

SERFF Tracking Number: RNOA-127855579 State: Arkansas
 Filing Company: Royal Neighbors of America State Tracking Number: 50373
 Company Tracking Number:
 TOI: L08 Life - Other Sub-TOI: L08.000 Life - Other
 Product Name: CHILD TERM RIDER
 Project Name/Number: CHILD TERM RIDER/112090

Filing at a Glance

Company: Royal Neighbors of America

Product Name: CHILD TERM RIDER

TOI: L08 Life - Other

Sub-TOI: L08.000 Life - Other

Filing Type: Form

SERFF Tr Num: RNOA-127855579 State: Arkansas

SERFF Status: Closed-Approved- State Tr Num: 50373

Closed

Co Tr Num:

State Status: Approved-Closed

Reviewer(s): Linda Bird

Authors: John Friederich, Philip

Disposition Date: 12/06/2011

Blankenfeld, Deb Zemo

Date Submitted: 11/30/2011

Disposition Status: Approved-

Closed

Implementation Date:

Implementation Date Requested:

State Filing Description:

General Information

Project Name: CHILD TERM RIDER

Project Number: 112090

Requested Filing Mode:

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: Illinois is pending approval.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 12/06/2011

State Status Changed: 12/06/2011

Deemer Date:

Created By: Deb Zemo

Submitted By: Deb Zemo

Corresponding Filing Tracking Number:

Filing Description:

This rider is new, and has never been issued by Royal Neighbors of America (Royal Neighbors), nor has it been available for attachment to any life insurance or annuity certificate issued by Royal Neighbors. To the best of my knowledge and belief, no part of this submission contains any unusual or possibly controversial items contrary to normal industry standards. No assumptions or provisions contained in this rider unfairly discriminates in the availability of rates or benefits to individuals of the same class, equal expectation of life, and degree of hazard.

It is intended that this child term rider will be used with application form series 1730 Rev 10-2008, Form Series 200811, entitled Permanent Life Insurance to Age 121 and Certificate (policy) Form Series 200911, entitled Flexible Premium

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Adjustable Life Insurance Certificate, as identified in the Supporting Documentation tab.

This child term rider provides \$5,000 of term life insurance per insured child from age 15 days to 18 years (or up to age 24 if enrolled in an accredited educational institution). The life insurance provided by this rider may be converted to a new permanent life plan subject to age and face restriction limitations which is identified in the Conversion Privilege provision located on Page 2 of the rider.

Company and Contact

Filing Contact Information

Debra Zemo, Compliance Assistant/Legal Secretary zemodm@royalneighbors.org
 230 16th Street 800-627-4762 [Phone] 8233 [Ext]
 Rock Island, IL 61201 309-788-3887 [FAX]

Filing Company Information

Royal Neighbors of America CoCode: 57657 State of Domicile: Illinois
 230 16th Street Group Code: Company Type: Life, Health, Annuity
 Rock Island, IL 61201 Group Name: Royal Neighbors State ID Number:
 (309) 732-8232 ext. 8232[Phone] FEIN Number: 36-1711198

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? Yes
 Fee Explanation: 1 from x \$50 = \$50
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Royal Neighbors of America	\$50.00	11/30/2011	54153493

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	12/06/2011	12/06/2011

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Disposition

Disposition Date: 12/06/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Form Schedule

Lead Form Number: 112090

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	112090	Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	CHILD TERM RIDER	Initial			112090 Child Term Rider.pdf



Child Term Rider

Royal Neighbors of America (Royal Neighbors) has issued this Rider as a part of the life insurance certificate to which it is attached (the Certificate).

Royal Neighbors will pay the Beneficiary a death benefit under this Rider upon receipt of proof that the death of one or more Insured Children occurred while this Rider was in force.

The amount payable at the death for each Insured Child will be the amount shown on page 3 of the Certificate. Payment will be made in accordance with the terms of the Certificate and this Rider. This Rider will continue in force for any surviving Insured Children.

