Filing at a Glance

Company: Fidelity Life Association, A Legal Reserve Life Insurance Company

Product Name: FLA F4200 Actuarial Memo
SERFF Tr Num: PSEN-127867635
State: Arkansas

TOI: L04I Individual Life - Term
SERFF Status: Closed-Accepted For Informational Purposes
State Tr Num: 50441

Sub-TOI: L04I.103 Renewable - Single Life - Fixed/Indeterminate Premium
Co Tr Num: FLA F4200 ACTUARIAL MEMO
State Status: Filed-Closed

Filing Type: Form
Reviewer(s): Linda Bird

Authors: Barbara Ritzke, Deb Howver, Joanne Miller
Disposition Date: 12/13/2011

Date Submitted: 12/09/2011
Disposition Status: Accepted For Informational Purposes

Implementation Date Requested:
Implementation Date:

State Filing Description:

General Information

Project Name:
Status of Filing in Domicile: Pending

Project Number:
Date Approved in Domicile:

Requested Filing Mode: Informational
Domicile Status Comments:

Explanation for Combination/Other:
Market Type: Individual

Submission Type: New Submission
Individual Market Type:

Overall Rate Impact:
Filing Status Changed: 12/13/2011

State Status Changed: 12/13/2011

Deemer Date:
Created By: Deb Howver

Submitted By: Deb Howver
Corresponding Filing Tracking Number:

Filing Description:

On behalf of Fidelity Life Association, attached please find a revised actuarial memorandum for their previously approved Level Death Benefit Renewable Term Life Insurance Policy Form F4200. Form F4200 was originally approved under SERFF tracking number ACTR-125992873.

This submission contains no controversial items relative to normal industry standards. The product is not illustrated. Changes apply to new issues only.

Company and Contact

Filing Contact Information

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Filing Company Information

(This filing was made by a third party - problemsolvingenterprises)

Fidelity Life Association, A Legal Reserve Life Insurance Company	CoCode: 63290	State of Domicile: Illinois
8700 W. Bryn Mawr Avenue	Group Code:	Company Type:
Suite 900S	Group Name:	State ID Number:
Chicago, IL 60631	FEIN Number: 36-1068685	
(630) 522-0392 ext. [Phone]		

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Fidelity Life Association, A Legal Reserve Life Insurance Company	$0.00	12/09/2011	

SERFF Tracking Number:	*PSEN-127867635*	*State:*	*Arkansas*
Filing Company:	*Fidelity Life Association, A Legal Reserve Life Insurance Company*	*State Tracking Number:*	*50441*
Company Tracking Number:	*FLA F4200 ACTUARIAL MEMO*		
TOI:	*L04I Individual Life - Term*	*Sub-TOI:*	*L04I.103 Renewable - Single Life - Fixed/Indeterminate Premium*
Product Name:	*FLA F4200 Actuarial Memo*		
Project Name/Number:	*/*		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Accepted For Informational Purposes	Linda Bird	12/13/2011	12/13/2011

SERFF Tracking Number:	*PSEN-127867635*	*State:*	*Arkansas*
Filing Company:	*Fidelity Life Association, A Legal Reserve Life Insurance Company*	*State Tracking Number:*	*50441*
Company Tracking Number:	*FLA F4200 ACTUARIAL MEMO*		
TOI:	*L04I Individual Life - Term*	*Sub-TOI:*	*L04I.103 Renewable - Single Life - Fixed/Indeterminate Premium*
Product Name:	*FLA F4200 Actuarial Memo*		
Project Name/Number:	*/*		

Disposition

Disposition Date: 12/13/2011
Implementation Date:
Status: Accepted For Informational Purposes
Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	*PSEN-127867635*	*State:*	*Arkansas*
Filing Company:	*Fidelity Life Association, A Legal Reserve Life Insurance Company*	*State Tracking Number:*	*50441*
Company Tracking Number:	*FLA F4200 ACTUARIAL MEMO*		
TOI:	*L04I Individual Life - Term*	*Sub-TOI:*	*L04I.103 Renewable - Single Life - Fixed/Indeterminate Premium*
Product Name:	*FLA F4200 Actuarial Memo*		
Project Name/Number:	*/*		

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Third Party Authorization Letter		Yes

Supporting Document Schedules

Item Status: **Status Date:**

Bypassed - Item: Flesch Certification

Bypass Reason: Not applicable to this filing.

Comments:

Item Status: **Status Date:**

Bypassed - Item: Application

Bypass Reason: Not applicable to this filing.

Comments:

Item Status: **Status Date:**

Satisfied - Item: Life & Annuity - Acturial Memo

Comments:

Attachment:

FLA_F4200-Hybrid_ActuarialMemo_111204.pdf

Item Status: **Status Date:**

Satisfied - Item: Third Party Authorization Letter

Comments:

Attachment:

SignedLetterOfAuthorization_FLA_110106.pdf

Fidelity Life Association, A Legal Reserve Life Insurance Company

Actuarial Memorandum - Policy Form F4200

Hybrid Term Life Insurance

The purpose of this memorandum is to describe the contract for the purposes of demonstrating and certifying compliance with applicable laws and regulations in the state that this contract is being filed.

This actuarial memorandum is updated to demonstrate and certify compliance for a revised scale of premium rates for Form F4200. This memo replaces all previously filed memos for this policy.

Plan Description

Hybrid Term Life Insurance (Hybrid Term) offers a series of level death benefit term life insurance plans that have fully guaranteed premium rates. A choice of initial level premium term periods is available. After the initial level premium term period, the plan may be renewed at guaranteed annual renewable term (ART) rates until policy expiry at attained age 95. “Age” is defined as the insured’s age nearest birthday as of the policy date (for “issue age”) and policy anniversary (for “attained age”).

During the initial level term period, the Hybrid Term face amount at issue is made up of two death benefits: an “All Cause Death Benefit” (All Cause) which is payable due to any cause of death (subject to suicide, misstatement of age/gender, and contestable provisions), plus an “Accidental Death Benefit” (ADB) which is payable for deaths due to an accident (subject to qualifying provisions for accidental death). The initial split between All Cause and ADB depends upon gender, age, premium class, level term period, face amount band, and the results of initial non-medical underwriting.

After issue, the insured has the option to submit to a medical exam (within [six months] of the original issue date). Based on the results of medical underwriting and the medical risk class assigned, the insured may then have the option of increasing the All Cause Death Benefit and correspondingly decreasing or eliminating the Accidental Death Benefit with no increase (and in some cases, a decrease) in the guaranteed level premium. If an Accidental Death Benefit remains after medical underwriting, the insured may also have the option of paying a higher premium to eliminate the Accidental Death Benefit and replace it with a 100% All Cause Death Benefit.

If the insured decides not to submit to a medical exam, or if the insured does not medically qualify for an increase in the All Cause Death Benefit, the insured may continue coverage under the guaranteed premiums and benefits originally issued.

At the end of the initial level premium term period, any Accidental Death Benefit terminates and the remaining All Cause Death Benefit may be renewed to policy expiry at the guaranteed ART premium rates.

The insured will receive revised policy schedule pages to reflect any changes in benefits and premiums due to medical underwriting.

Guaranteed premium rates per $1,000 face amount are currently available in five face amount bands (under $100,000, $100,000 to $249,999, $250,000 to $499,999, $500,000 to $999,999, and $1,000,000 and above). Additional face amount bands may be added. The minimum face amount may vary by issue age, but is expected to be $50,000 or lower. The maximum available face amount is dependent upon reinsurance and underwriting requirements. There is a $65 annual policy fee.

Plan Description (continued)

Four medically underwritten standard rate classes are offered: Preferred Non-Nicotine, Standard Non-Nicotine, Preferred Nicotine, and Standard Nicotine. Medically underwritten substandard rate classes may also be issued. Four initial non-medical standard premium classes are offered: Non-Med Preferred Non-Nicotine, Non-Med Standard Non-Nicotine, Non-Med Preferred Nicotine, and Non-Med Standard Nicotine. A non-medical substandard class is also offered. Non-medical premium rates correspond to the medical class rates of the same name. Additional rate classes may be offered. Premium rates are gender-distinct.

The plan is currently issued at the following initial level premium term periods and issue ages:

Initial Level Premium Term Period	Issue Ages	
	Non-Nicotine	Nicotine
10 year	18 – 65	18 – 65
15 year	18 – 65	18 – 65
20 year	18 – 60	18 – 60
30 year	18 – 50	18 – 45

Patent Pending Process to Improve How Life Insurance is Purchased

Hybrid Term features a patent pending process and design to improve the way medically underwritten life insurance is purchased. The typical medical underwriting process can result in lengthy delays in obtaining coverage. As a result, the purchaser must often choose between convenience (non-medical underwriting at a higher premium rate) versus lengthy delays (medical underwriting at a much lower premium rate).

