### THE BENEFIT

You (the Owner of the Policy or Certificate) have requested an Accelerated Death Benefit under one of the following Accelerated Death Benefit Endorsements under your Policy or Certificate.

- Chronic Illness
- Terminal Illness

You have requested that We pay the Accelerated Death Benefit Payment (Payment) to You in one of the following:

- One lump sum Payment; or
- Two (2) Periodic Payments, separated by 6 months; or
- Four (4) Periodic Payments, separated by 3 months; or
- Twelve (12) Periodic Payments, separated by 1 month.

Payment of an Accelerated Death Benefit is subject to limitations and requirements outlined in the Endorsement.

### EFFECT OF ACCELERATED DEATH BENEFIT ON POLICY OR CERTIFICATE VALUES

If You elect to receive an Accelerated Death Benefit, the Death Benefit payable upon the death of the Insured or Insured to the Beneficiary will be reduced.

The Policy or Certificate's Death Benefit will be reduced in proportion to the Death Benefit that is accelerated. For example, if twenty percent (20%) of the Death Benefit is accelerated, then the Death Benefit will be reduced by 20% (which is the same as being multiplied by 80%).

Since the Accelerated Death Benefit Payment is made prior to death, the Payment that You receive will be reduced by a discount and will be less than the Death Benefit that You requested to accelerate.

The following is an illustration of the effect of the Accelerated Death Benefit Payment (ADBP) on your life insurance Policy or Certificate:

Policy or Certificate Number: LB00123450

Accelerated Death Benefit Payment Number: 1

Accelerated Death Benefit: \$20,000

Gross Accelerated Death Benefit Payment: \$12,552

**Minus** Administration Fee: \$200

Net Accelerated Death Benefit Payment: \$12,352

	Before ADBP	After ADBP
Policy or Certificate Death Benefit	<u>\$200,000</u>	<u>\$180,000</u>
Residual Death Benefit	<u>\$0</u>	<u>\$10,000</u>

Any Assignee or Irrevocable Beneficiary must consent before We make an Accelerated Death Benefit Payment. When We agree to accelerate the Policy or Certificate Death Benefits, We will issue an amended Schedule of Policy or Certificate Benefits to the Owner that will reflect any new, reduced in-force Face Amount.

**I acknowledge receipt of this Accelerated Death Benefit Worksheet & Benefit Payment Notice.**

Signature of Owner  X	Date
Signature of Assignee and/or Irrevocable Beneficiary  X	Date

While Accelerated Death Benefits are being paid, an Accelerated Death Benefit Worksheet & Benefit Payment Notice will be provided to the Owner on an annual basis.