DEFINITIONS

Insured Child – The term Insured Child is any child, stepchild, or legally adopted child of the Insured who is at least 15 days of age, and who is not yet 18 years old. In addition, an Insured Child includes any child who is enrolled in an accredited educational institution and has not reached 25 years of age. Proof of enrollment may be required before payment of death proceeds.

After the issue date, the term Insured Child also includes:

- a. Stepchild and any child born to the Insured or legally adopted by the Insured before the Child's 18th birthday; and
- b. The Child is at least 15 days of age.

Insured Children – All individuals who meet the definition of an Insured Child under this rider.

Insured – The term Insured means the person named as the Insured under the Certificate.

Owner – The Owner of this Rider is the Owner of the Certificate, if living; otherwise each Insured Child will own the insurance in force on the Insured Child's own life.

Beneficiary – The Beneficiary will be the Insured under the Certificate, if living; otherwise the estate of the Insured Child for the death benefit payable.

CONTINUATION OF INSURANCE – If the Insured dies while this Rider is in force, the insurance on each Insured Child will be continued as long as such person meets the definition of an Insured Child. No further premiums for this Rider will be due.

INCONTESTABILITY – This Rider shall be incontestable after it has been in force during the lifetime of the Insured for 2 years from the Issue Date.

GENERAL – The provisions of the Certificate apply to this Rider unless otherwise provided herein. Premiums for this Rider are part of, and payable under the same conditions as, premiums for the Certificate.

MEMBERSHIP – Each Insured Child under this Rider is a member of a chapter of Royal Neighbors. However, no membership rights will be available to the child until the name and address of the Insured Child is provided to Royal Neighbors.

ASSIGNMENT – This Rider may not be assigned except in conjunction with and subject to the restrictions contained in the Certificate.



CONVERSION PRIVILEGE – The Life Insurance provided by this Rider on an Insured Child's life may be converted to a new Life Insurance Certificate without evidence of insurability if:

1. This Rider is in force;
2. The conversion is made while any individual continues to meet the definition of an Insured Child under this Rider; and
3. Royal Neighbors receives a written notice and any forms it may require at the Home Office while the Insured Child is eligible for conversion under this Rider.

Life insurance provided under this Rider on any Insured Child who has exercised the conversion privilege will terminate upon issue of a new certificate. Should the Insured Child die prior to the issue date of the new certificate, the new certificate will not take effect and any premiums paid for the new certificate will be refunded.

The New Certificate will be issued:

1. With the date of conversion as its Issue Date;
2. In the standard risk class (or, if not available, in the most nearly comparable risk class);
3. On any permanent life plan which, for the amount converted, Royal Neighbors customarily issues on the date of conversion to applicants in the same risk class as the Insured Child;
4. With premiums based on Royal Neighbors' rates for the risk class, attained age and plan of insurance on the date of conversion; and
5. For an amount not more than the maximum amount permitted by Royal Neighbors on the date of conversion.

The maximum amount for which the New Certificate may be issued will be:

1. The amount provided by this Rider if converted before the Insured Child's 10th birthday;
2. Two times the amount provided by this Rider if converted on or after the 10th but before the 15th birthday;
3. Three times the amount provided by this Rider if converted on or after the 15th but before the 20th birthday;
4. Four times the amount provided by this Rider if converted on or after the 20th birthday but more than 31 days before the 25th birthday; and
5. Five times the amount provided by this Rider if converted within 31 days before the Insured Child's 25th birthday.

SUICIDE – If the Insured commits suicide, while sane or insane, within two years from the Issue Date of this Rider the Continuation of Insurance provision of this Rider will be nullified. However, an Insured Child may elect within 60 days to exchange the insurance provided by this Rider for a permanent life plan as specified in the conversion privilege.

No death benefit will be payable if an Insured Child commits suicide, while sane or insane, within two years of the Issue Date of this Rider.