Hybrid Term solves this dilemma with the following process:

- The applicant submits to the company's rapid decision non-medical underwriting process. Upon approval, the insured is issued a Hybrid Term policy, often within 24 to 48 hours of application or sooner.
- The guaranteed premium rates reflect the medically underwritten premium rate class that the insured is expected to most likely qualify for based upon the results of non-medical underwriting. For standard non-medical results, this is expected to be the Preferred (Non-nicotine or Nicotine depending upon nicotine use) rate class. If the applicant is not likely to qualify for the Preferred class (based upon non-medical underwriting), the applicant may be issued under a standard medical rate class. If the applicant is not likely to qualify for a standard rate class, a table rated class may be issued.
- If approved, the Hybrid policy is issued at the face amount applied for at the rate described above. Initially, the face amount is the sum of an All Cause Death Benefit and an Accidental Death Benefit. The % split between each death benefit type is determined to reflect the level of expected non-medical and accidental death mortality and the premium rate issued.

Patent Pending Process to Improve How Life Insurance is Purchased (continued)

- Then during the first [six months] after the policy is issued, the insured may elect to go through medical underwriting at his convenience. If the insured (for example, initially issued Non-med preferred) qualifies for the medical Preferred class, the death benefit is increased to 100% All Cause with no change in the initial level premium or level premium term period. Any approved increase in the All Cause Death Benefit is retroactive to the date the medical exam is submitted. All premium rates and All Cause/ADB splits are based upon the original issue age and the rates/splits being offered at the time the policy is originally issued. Contestable and suicide clauses are measured from the original issue date.
- If the insured does not qualify for medically underwritten rate class resulting in an increased All Cause Death Benefit or if they choose not to submit to medical underwriting, they have the option to continue the plan with the originally issued death benefit split and premium.
- If an Accidental Death Benefit remains after medical underwriting, other options may also be offered at the discretion of the company under their underwriting rules, based on the medical underwriting results. Such options may include:
    - The insured may pay an increased premium in order to increase his All Cause Death Benefit to 100% of the face amount. No accidental death benefit would remain in force.
    - The insured may select a shorter term period resulting in a higher All Cause Death Benefit and/or a lower premium or higher face amount.

Sample Premium and Death Benefit Calculations

Assume a sample male age 35 non-nicotine user purchases a 20 year term face amount of $500,000:

Preferred Non-Nicotine rate = $0.58
Standard Non-Nicotine rate = $0.94
Non-medical All Cause Death Benefit Percentage = 30%

Non-medically underwritten benefits and premiums at issue:

All Cause Death Benefit = $150,000 = 500,000 x .30
Accidental Death Benefit = $350,000 = 500,000 – 150,000
Annual premium = $355.00 = .58 x 500 + 65

Medically underwritten benefits if insured qualifies as Preferred:

All Cause Death Benefit = $500,000
Accidental Death Benefit = none
Annual premium = $355.00 = .58 x 500 + 65

Sample Premium and Death Benefit Calculations (continued)

Medically underwritten benefits if insured qualifies as Standard:

All Cause Death Benefit = $150,000 = 500,000 x .30
Accidental Death Benefit = $350,000 = 500,000 – 150,000
Annual premium = $355.00 = .58 x 500 + 65

or alternatively he can increase his premium and eliminate ADB:

All Cause Death Benefit = $500,000
Accidental Death Benefit = none
Annual premium = $535.00 = 0.94 x 500 + 65

Nonforfeiture Values

This plan has been tested for required minimum cash values under the NAIC Model Standard Nonforfeiture Law for Life Insurance (SNFL). Cash values are calculated on a semi-continuous basis. The attached appendices include sample minimum cash value calculations.

No cash values are required for this plan. The following methods, assumptions, and formulae are used:

The first attached demonstration shows calculations of minimum cash values for a $500,000 male age 35, Preferred Non-Nicotine, 20 year level premium term plan initially issued on a non-medical basis. The All Cause Death Benefit in this case equals 30% of the face amount or $150,000. The Accidental Death Benefit is $350,000. The SNFL does not apply to accidental death benefits, so the approach used in this demonstration is to allocate a reasonable portion of the initial level gross premium to the accidental death benefit and then test for cash values assuming the remaining gross premiums apply to the $150,000 All Cause Death Benefit. For the purpose of these demonstrations, this adjustment was made by allocating the ADB 1 year preliminary term beta net annual premium (see reserve demonstrations in later section for calculation of ADB net premium), not to exceed the gross premium per 1000 (in order to avoid anomalies).

This approach was used for any cell where the face amount is split between All Cause and ADB:

$0.58 = Gross premium rate per $1000 face amount.

$0.38 = 1 year preliminary term beta net premium per $1000 ADB death benefit.

$0.314 = 0.58 – 0.38 x (1-.30) = Adjusted All Cause gross premium net of premium allocation to ADB Death Benefit (for the 30% All Cause death benefit)

Nonforfeiture Values (continued)

The second attached demonstration shows the minimum cash values for the full $500,000 benefit after the insured submits to medical underwriting and qualifies for the Preferred Non-Nicotine class.

Mortality table: 2001 CSO ultimate, age nearest birthday, sex-distinct, smoker/nonsmoker

Interest rate: 4.00%

GP_t = Gross premium per unit excluding policy fee at year t. For the first demonstration, the gross premium is the adjusted premium described above and a unit of coverage equals $300 (30% of 1000). In the second demonstration the full gross premium described above is used and a unit of coverage equals $1,000.

$PV\$1_t$ = Present value of future $1 at the beginning of each year t.

$PVGP_t$ = Present value of future GP_t at the beginning of each year t.

PVB_t = Present value of future benefits at the beginning of each year t (benefits assumed payable in the middle of year).

NFNLP = PVB_1 / $PV\$1_1$ = Nonforfeiture net level premium.

AVGDB = Average guaranteed death benefit during 1st 10 years.

EXP = (1.25 * NFNLP) + (.01 * AVGDB) but the total not to exceed (.06 * AVGDB)

UP = (PVB_1 + EXP) / $PVGP_1$ = Uniform Percentage of nonforfeiture premium over GP_t

NFP_t = UP * GP_t = Nonforfeiture premium at beginning of each year t for t>1

NFP_1 = UP * GP_1 – EXP = Nonforfeiture premium at beginning of year 1

CSV_t = PVB_{t+1} - UP * $PVGP_{t+1}$ = Minimum required cash value

I have tested for all available premium classes, issue ages, durations and All Cause/ADB splits. In all cases, CSV_t has been found to be less than 1.5% of the guaranteed death benefit, satisfying the de minimus provision of the SNFL.

Accidental Death Benefit Reserves

Accidental death benefit reserves are calculated using 1 year preliminary term mean reserves with a floor equal to the one year tabular mean reserve (½ C_t). In most instances, the final reserve equals ½ C_t. The attached sample demonstration calculates the ADB reserve for a $1,000 accidental death benefit, male age 35, 20 year term period.

Accidental Death Benefit Reserves (continued)

The following assumptions and formulae are used:

All Cause Mortality table:

2001 CSO ultimate, age nearest birthday, sex-distinct, smoker composite table

Accidental Death Mortality table:

SOA 1996 Accidental Death Benefit valuation table

Interest Rate: 4.00%

q_t = All Cause Mortality Rate during year t from the assumed mortality table.

$qADB_t$ = Accidental Death Mortality Rate during year t from the assumed mortality table.

$qRatio_t = qADB_t / q_t$ = Ratio of accidental death mortality rate to all cause mortality rate (ie % of deaths due to accidents)

$C_t = 1000 * qADB_t / (1.04^{0.5})$ = One year tabular accidental net premium in year t (benefits payable in middle of year)

$PV\$1_t = 1 + PV\$1_{t+1} * (1-q_t) / 1.04$ = Present value of $1 annual premiums at beginning of year t and beyond.

$PVFADB_t = PVFADB_{t-1} * (1-q_t) / 1.04 + C_t$ = Present Value of future Accidental Death Benefits (benefits payable in middle of year).

$BetaNP = PVFADB_2 / PV\$1_2$ = 1 year preliminary term net premium in years 2 and beyond

$ADBV_t = PVFADB_{t+1} – BetaNP * PV\$1_{t+1}$ (but not less than zero) = Accidental Death Benefit terminal reserve in year t

$ADBMV_t = 0.5 * (PVFADB_{t+1} + BetaNP + PVFADB_t)$ = Accidental Death Benefit mean reserve in year t

The final mean reserve per 1000 in year t equals the greater of $ADBMV_t$ and ½ * C_t. The ADB reserve for any given Hybrid Term policy equals this ADB reserve per $1,000 multiplied by the number of thousands of ADB death benefit included in the policy face amount.

All Cause Death Benefit Reserves

All Cause Death Benefit reserves are calculated based on the NAIC Model Valuation of Life Insurance Regulation 830 (XXX) and the Commissioner's Valuation Reserve Method (CRVM) as described in the NAIC Model Standard Valuation Law (SVL). Reserves are calculated on a semi-continuous basis. The attached appendices include a sample reserve calculation. The attached sample demonstration calculates the reserve for a $500,000 All Cause Death Benefit, male age 35, Preferred Non-nicotine, 20 year level term period followed by ART rates to policy expiry at age 95. This sample assumes the applicant submitted to medical underwriting and qualified for a 100% All Cause Death Benefit.

All Cause Death Benefit Reserves (continued)

The following assumptions and formulae are used:

Mortality table for 1st segment reserves (base and minimum standard) and unitary reserves:

2001 CSO select and ultimate, age nearest birthday, sex-distinct, smoker/nonsmoker

Mortality table for renewal segment reserves and minimum tabular cost of insurance reserve:

2001 CSO ultimate only, age nearest birthday, sex-distinct, smoker/nonsmoker

Interest Rate: 4.00%

GP_t = Gross premium per $1,000 excluding policy fee at year t.

$G_t = GP_t / GP_{t-1}$ (for purpose of determining reserve segments)

q_t = Mortality rate during year t from the assumed mortality table. For the purpose of determining reserve segments, the select and ultimate table is used during the 1st segment, the ultimate table is used thereafter.

$R_t = q_t / q_{t-1} - .01$ but not less than 1 (for purpose of determining reserve segments)

Segments = New reserve segment starts in any year where $G_t > R_t$

***Base unitary reserve calculations*:**

$BUPVGP_t$ = Base unitary present value of all future GP_t at the beginning of each year t

$BUPVB_t$ = Base unitary present value of all future benefits at the beginning of each year t (benefits assumed payable in the middle of year).

$BUP = BUPVB_2 / BUPVGP_2$ = Base unitary uniform percentage of unitary valuation premium over GP_t

$BUNP_t = BUP * GP_t$ = Base unitary net premium in year t, t>1.

$BUNP_1$ = Present value of initial year unitary benefit = Base unitary net premium in year 1.

$BUV_t = BUPVB_{t+1} – BUP * BUPVGP_{t+1}$ = Base unitary reserve at end of year t.

$BUMV_t = .5 * (BUNP_t + BUV_{t-1} + BUV_t)$ = Base unitary mean reserve at end of year t

***Base segmented reserve calculations*:**

Segmented reserves use same formulae as unitary, except that present values and uniform percentages are calculated separately for each segment, using the appropriate mortality rates for each segment. Substituting “S” for “U” in variable names:

$BSV_t = BSPVB_{t+1} – BSP * BSPGP_{t+1}$ = Base segmented reserve at end of year t.

$BSMV_t = .5 * (BSNP_t + BSV_{t-1} + BSV_t)$ = Base unitary mean reserve at end of year t

All Cause Death Benefit Reserves (continued)

Minimum tabular net premium calculation:

C_t = Present value of one year of benefits at beginning of year t, using the ultimate only mortality table.

Mean base reserve:

BV_t = Maximum of $BUMV_t$, $BSMV_t$, and $.5 * C_t$

Deficiency reserve calculations:

Minimum Standard Reserves are calculated using the same method as base reserves except that minimum standard mortality assumptions are adjusted by the minimum standard X-factor for the particular X factor class and gross premiums are substituted in calculating reserves for minimum standard premiums wherever net premiums exceed gross premiums. The attached sample includes a preliminary X-factor which is subject to review and final setting by the company's valuation actuary.

Deficiency reserves equal the excess of minimum standard reserves over base reserves, if any.

For policies that include both an All Cause Death Benefit and an Accidental Death Benefit, the reserve equals the reserve for the All Cause Death Benefit plus the reserve for the Accidental Death Benefit.

Certifications

I certify that this plan is in compliance with the NAIC Model Standard Nonforfeiture Law for Life Insurance, the NAIC Model Standard Valuation Law, and the NAIC Model Valuation of Life Insurance Regulation 830.

Chuck Ritzke, F.S.A., M.A.A.A.
Consulting Actuary

December 4, 2011
Dated

Fidelity Life Association, A Legal Reserve Life Insurance Company

Policy Form F4200 - Hybrid Term Life to age 95

Appendix to Actuarial Memorandum - Minimum CSV Demonstration

Table: 2001 CSO Ultimate Age Nearest Birthday Male Nonsmoker

Plan:	20 Year Level Term	**Issue Age:**	35	**NF Net Level Prem:**	2.89425
ROI:	4.00%	**Gender:**	Male	**Avg 10 Yr DB:**	300.00
Method:	Min Semi-Cont	**Class:**	Preferred Non-Nicotine	**Expense Allowance:**	6.61781
		Band:	$500,000 - $999,999	**Uniform Percentage:**	49.48972%
				1st Year Min NF Prem:	0.15540