REINSTATEMENT – This Rider may be reinstated under the same terms as the reinstatement provision of the Certificate. However, the Certificate must be in force, and must not be in force under a non-forfeiture option.

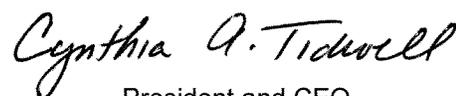
NON-FORFEITURE VALUES – This Rider does not have cash or loan values.

TERMINATION – This rider will terminate:

1. If the Certificate is continued under a non-forfeiture option;
2. If the Certificate is terminated;
3. Upon written request of the Owner; or
4. For nonpayment of premium.

Executed at the Home Office of Royal Neighbors in Rock Island, Illinois on the Issue Date shown on page 3 of the Certificate.


Secretary and General Counsel


President and CEO



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Supporting Document Schedules

Item Status: **Status**
Date:

Satisfied - Item: Flesch Certification

Comments:

Attachments:

Compliance Rule and regulation.pdf
Cert of Flesch.pdf

Item Status: **Status**
Date:

Satisfied - Item: Application

Comments:

Application 1730 Rev. 10-2008 RNOA-125883579 approved 11/24/2008
200911-AR RNOA-125883579 approved 11/24/2008
200811-AR RNOA-125592537 approved 4/23/2008

Item Status: **Status**
Date:

Satisfied - Item: Actuarial Demonstration

Comments:

Attachment:

Actuarial Memo for 112090 Child Term Rider.pdf

Certificate of Compliance with Arkansas Rule and Regulation 19

Insurer: ROYAL NEIGHBORS OF AMERICA

Form Number(s): 112090

I hereby certify that the filing above meets all applicable Arkansas requirements including the requirements of Rule and Regulation 19.

Bruce R. Peterson

Signature of Company Officer

BRUCE R PETERSON

Name

SECRETARY AND GENERAL COUNSEL

Title

11/30/2011

Date



230 16th Street | Rock Island, IL 61201

Phone: (309) 788-4561 | Toll-free: (800) 627-4762

E-mail: contact@royalneighbors.org | Web site: www.royalneighbors.org

CERTIFICATION OF FLESCH READING EASE SCORE

Royal Neighbors of America does hereby certify that the following certificate forms and application, specimen copies of which are submitted herewith, are in its judgment readable based on the factors specified in Arkansas Regulations.

<u>FORM</u>	<u>TITLE</u>	<u>FLESCH SCALE READABILITY ANALYSIS AND TEST SCORE</u>
112090	Child Term Rider	51.1

- A Flesch reading ease test score of the above form is as indicated above.
- The form is printed, except for specification pages, schedules and tables, in not less than ten point, one point leaded.
- The form listed above was analyzed in their entirety both to the method and formula as specified in Arkansas Regulations.

Dated this 30th day of November, 2011

BY 
Philip K. Blankenfeld – Compliance Manager

ROYAL NEIGHBORS OF AMERICA
ACTUARIAL MEMORANDUM
CHILD TERM LIFE INSURANCE RIDER
Form Series 112090

I. Description of Rider Form

Benefit

Level Death Benefit Term for each child, if death occurs while the rider is in force and on or after the child attains the age of 15 days, and before the child's 18th birthday (coverage continues until the child's 25th birthday if he or she is enrolled in an institute of higher learning).

Premiums

Guaranteed level annual premium payable for duration of rider coverage

Cash Values

There is no provision for cash values in this rider form

II. Reserves

Mortality

2001 CSO Ultimate, ALB, Sex Distinct Mortality Tables

Interest Rate

4%

Method

Reserves for this rider will be calculated according to the Standard Valuation Law using the Commissioner's Reserve Valuation Method.

Signed by:



Christopher Geerts, ASA, MAAA
Associate Actuary, Product Management

10/5/11

Date