Version: 12/4/2011

Age	Yr	Death Benefit	q	Gross Prem (excl pol fee)	PV Future Benefits at BOY	PV Future $1 at BOY	PV Future Gross Prems at BOY	Minimum NF Net Prems	PV Future NF Prems at EOY	Min CSV at EOY	Rounded Min CSV (not<0)
35	1	300.00	0.00109	0.314	60.13	20.77	134.87	(6.46)	69.33	(7.06)	-
36	2	300.00	0.00115	0.314	62.27	20.59	140.09	0.16	72.02	(7.54)	-
37	3	300.00	0.00120	0.314	64.48	20.40	145.53	0.16	74.83	(8.06)	-
38	4	300.00	0.00129	0.314	66.77	20.20	151.21	0.16	77.76	(8.63)	-
39	5	300.00	0.00137	0.314	69.14	19.99	157.13	0.16	80.82	(9.24)	-
40	6	300.00	0.00146	0.314	71.58	19.78	163.31	0.16	84.02	(9.91)	-
41	7	300.00	0.00158	0.314	74.11	19.55	169.77	0.16	87.36	(10.65)	-
42	8	300.00	0.00173	0.314	76.71	19.33	176.51	0.16	90.84	(11.46)	-
43	9	300.00	0.00190	0.314	79.38	19.09	183.56	0.16	94.50	(12.36)	-
44	10	300.00	0.00210	0.314	82.14	18.85	190.94	0.16	98.32	(13.36)	-
45	11	300.00	0.00233	0.314	84.96	18.61	198.67	0.16	102.33	(14.48)	-
46	12	300.00	0.00255	0.314	87.85	18.35	206.77	0.16	106.53	(15.72)	-
47	13	300.00	0.00279	0.314	90.81	18.09	215.27	0.16	110.94	(17.09)	-
48	14	300.00	0.00293	0.314	93.85	17.83	224.17	0.16	115.56	(18.56)	-
49	15	300.00	0.00309	0.314	96.99	17.55	233.50	0.16	120.39	(20.15)	-
50	16	300.00	0.00332	0.314	100.24	17.27	243.26	0.16	125.46	(21.89)	-
51	17	300.00	0.00359	0.314	103.58	16.97	253.51	0.16	130.79	(23.78)	-
52	18	300.00	0.00396	0.314	107.01	16.67	264.27	0.16	136.40	(25.89)	-
53	19	300.00	0.00436	0.314	110.51	16.36	275.61	0.16	142.31	(28.22)	-
54	20	300.00	0.00487	0.314	114.10	16.05	287.56	0.16	148.57	(30.82)	-
55	21	300.00	0.00550	4.125	117.74	15.73	300.20	2.04	153.23	(31.79)	-
56	22	300.00	0.00614	4.605	121.44	15.40	309.62	2.28	157.96	(32.77)	-
57	23	300.00	0.00683	5.124	125.19	15.07	319.17	2.54	162.75	(33.77)	-
58	24	300.00	0.00742	5.565	128.98	14.73	328.86	2.75	167.64	(34.78)	-
59	25	300.00	0.00810	6.075	132.86	14.39	338.74	3.01	172.62	(35.81)	-
60	26	300.00	0.00892	6.690	136.80	14.04	348.79	3.31	177.66	(36.86)	-
61	27	300.00	0.00992	7.440	140.80	13.68	358.99	3.68	182.75	(37.92)	-
62	28	300.00	0.01114	8.355	144.84	13.32	369.28	4.13	187.86	(38.98)	-
63	29	300.00	0.01251	9.384	148.88	12.96	379.59	4.64	192.95	(40.03)	-
64	30	300.00	0.01395	10.464	152.92	12.60	389.89	5.18	198.05	(41.09)	-
65	31	300.00	0.01547	11.604	156.96	12.23	400.18	5.74	203.14	(42.15)	-
66	32	300.00	0.01701	12.759	161.00	11.86	410.47	6.31	208.24	(43.20)	-
67	33	300.00	0.01857	13.929	165.04	11.49	420.78	6.89	213.37	(44.27)	-
68	34	300.00	0.02025	15.189	169.10	11.12	431.13	7.52	218.51	(45.33)	-
69	35	300.00	0.02199	16.494	173.18	10.74	441.52	8.16	223.68	(46.40)	-
70	36	300.00	0.02410	18.075	177.27	10.36	451.97	8.95	228.84	(47.48)	-
71	37	300.00	0.02646	19.845	181.36	9.97	462.39	9.82	233.97	(48.54)	-
72	38	300.00	0.02956	22.170	185.43	9.59	472.76	10.97	238.98	(49.58)	-
73	39	300.00	0.03283	24.624	189.40	9.20	482.89	12.19	243.87	(50.59)	-
74	40	300.00	0.03627	27.204	193.28	8.82	492.77	13.46	248.64	(51.58)	-
75	41	300.00	0.04003	30.024	197.06	8.44	502.41	14.86	253.27	(52.54)	-
76	42	300.00	0.04413	33.099	200.73	8.06	511.77	16.38	257.74	(53.47)	-
77	43	300.00	0.04889	36.669	204.27	7.68	520.80	18.15	261.99	(54.35)	-
78	44	300.00	0.05445	40.839	207.64	7.30	529.38	20.21	265.93	(55.17)	-
79	45	300.00	0.06087	45.654	210.76	6.93	537.34	22.59	269.47	(55.90)	-
80	46	300.00	0.06787	50.904	213.57	6.57	544.49	25.19	272.54	(56.54)	-
81	47	300.00	0.07584	56.880	216.00	6.22	550.71	28.15	275.03	(57.06)	-
82	48	300.00	0.08414	63.105	217.97	5.87	555.73	31.23	276.84	(57.43)	-
83	49	300.00	0.09309	69.819	219.41	5.53	559.40	34.55	277.85	(57.64)	-
84	50	300.00	0.10300	77.250	220.21	5.19	561.42	38.23	277.82	(57.63)	-
85	51	300.00	0.11407	85.554	220.18	4.86	561.36	42.34	276.43	(57.34)	-
86	52	300.00	0.12634	94.755	219.08	4.53	558.55	46.89	273.23	(56.68)	-
87	53	300.00	0.13974	104.805	216.55	4.21	552.10	51.87	267.62	(55.52)	-
88	54	300.00	0.15410	115.575	212.10	3.88	540.75	57.20	258.70	(53.67)	-
89	55	300.00	0.16925	126.939	205.03	3.54	522.74	62.82	245.22	(50.87)	-
90	56	300.00	0.18506	138.795	194.35	3.18	495.49	68.69	225.28	(46.74)	-
91	57	300.00	0.19993	149.949	178.55	2.78	455.21	74.21	196.38	(40.74)	-
92	58	300.00	0.21543	161.574	155.64	2.31	396.80	79.96	154.31	(32.01)	-
93	59	300.00	0.23178	173.835	122.30	1.74	311.81	86.03	92.44	(19.18)	-
94	60	300.00	0.24905	186.789	73.26	1.00	186.79	92.44	-	-	-

Fidelity Life Association, A Legal Reserve Life Insurance Company

Policy Form F4200 - Hybrid Term Life to age 95

Appendix to Actuarial Memorandum - Minimum CSV Demonstration

Table: 2001 CSO Ultimate Age Nearest Birthday Male Nonsmoker

Plan:	20 Year Level Term	**Issue Age:**	35	**NF Net Level Prem:**	9.64750
ROI:	4.00%	**Gender:**	Male	**Avg 10 Yr DB:**	1,000.00
Method:	Min Semi-Cont	**Class:**	Preferred Non-Nicotine	**Expense Allowance:**	22.05938
		Band:	$500,000 - $999,999	**Uniform Percentage:**	50.21627%
				1st Year Min NF Prem:	0.29125

Version: 12/4/2011

Age	Yr	Death Benefit	q	Gross Prem (excl pol fee)	PV Future Benefits at BOY	PV Future $1 at BOY	PV Future Gross Prems at BOY	Minimum NF Net Prems	PV Future NF Prems at EOY	Min CSV at EOY	Rounded Min CSV (not<0)
35	1	1,000.00	0.00109	0.58	200.42	20.77	443.05	(21.77)	231.33	(23.78)	-
36	2	1,000.00	0.00115	0.58	207.56	20.59	460.67	0.29	240.56	(25.63)	-
37	3	1,000.00	0.00120	0.58	214.93	20.40	479.05	0.29	250.18	(27.61)	-
38	4	1,000.00	0.00129	0.58	222.57	20.20	498.20	0.29	260.22	(29.76)	-
39	5	1,000.00	0.00137	0.58	230.46	19.99	518.20	0.29	270.70	(32.09)	-
40	6	1,000.00	0.00146	0.58	238.61	19.78	539.06	0.29	281.63	(34.61)	-
41	7	1,000.00	0.00158	0.58	247.02	19.55	560.84	0.29	293.06	(37.36)	-
42	8	1,000.00	0.00173	0.58	255.70	19.33	583.59	0.29	305.00	(40.39)	-
43	9	1,000.00	0.00190	0.58	264.62	19.09	607.38	0.29	317.50	(43.72)	-
44	10	1,000.00	0.00210	0.58	273.78	18.85	632.27	0.29	330.60	(47.41)	-
45	11	1,000.00	0.00233	0.58	283.19	18.61	658.34	0.29	344.32	(51.50)	-
46	12	1,000.00	0.00255	0.58	292.82	18.35	685.67	0.29	358.70	(56.00)	-
47	13	1,000.00	0.00279	0.58	302.71	18.09	714.32	0.29	373.79	(60.95)	-
48	14	1,000.00	0.00293	0.58	312.84	17.83	744.36	0.29	389.58	(66.27)	-
49	15	1,000.00	0.00309	0.58	323.31	17.55	775.81	0.29	406.12	(71.99)	-
50	16	1,000.00	0.00332	0.58	334.13	17.27	808.74	0.29	423.46	(78.21)	-
51	17	1,000.00	0.00359	0.58	345.25	16.97	843.28	0.29	441.69	(85.00)	-
52	18	1,000.00	0.00396	0.58	356.68	16.67	879.57	0.29	460.88	(92.50)	-
53	19	1,000.00	0.00436	0.58	368.37	16.36	917.78	0.29	481.11	(100.79)	-
54	20	1,000.00	0.00487	0.58	380.32	16.05	958.07	0.29	502.49	(110.02)	-
55	21	1,000.00	0.00550	13.75	392.48	15.73	1,000.66	6.90	518.26	(113.47)	-
56	22	1,000.00	0.00614	15.35	404.79	15.40	1,032.06	7.71	534.26	(116.97)	-
57	23	1,000.00	0.00683	17.08	417.28	15.07	1,063.91	8.58	550.47	(120.52)	-
58	24	1,000.00	0.00742	18.55	429.95	14.73	1,096.19	9.32	567.01	(124.14)	-
59	25	1,000.00	0.00810	20.25	442.86	14.39	1,129.13	10.17	583.84	(127.83)	-
60	26	1,000.00	0.00892	22.30	456.01	14.04	1,162.65	11.20	600.91	(131.56)	-
61	27	1,000.00	0.00992	24.80	469.34	13.68	1,196.64	12.45	618.12	(135.33)	-
62	28	1,000.00	0.01114	27.85	482.79	13.32	1,230.92	13.99	635.38	(139.11)	-
63	29	1,000.00	0.01251	31.28	496.27	12.96	1,265.29	15.71	652.63	(142.89)	-
64	30	1,000.00	0.01395	34.88	509.74	12.60	1,299.63	17.52	669.86	(146.66)	-
65	31	1,000.00	0.01547	38.68	523.20	12.23	1,333.95	19.42	687.08	(150.43)	-
66	32	1,000.00	0.01701	42.53	536.65	11.86	1,368.25	21.36	704.33	(154.20)	-
67	33	1,000.00	0.01857	46.43	550.13	11.49	1,402.60	23.32	721.66	(158.00)	-
68	34	1,000.00	0.02025	50.63	563.67	11.12	1,437.11	25.42	739.05	(161.80)	-
69	35	1,000.00	0.02199	54.98	577.25	10.74	1,471.74	27.61	756.54	(165.63)	-
70	36	1,000.00	0.02410	60.25	590.91	10.36	1,506.56	30.26	773.99	(169.45)	-
71	37	1,000.00	0.02646	66.15	604.54	9.97	1,541.30	33.22	791.34	(173.25)	-
72	38	1,000.00	0.02956	73.90	618.09	9.59	1,575.86	37.11	808.29	(176.96)	-
73	39	1,000.00	0.03283	82.08	631.33	9.20	1,609.62	41.22	824.83	(180.58)	-
74	40	1,000.00	0.03627	90.68	644.25	8.82	1,642.56	45.54	840.97	(184.11)	-
75	41	1,000.00	0.04003	100.08	656.86	8.44	1,674.70	50.26	856.64	(187.54)	-
76	42	1,000.00	0.04413	110.33	669.10	8.06	1,705.89	55.40	871.75	(190.85)	-
77	43	1,000.00	0.04889	122.23	680.90	7.68	1,735.99	61.38	886.11	(193.99)	-
78	44	1,000.00	0.05445	136.13	692.12	7.30	1,764.59	68.36	899.43	(196.91)	-
79	45	1,000.00	0.06087	152.18	702.53	6.93	1,791.12	76.42	911.41	(199.53)	-
80	46	1,000.00	0.06787	169.68	711.89	6.57	1,814.98	85.21	921.82	(201.80)	-
81	47	1,000.00	0.07584	189.60	720.02	6.22	1,835.70	95.21	930.22	(203.64)	-
82	48	1,000.00	0.08414	210.35	726.58	5.87	1,852.43	105.63	936.36	(204.99)	-
83	49	1,000.00	0.09309	232.73	731.37	5.53	1,864.65	116.87	939.75	(205.73)	-
84	50	1,000.00	0.10300	257.50	734.02	5.19	1,871.41	129.31	939.65	(205.71)	-
85	51	1,000.00	0.11407	285.18	733.94	4.86	1,871.20	143.21	934.95	(204.68)	-
86	52	1,000.00	0.12634	315.85	730.27	4.53	1,861.84	158.61	924.15	(202.31)	-
87	53	1,000.00	0.13974	349.35	721.84	4.21	1,840.34	175.43	905.15	(198.15)	-
88	54	1,000.00	0.15410	385.25	707.00	3.88	1,802.51	193.46	875.00	(191.55)	-
89	55	1,000.00	0.16925	423.13	683.45	3.54	1,742.46	212.48	829.40	(181.57)	-
90	56	1,000.00	0.18506	462.65	647.83	3.18	1,651.65	232.33	761.96	(166.81)	-
91	57	1,000.00	0.19993	499.83	595.15	2.78	1,517.36	251.00	664.20	(145.41)	-
92	58	1,000.00	0.21543	538.58	518.79	2.31	1,322.67	270.45	521.93	(114.26)	-
93	59	1,000.00	0.23178	579.45	407.67	1.74	1,039.37	290.98	312.66	(68.45)	-
94	60	1,000.00	0.24905	622.63	244.21	1.00	622.63	312.66	-	-	-

Fidelity Life Association, A Legal Reserve Life Insurance Company

Policy Form F4200 - Hybrid Term Life Insurance - Accidental Death Benefit Reserves

Appendix to Actuarial Memorandum - Reserve Demonstration

All Cause Mortality Table: 2001 CSO Ultimate Age Nearest Birthday Male Smoker Composite Table
Accidental Death Mortality Table: SOA 1996 Accidental Death Benefit Male Valuation Table

Plan: 20 Year Term
ROI: 4.00%
Method: Semi-continuous 1 year full preliminary term

Issue Age: 35
Gender: Male
Class: Standard

Version: 12/4/2011

			Mortality Rates			Reserve Calculations						
Age	Yr	Death Benefit	All Cause	Accidental Death	% Accidental Deaths	Cx	PV Future Benefits	PV Future $1 Premium	1 YR Full Prelim Net Prem	Terminal Reserve	Mean Reserve	Greater of Mean and 1/2 Cx
	0											
35	1	1000	0.001210	0.000437	36.1%	0.43	5.3711	13.9132	0.4285	-	0.2143	0.2143
36	2	1000	0.001280	0.000432	33.8%	0.42	5.1465	13.4460	0.3828	-	0.2118	0.2118
37	3	1000	0.001340	0.000426	31.8%	0.42	4.9181	12.9605	0.3828	-	0.2089	0.2089
38	4	1000	0.001440	0.000420	29.2%	0.41	4.6867	12.4556	0.3828	-	0.2059	0.2059
39	5	1000	0.001540	0.000413	26.8%	0.40	4.4523	11.9310	0.3828	-	0.2025	0.2025
40	6	1000	0.001650	0.000406	24.6%	0.40	4.2157	11.3858	0.3828	-	0.1991	0.1991
41	7	1000	0.001790	0.000399	22.3%	0.39	3.9768	10.8190	0.3828	-	0.1956	0.1956
42	8	1000	0.001960	0.000392	20.0%	0.38	3.7357	10.2301	0.3828	-	0.1922	0.1922
43	9	1000	0.002150	0.000384	17.9%	0.38	3.4922	9.6182	0.3828	-	0.1914	0.1914
44	10	1000	0.002390	0.000378	15.8%	0.37	3.2472	8.9822	0.3828	-	0.1914	0.1914
45	11	1000	0.002650	0.000372	14.0%	0.36	2.9988	8.3214	0.3828	-	0.1914	0.1914
46	12	1000	0.002900	0.000367	12.7%	0.36	2.7467	7.6345	0.3828	-	0.1914	0.1914
47	13	1000	0.003170	0.000364	11.5%	0.36	2.4895	6.9199	0.3828	-	0.1914	0.1914
48	14	1000	0.003330	0.000363	10.9%	0.36	2.2249	6.1763	0.3828	-	0.1914	0.1914
49	15	1000	0.003520	0.000363	10.3%	0.36	1.9502	5.4013	0.3828	-	0.1914	0.1914
50	16	1000	0.003760	0.000365	9.7%	0.36	1.6639	4.5936	0.3828	-	0.1914	0.1914
51	17	1000	0.004060	0.000367	9.0%	0.36	1.3634	3.7514	0.3828	-	0.1914	0.1914
52	18	1000	0.004470	0.000370	8.3%	0.36	1.0479	2.8731	0.3828	-	0.1914	0.1914
53	19	1000	0.004930	0.000372	7.5%	0.36	0.7157	1.9568	0.3828	-	0.1914	0.1914
54	20	1000	0.005500	0.000374	6.8%	0.37	0.3667	1.0000	0.3828	-	0.1914	0.1914

Appendix to Actuarial Memorandum - Reserve Demonstration

Fidelity Life Association, A Legal Reserve Life Insurance Company

Policy Form F4200 - Hybrid Term Life to age 95

Table: 2001 CSO Ultimate Age Nearest Birthday Male Nonsmoker
Plan: 20 Year Level Term
ROI: 4.00%
Method: Semi-continuous
Version: 12/5/2011

Issue Age: 35
Gender: Male
Class: Preferred Non-Nicotine
Band: $500,000 - $999,999

Gross Premium per unit: 0.58
Units: 500.00
Policy fee: 65.00

			Mortality			Segment Calculations				Unitary Base Reserves			
										Uniform Percentage:			44.2%
Age	Yr	Death Benefit	Select & Ultimate	Ultimate Only	X-Factor	Gross Prem (excl pol	G	R	Seg	PV Future Benefits	PV Future Gross Prems	Net Prem	Term Res
	0												
35	1	1,000	0.00053	0.00109	0.363	0.58	1.0000	1.1975	1	197.14	445.59	0.52	(0.00)
36	2	1,000	0.00064	0.00115	0.363	0.58	1.0000	1.1931	1	204.59	463.05	0.26	(0.39)
37	3	1,000	0.00077	0.00120	0.393	0.58	1.0000	1.1588	1	212.26	481.28	0.26	(0.92)
38	4	1,000	0.00090	0.00129	0.387	0.58	1.0000	1.1122	1	220.13	500.31	0.26	(1.61)
39	5	1,000	0.00101	0.00137	0.388	0.58	1.0000	1.1187	1	228.23	520.19	0.26	(2.44)
40	6	1,000	0.00114	0.00146	0.376	0.58	1.0000	1.0953	1	236.56	540.94	0.26	(3.44)
41	7	1,000	0.00126	0.00158	0.383	0.58	1.0000	1.0852	1	245.14	562.62	0.26	(4.60)
42	8	1,000	0.00138	0.00173	0.394	0.58	1.0000	1.0914	1	253.98	585.26	0.26	(5.93)
43	9	1,000	0.00152	0.00190	0.404	0.58	1.0000	1.1018	1	263.10	608.90	0.26	(7.47)
44	10	1,000	0.00169	0.00210	0.405	0.58	1.0000	1.1202	1	272.49	633.62	0.26	(9.24)
45	11	1,000	0.00191	0.00233	0.405	0.58	1.0000	1.1261	1	282.14	659.48	0.26	(11.31)
46	12	1,000	0.00217	0.00255	0.395	0.58	1.0000	1.1236	1	292.03	686.56	0.26	(13.74)
47	13	1,000	0.00246	0.00279	0.389	0.58	1.0000	1.1079	1	302.16	714.98	0.26	(16.57)
48	14	1,000	0.00275	0.00293	0.391	0.58	1.0000	1.0882	1	312.51	744.80	0.26	(19.83)
49	15	1,000	0.00302	0.00309	0.399	0.58	1.0000	1.0761	1	323.09	776.13	0.26	(23.50)
50	16	1,000	0.00328	0.00332	0.415	0.58	1.0000	1.0784	1	333.94	809.01	0.26	(27.61)
51	17	1,000	0.00357	0.00359	0.421	0.58	1.0000	1.0824	1	345.09	843.54	0.26	(32.21)
52	18	1,000	0.00390	0.00396	0.427	0.58	1.0000	1.0900	1	356.52	879.81	0.26	(37.35)
53	19	1,000	0.00429	0.00436	0.428	0.58	1.0000	1.0902	1	368.24	917.98	0.26	(43.14)
54	20	1,000	0.00472	0.00487	0.428	0.58	23.7069	1.0981	1	380.23	958.21	0.26	(49.65)
55	21	1,000	0.00523	0.00550	0.425	13.75	1.1164	1.1064	2	392.48	1,000.66	6.08	(51.20)
56	22	1,000	0.00580	0.00614	0.422	15.35	1.1127	1.1024	3	404.79	1,032.06	6.78	(52.78)
57	23	1,000	0.00643	0.00683	0.419	17.08	1.0861	1.0764	4	417.28	1,063.91	7.55	(54.38)
58	24	1,000	0.00708	0.00742	0.420	18.55	1.0916	1.0816	5	429.95	1,096.19	8.20	(56.02)
59	25	1,000	0.00776	0.00810	0.424	20.25	1.1012	1.0912	6	442.86	1,129.13	8.95	(57.68)
60	26	1,000	0.00892	0.00892	0.408	22.30	1.1121	1.1021	7	456.01	1,162.65	9.85	(59.37)
61	27	1,000	0.00992	0.00992	0.406	24.80	1.1230	1.1130	8	469.34	1,196.64	10.96	(61.07)
62	28	1,000	0.01114	0.01114	0.400	27.85	1.1232	1.1130	9	482.79	1,230.92	12.30	(62.77)
63	29	1,000	0.01251	0.01251	0.393	31.28	1.1151	1.1051	10	496.27	1,265.29	13.82	(64.48)
64	30	1,000	0.01395	0.01395	0.388	34.88	1.1089	1.0990	11	509.74	1,299.63	15.41	(66.18)
65	31	1,000	0.01547	0.01547	0.385	38.68	1.0995	1.0895	12	523.20	1,333.95	17.09	(67.88)
66	32	1,000	0.01701	0.01701	0.386	42.53	1.0917	1.0817	13	536.65	1,368.25	18.79	(69.58)
67	33	1,000	0.01857	0.01857	0.389	46.43	1.0905	1.0805	14	550.13	1,402.60	20.51	(71.29)
68	34	1,000	0.02025	0.02025	0.393	50.63	1.0859	1.0759	15	563.67	1,437.11	22.37	(73.01)
69	35	1,000	0.02199	0.02199	0.399	54.98	1.0959	1.0860	16	577.25	1,471.74	24.29	(74.73)
70	36	1,000	0.02410	0.02410	0.401	60.25	1.0979	1.0879	17	590.91	1,506.56	26.62	(76.46)
71	37	1,000	0.02646	0.02646	0.401	66.15	1.1172	1.1072	18	604.54	1,541.30	29.23	(78.17)
72	38	1,000	0.02956	0.02956	0.393	73.90	1.1107	1.1006	19	618.09	1,575.86	32.65	(79.85)
73	39	1,000	0.03283	0.03283	0.387	82.08	1.1048	1.0948	20	631.33	1,609.62	36.27	(81.48)
74	40	1,000	0.03627	0.03627	0.384	90.68	1.1037	1.0937	21	644.25	1,642.56	40.07	(83.07)
75	41	1,000	0.04003	0.04003	0.381	100.08	1.1024	1.0924	22	656.86	1,674.70	44.22	(84.62)
76	42	1,000	0.04413	0.04413	0.379	110.33	1.1079	1.0979	23	669.10	1,705.89	48.75	(86.11)
77	43	1,000	0.04889	0.04889	0.375	122.23	1.1137	1.1037	24	680.90	1,735.99	54.00	(87.53)
78	44	1,000	0.05445	0.05445	0.370	136.13	1.1179	1.1079	25	692.12	1,764.59	60.15	(88.84)
79	45	1,000	0.06087	0.06087	0.363	152.18	1.1150	1.1050	26	702.53	1,791.12	67.24	(90.02)
80	46	1,000	0.06787	0.06787	0.356	169.68	1.1174	1.1074	27	711.89	1,814.98	74.97	(91.05)
81	47	1,000	0.07584	0.07584	0.348	189.60	1.1094	1.0994	28	720.02	1,835.70	83.77	(91.88)
82	48	1,000	0.08414	0.08414	0.342	210.35	1.1064	1.0964	29	726.58	1,852.43	92.94	(92.49)
83	49	1,000	0.09309	0.09309	0.336	232.73	1.1064	1.0965	30	731.37	1,864.65	102.83	(92.82)
84	50	1,000	0.10300	0.10300	0.331	257.50	1.1075	1.0975	31	734.02	1,871.41	113.77	(92.81)
85	51	1,000	0.11407	0.11407	0.325	285.18	1.1075	1.0976	32	733.94	1,871.20	126.00	(92.35)
86	52	1,000	0.12634	0.12634	0.320	315.85	1.1061	1.0961	33	730.27	1,861.84	139.55	(91.28)
87	53	1,000	0.13974	0.13974	0.314	349.35	1.1028	1.0928	34	721.84	1,840.34	154.35	(89.40)
88	54	1,000	0.15410	0.15410	0.310	385.25	1.0983	1.0883	35	707.00	1,802.51	170.21	(86.43)
89	55	1,000	0.16925	0.16925	0.306	423.13	1.0934	1.0834	36	683.45	1,742.46	186.95	(81.92)
90	56	1,000	0.18506	0.18506	0.302	462.65	1.0804	1.0704	37	647.83	1,651.65	204.41	(75.26)
91	57	1,000	0.19993	0.19993	0.301	499.83	1.0775	1.0675	38	595.15	1,517.36	220.84	(65.60)
92	58	1,000	0.21543	0.21543	0.299	538.58	1.0759	1.0659	39	518.79	1,322.67	237.96	(51.55)
93	59	1,000	0.23178	0.23178	0.298	579.45	1.0745	1.0645	40	407.67	1,039.37	256.02	(30.88)
94	60	1,000	0.24905	0.24905	0.296	622.63	-	-	41	244.21	622.63	275.10	-

Appendix to Actuarial Memorandum - Reserve Demonstration

Fidelity Life Association, A Legal Reserve Life Insurance Company

Policy Form F4200 - Hybrid Term Life to age 95

Table: 2001 CSO Ultimate Age Nearest Birthday Male Nonsmoker

Plan: 20 Year Level Term | **Issue Age:** 35 | **Gross Premium per unit:** 0.58

ROI: 4.00% | **Gender:** Male | **Units:** 500.00

Method: Semi-continuous | **Class:** Preferred Non-Nicotine | **Policy fee:** 65.00

Version: 12/5/2011 | **Band:** $500,000 - $999,999

		Segment Base Reserves					Base Reserves		Unitary Minimum Standard Reserve					
									Uniform Percent:		40.8%			
Age	Yr	PV Future Benefits	PV Future Gross Prems	Uniform Percent	Net Prem	Term Res	1/2 Cx	Mean Res	PV Future Benefits	PV Future Gross Prems	Net Prem	Min Std Prem	PV of Min Std Prems	Term Res
	0													0.00
35	1	25.55	8.11	89.6%	0.52	0.00	0.53	0.53	186.45	456.93	0.19	0.19	0.19	0.00
36	2	26.05	7.83	332.4%	1.93	1.35	0.56	1.64	193.75	474.70	0.24	0.24	0.24	0.01
37	3	26.45	7.55	332.4%	1.93	2.63	0.59	2.96	201.31	493.20	0.24	0.24	0.24	(0.05)
38	4	26.75	7.25	332.4%	1.93	3.83	0.63	4.19	209.11	512.48	0.24	0.24	0.24	(0.16)
39	5	26.92	6.95	332.4%	1.93	4.96	0.67	5.36	217.20	532.56	0.24	0.24	0.24	(0.32)
40	6	27.00	6.63	332.4%	1.93	6.01	0.72	6.45	225.57	553.48	0.24	0.24	0.24	(0.53)
41	7	26.94	6.30	332.4%	1.93	6.98	0.77	7.46	234.26	575.26	0.24	0.24	0.24	(0.80)
42	8	26.77	5.95	332.4%	1.93	7.86	0.85	8.38	243.26	597.96	0.24	0.24	0.24	(1.14)
43	9	26.47	5.60	332.4%	1.93	8.65	0.93	9.22	252.57	621.61	0.24	0.24	0.24	(1.56)
44	10	26.02	5.23	332.4%	1.93	9.29	1.03	9.93	262.21	646.27	0.24	0.24	0.24	(2.08)
45	11	25.38	4.84	332.4%	1.93	9.74	1.14	10.48	272.18	671.97	0.24	0.24	0.24	(2.71)
46	12	24.49	4.44	332.4%	1.93	9.94	1.25	10.80	282.50	698.79	0.24	0.24	0.24	(3.45)
47	13	23.31	4.02	332.4%	1.93	9.86	1.37	10.87	293.18	726.76	0.24	0.24	0.24	(4.32)
48	14	21.79	3.59	332.4%	1.93	9.48	1.44	10.64	304.22	755.95	0.24	0.24	0.24	(5.35)
49	15	19.91	3.14	332.4%	1.93	8.81	1.51	10.11	315.63	786.43	0.24	0.24	0.24	(6.55)
50	16	17.68	2.67	332.4%	1.93	7.85	1.63	9.30	327.42	818.27	0.24	0.24	0.24	(7.97)
51	17	15.09	2.18	332.4%	1.93	6.55	1.76	8.17	339.59	851.56	0.24	0.24	0.24	(9.58)
52	18	12.10	1.67	332.4%	1.93	4.86	1.94	6.67	352.17	886.35	0.24	0.24	0.24	(11.44)
53	19	8.64	1.14	332.4%	1.93	2.70	2.14	4.75	365.17	922.74	0.24	0.24	0.24	(13.55)
54	20	4.63	0.58	332.4%	1.93	-	2.39	2.39	378.60	960.81	0.24	0.24	0.24	(15.94)
55	21	5.39	13.75	39.2%	5.39	-	2.70	2.70	392.48	1,000.66	5.61	5.61	5.61	(16.44)
56	22	6.02	15.35	39.2%	6.02	-	3.01	3.01	404.79	1,032.06	6.26	6.26	6.26	(16.94)
57	23	6.70	17.08	39.2%	6.70	-	3.35	3.35	417.28	1,063.91	6.97	6.97	6.97	(17.46)
58	24	7.28	18.55	39.2%	7.28	-	3.64	3.64	429.95	1,096.19	7.57	7.57	7.57	(17.98)
59	25	7.94	20.25	39.2%	7.94	-	3.97	3.97	442.86	1,129.13	8.26	8.26	8.26	(18.52)
60	26	8.75	22.30	39.2%	8.75	-	4.37	4.37	456.01	1,162.65	9.10	9.10	9.10	(19.06)
61	27	9.73	24.80	39.2%	9.73	-	4.86	4.86	469.34	1,196.64	10.12	10.12	10.12	(19.60)
62	28	10.92	27.85	39.2%	10.92	-	5.46	5.46	482.79	1,230.92	11.37	11.37	11.37	(20.15)
63	29	12.27	31.28	39.2%	12.27	-	6.13	6.13	496.27	1,265.29	12.77	12.77	12.77	(20.70)
64	30	13.68	34.88	39.2%	13.68	(0.00)	6.84	6.84	509.74	1,299.63	14.24	14.24	14.24	(21.24)
65	31	15.17	38.68	39.2%	15.17	-	7.58	7.58	523.20	1,333.95	15.79	15.79	15.79	(21.79)
66	32	16.68	42.53	39.2%	16.68	-	8.34	8.34	536.65	1,368.25	17.36	17.36	17.36	(22.33)
67	33	18.21	46.43	39.2%	18.21	-	9.10	9.10	550.13	1,402.60	18.95	18.95	18.95	(22.88)
68	34	19.86	50.63	39.2%	19.86	-	9.93	9.93	563.67	1,437.11	20.66	20.66	20.66	(23.43)
69	35	21.56	54.98	39.2%	21.56	-	10.78	10.78	577.25	1,471.74	22.44	22.44	22.44	(23.98)
70	36	23.63	60.25	39.2%	23.63	-	11.82	11.82	590.91	1,506.56	24.59	24.59	24.59	(24.54)
71	37	25.95	66.15	39.2%	25.95	-	12.97	12.97	604.54	1,541.30	27.00	27.00	27.00	(25.09)
72	38	28.99	73.90	39.2%	28.99	-	14.49	14.49	618.09	1,575.86	30.16	30.16	30.16	(25.62)
73	39	32.19	82.08	39.2%	32.19	-	16.10	16.10	631.33	1,609.62	33.50	33.50	33.50	(26.15)
74	40	35.57	90.68	39.2%	35.57	-	17.78	17.78	644.25	1,642.56	37.01	37.01	37.01	(26.66)
75	41	39.25	100.08	39.2%	39.25	-	19.63	19.63	656.86	1,674.70	40.85	40.85	40.85	(27.15)
76	42	43.27	110.33	39.2%	43.27	-	21.64	21.64	669.10	1,705.89	45.03	45.03	45.03	(27.63)
77	43	47.94	122.23	39.2%	47.94	-	23.97	23.97	680.90	1,735.99	49.89	49.89	49.89	(28.08)
78	44	53.39	136.13	39.2%	53.39	-	26.70	26.70	692.12	1,764.59	55.56	55.56	55.56	(28.50)
79	45	59.69	152.18	39.2%	59.69	-	29.84	29.84	702.53	1,791.12	62.11	62.11	62.11	(28.88)
80	46	66.55	169.68	39.2%	66.55	-	33.28	33.28	711.89	1,814.98	69.25	69.25	69.25	(29.21)
81	47	74.37	189.60	39.2%	74.37	-	37.18	37.18	720.02	1,835.70	77.38	77.38	77.38	(29.48)
82	48	82.51	210.35	39.2%	82.51	-	41.25	41.25	726.58	1,852.43	85.85	85.85	85.85	(29.67)
83	49	91.28	232.73	39.2%	91.28	-	45.64	45.64	731.37	1,864.65	94.99	94.99	94.99	(29.78)
84	50	101.00	257.50	39.2%	101.00	-	50.50	50.50	734.02	1,871.41	105.10	105.10	105.10	(29.78)
85	51	111.85	285.18	39.2%	111.85	0.00	55.93	55.93	733.94	1,871.20	116.39	116.39	116.39	(29.63)
86	52	123.89	315.85	39.2%	123.89	-	61.94	61.94	730.27	1,861.84	128.91	128.91	128.91	(29.28)
87	53	137.03	349.35	39.2%	137.03	-	68.51	68.51	721.84	1,840.34	142.58	142.58	142.58	(28.68)
88	54	151.11	385.25	39.2%	151.11	-	75.55	75.55	707.00	1,802.51	157.24	157.24	157.24	(27.73)
89	55	165.96	423.13	39.2%	165.96	-	82.98	82.98	683.45	1,742.46	172.70	172.70	172.70	(26.28)
90	56	181.47	462.65	39.2%	181.47	-	90.73	90.73	647.83	1,651.65	188.83	188.83	188.83	(24.15)
91	57	196.05	499.83	39.2%	196.05	-	98.02	98.02	595.15	1,517.36	204.00	204.00	204.00	(21.05)
92	58	211.25	538.58	39.2%	211.25	-	105.62	105.62	518.79	1,322.67	219.82	219.82	219.82	(16.54)
93	59	227.28	579.45	39.2%	227.28	-	113.64	113.64	407.67	1,039.37	236.50	236.50	236.50	(9.91)
94	60	244.21	622.63	39.2%	244.21	-	122.11	122.11	244.21	622.63	254.12	254.12	254.12	-

Appendix to Actuarial Memorandum - Reserve Demonstration

Fidelity Life Association, A Legal Reserve Life Insurance Company

Policy Form F4200 - Hybrid Term Life to age 95

Table: 2001 CSO Ultimate Age Nearest Birthday Male Nonsmoker

Plan: 20 Year Level Term | **Issue Age:** 35 | **Gross Premium per unit:** 0.58

ROI: 4.00% | **Gender:** Male | **Units:** 500.00

Method: Semi-continuous | **Class:** Preferred Non-Nicotine | **Policy fee:** 65.00

Version: 12/5/2011 | **Band:** $500,000 - $999,999

		Segment Minimum Standard Reserve								Deficiency Reserve				
										Before Policy Fee		Reduction for Policy Fee		
Age	Yr	PV Future Benefits	PV Future Gross Prems	Uniform Percent	Net Prem	Deficient Prem	Min Std Prem	PV of Min Std Prems	Term Res	Mean Min Std Res	Def Res	Fee Per Unit	PV of Fee Per Unit	Def Res
	0							-	2.66	2.66	2.66			0.96
35	1	10.43	8.16	32.5%	0.19	-	0.19	183.79	2.77	2.81	2.27	-	1.70	0.54
36	2	10.65	7.89	135.1%	0.78	0.20	0.58	190.98	3.24	3.29	1.65	0.13	1.77	-
37	3	10.85	7.60	135.1%	0.78	0.20	0.58	198.06	3.67	3.75	0.79	0.13	1.70	-
38	4	10.97	7.30	135.1%	0.78	0.20	0.58	205.44	4.07	4.16	-	0.13	1.64	-
39	5	11.06	7.00	135.1%	0.78	0.20	0.58	213.13	4.43	4.54	-	0.13	1.57	-
40	6	11.11	6.68	135.1%	0.78	0.20	0.58	221.14	4.78	4.90	-	0.13	1.50	-
41	7	11.12	6.34	135.1%	0.78	0.20	0.58	229.48	5.08	5.22	-	0.13	1.42	-
42	8	11.08	6.00	135.1%	0.78	0.20	0.58	238.17	5.34	5.50	-	0.13	1.34	-
43	9	10.97	5.63	135.1%	0.78	0.20	0.58	247.23	5.53	5.73	-	0.13	1.26	-
44	10	10.79	5.26	135.1%	0.78	0.20	0.58	256.67	5.66	5.89	-	0.13	1.18	-
45	11	10.53	4.87	135.1%	0.78	0.20	0.58	266.52	5.71	5.98	-	0.13	1.09	-
46	12	10.17	4.47	135.1%	0.78	0.20	0.58	276.79	5.67	5.98	-	0.13	1.00	-
47	13	9.72	4.04	135.1%	0.78	0.20	0.58	287.51	5.53	5.89	-	0.13	0.91	-
48	14	9.14	3.61	135.1%	0.78	0.20	0.58	298.69	5.26	5.69	-	0.13	0.81	-
49	15	8.41	3.15	135.1%	0.78	0.20	0.58	310.37	4.85	5.35	-	0.13	0.71	-
50	16	7.53	2.68	135.1%	0.78	0.20	0.58	322.57	4.27	4.85	-	0.13	0.60	-
51	17	6.45	2.18	135.1%	0.78	0.20	0.58	335.32	3.52	4.18	-	0.13	0.49	-
52	18	5.19	1.67	135.1%	0.78	0.20	0.58	348.66	2.57	3.33	-	0.13	0.37	-
53	19	3.70	1.14	135.1%	0.78	0.20	0.58	362.60	1.40	2.27	-	0.13	0.25	-
54	20	1.98	0.58	135.1%	0.78	0.20	0.58	377.20	-	2.39	-	0.13	0.13	-
55	21	5.39	13.75	39.2%	5.39	-	5.39	392.48	-	2.70	-	-	-	-
56	22	6.02	15.35	39.2%	6.02	-	6.02	404.79	-	3.01	-	-	-	-
57	23	6.70	17.08	39.2%	6.70	-	6.70	417.28	-	3.35	-	-	-	-
58	24	7.28	18.55	39.2%	7.28	-	7.28	429.95	-	3.64	-	-	-	-
59	25	7.94	20.25	39.2%	7.94	-	7.94	442.86	-	3.97	-	-	-	-
60	26	8.75	22.30	39.2%	8.75	-	8.75	456.01	-	4.37	-	-	-	-
61	27	9.73	24.80	39.2%	9.73	-	9.73	469.34	-	4.86	-	-	-	-
62	28	10.92	27.85	39.2%	10.92	-	10.92	482.79	-	5.46	-	-	-	-
63	29	12.27	31.28	39.2%	12.27	-	12.27	496.27	-	6.13	-	-	-	-
64	30	13.68	34.88	39.2%	13.68	-	13.68	509.74	-	6.84	-	-	-	-
65	31	15.17	38.68	39.2%	15.17	-	15.17	523.20	-	7.58	-	-	-	-
66	32	16.68	42.53	39.2%	16.68	-	16.68	536.65	-	8.34	-	-	-	-
67	33	18.21	46.43	39.2%	18.21	-	18.21	550.13	-	9.10	-	-	-	-
68	34	19.86	50.63	39.2%	19.86	-	19.86	563.67	-	9.93	-	-	-	-
69	35	21.56	54.98	39.2%	21.56	-	21.56	577.25	-	10.78	-	-	-	-
70	36	23.63	60.25	39.2%	23.63	-	23.63	590.91	-	11.82	-	-	-	-
71	37	25.95	66.15	39.2%	25.95	-	25.95	604.54	-	12.97	-	-	-	-
72	38	28.99	73.90	39.2%	28.99	-	28.99	618.09	-	14.49	-	-	-	-
73	39	32.19	82.08	39.2%	32.19	-	32.19	631.33	-	16.10	-	-	-	-
74	40	35.57	90.68	39.2%	35.57	-	35.57	644.25	-	17.78	-	-	-	-
75	41	39.25	100.08	39.2%	39.25	-	39.25	656.86	-	19.63	-	-	-	-
76	42	43.27	110.33	39.2%	43.27	-	43.27	669.10	-	21.64	-	-	-	-
77	43	47.94	122.23	39.2%	47.94	-	47.94	680.90	-	23.97	-	-	-	-
78	44	53.39	136.13	39.2%	53.39	-	53.39	692.12	-	26.70	-	-	-	-
79	45	59.69	152.18	39.2%	59.69	-	59.69	702.53	-	29.84	-	-	-	-
80	46	66.55	169.68	39.2%	66.55	-	66.55	711.89	-	33.28	-	-	-	-
81	47	74.37	189.60	39.2%	74.37	-	74.37	720.02	-	37.18	-	-	-	-
82	48	82.51	210.35	39.2%	82.51	-	82.51	726.58	-	41.25	-	-	-	-
83	49	91.28	232.73	39.2%	91.28	-	91.28	731.37	-	45.64	-	-	-	-
84	50	101.00	257.50	39.2%	101.00	-	101.00	734.02	-	50.50	-	-	-	-
85	51	111.85	285.18	39.2%	111.85	-	111.85	733.94	-	55.93	-	-	-	-
86	52	123.89	315.85	39.2%	123.89	-	123.89	730.27	-	61.94	-	-	-	-
87	53	137.03	349.35	39.2%	137.03	-	137.03	721.84	-	68.51	-	-	-	-
88	54	151.11	385.25	39.2%	151.11	-	151.11	707.00	-	75.55	-	-	-	-
89	55	165.96	423.13	39.2%	165.96	-	165.96	683.45	-	82.98	-	-	-	-
90	56	181.47	462.65	39.2%	181.47	-	181.47	647.83	-	90.73	-	-	-	-
91	57	196.05	499.83	39.2%	196.05	-	196.05	595.15	-	98.02	-	-	-	-
92	58	211.25	538.58	39.2%	211.25	-	211.25	518.79	-	105.62	-	-	-	-
93	59	227.28	579.45	39.2%	227.28	-	227.28	407.67	-	113.64	-	-	-	-
94	60	244.21	622.63	39.2%	244.21	-	244.21	244.21	-	122.11	-	-	-	-