

SERFF Tracking Number: SMNY-127072062 State: Arkansas  
Filing Company: Security Mutual Life Insurance Company of New State Tracking Number: 48352  
York  
Company Tracking Number: 2104-A  
TOI: L07I Individual Life - Whole Sub-TOI: L07I.101 Fixed/Indeterminate Premium - Single  
Life  
Product Name: Whole Life Insurance  
Project Name/Number: /

## Filing at a Glance

Company: Security Mutual Life Insurance Company of New York

Product Name: Whole Life Insurance

SERFF Tr Num: SMNY-127072062 State: Arkansas

TOI: L07I Individual Life - Whole

SERFF Status: Closed-Approved-  
Closed State Tr Num: 48352

Sub-TOI: L07I.101 Fixed/Indeterminate  
Premium - Single Life

Co Tr Num: 2104-A

State Status: Approved-Closed

Filing Type: Form

Reviewer(s): Linda Bird

Authors: Alana Mautone,  
Jacqueline Ayres, Lynn Smith,  
Janet Esposito, Derick Deisinger,  
Michael Kennedy

Disposition Date: 03/31/2011

Date Submitted: 03/28/2011

Disposition Status: Approved-  
Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile: Authorized

Project Number:

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 03/31/2011

State Status Changed: 03/31/2011

Deemer Date:

Created By: Jacqueline Ayres

Submitted By: Jacqueline Ayres

Corresponding Filing Tracking Number:

Filing Description:

Enclosed for review and approval are corrected pages 2104-A and 2105-A pages 6/7 for forms 2104 and 2105. When approved, these will replace the pages 2104 and 2105 pages 6/7 approved 4/6/10 under SERFF Tracking Number SMNY-126443250.

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The only change to the pages is as follows. Under the Dividends provision, the word "not" has been inserted in the last sentence of the first paragraph, so that the sentence now reads "The dividend for any policy year will not be affected by any outstanding loan during the policy year."

Also submitted for review and approval is amendment IO-9329. This amendment will be sent to in force policyowners of form 2104 and 2105. This amendment will change the Dividends provision to be identical to the provision in the 2104-A page 6/7 and 2105-A page 6/7 also being submitted in this filing.

We have been administering these policies as if the word "not" was already in the Dividends provision. This is to the benefit of the Owner.

A flesch readability certification is attached. We have also attached specimen copies of the policies as originally approved on 4/6/10 to Supporting Documents.

The forms are submitted in final print and are subject to only minor modification in paper size and stock, ink, border, and adaptation to computer printing.

If any additional information is required, please advise.

## Company and Contact

### Filing Contact Information

Alana Mautone, Manager-Product Compliance amautone@smlny.com  
100 Court St. 607-723-3551 [Phone] 7297 [Ext]  
P. O. Box 1625 607-338-7562 [FAX]  
Binghamton, NY 13902

### Filing Company Information

Security Mutual Life Insurance Company of CoCode: 68772 State of Domicile: New York  
New York  
100 Court Street Group Code: Company Type: Life Insurance  
P. O. Box 1625 Group Name: State ID Number:  
Binghamton, NY 13902-1625 FEIN Number: 15-0442730  
(607) 723-3551 ext. 7297[Phone]

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$150.00  
Retaliatory? No  
Fee Explanation: 3 forms @ \$50 = \$150  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Security Mutual Life Insurance Company of New York	\$150.00	03/28/2011	46028768

SERFF Tracking Number: SMNY-127072062 State: Arkansas  
Filing Company: Security Mutual Life Insurance Company of New York Tracking Number: 48352  
Company Tracking Number: 2104-A  
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
Product Name: Whole Life Insurance  
Project Name/Number: /

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	03/31/2011	03/31/2011

*SERFF Tracking Number:* SMNY-127072062                      *State:* Arkansas  
*Filing Company:* Security Mutual Life Insurance Company of New York                      *Tracking Number:* 48352  
*Company Tracking Number:* 2104-A  
*TOI:* L07I Individual Life - Whole                      *Sub-TOI:* L07I.101 Fixed/Indeterminate Premium - Single Life  
*Product Name:* Whole Life Insurance  
*Project Name/Number:* /

## **Disposition**

Disposition Date: 03/31/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: SMNY-127072062 State: Arkansas  
 Filing Company: Security Mutual Life Insurance Company of New York Tracking Number: 48352  
 Company Tracking Number: 2104-A  
 TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
 Product Name: Whole Life Insurance  
 Project Name/Number: /

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document	Specimen Policies		Yes
Form	Insert Page 6/7		Yes
Form	Insert Page 6/7		Yes
Form	Endorsement		Yes

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## Form Schedule

### Lead Form Number: 2104-A

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	2104-A	Policy/Cont Insert Page 6/7 ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Revised	Replaced Form #: 2104 Page 6/7 Previous Filing #: 45281		2104A_Pg6_3_2011.pdf
	2105-A	Policy/Cont Insert Page 6/7 ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Revised	Replaced Form #: 2105 Page 6/7 Previous Filing #: 45281		2105A_Pg6_3_2011.pdf
	IO-9329	Policy/Cont Endorsement ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	Initial			IO9329_3_2011_Actuarial[1].pdf

## RIGHTS OF OWNER AND BENEFICIARY (CONTINUED)

### ASSIGNMENT

The Owner may assign the ownership of this policy. No policy assignment will be binding on the Company unless it is in writing in a form satisfactory to the Company and received by the Company at the Home Office. Unless otherwise specified by the Owner, the assignment will then be effective as of the date it was signed by the Owner; subject to any payment or other action by the Company before receipt of such notice. An absolute policy assignment will make the assignee the Owner and will revoke any prior designation of Contingent Owner. A collateral assignment of this policy will not cause an ownership change. However, the rights of any owner, beneficiary, or other payee will be subject to the terms of the collateral assignment. The Company is not responsible for the validity, effect or sufficiency of an assignment.

### BENEFICIARY

The beneficiary named in the application for this policy will receive the death benefit upon the Insured's death unless the Owner has changed the beneficiary designation. Unless specifically designated as irrevocable, beneficiary designations may be changed by the Owner, while the Insured is living, by written notice satisfactory to the Company. An irrevocable beneficiary designation may be changed only with the consent of such irrevocable beneficiary. The consent of any irrevocable beneficiary will also be required for any policy loan, assignment or change. Unless otherwise specified by the Owner, the change in beneficiary will take effect as of the date the notice was signed, subject to any payment or other action taken by the Company before receipt of such notice. If any beneficiary dies before the Insured, that beneficiary's interest will pass to any other beneficiaries according to their respective interests. If no beneficiary survives the Insured, the proceeds will be paid in one sum to the Owner, if living; otherwise, to the Owner's estate.

## PREMIUMS

### PREMIUMS

This policy is issued in consideration of the application and the first premium payment. Subsequent premiums are due and payable in advance while the Insured is alive. The amount and frequency of premium payments are shown on Page 3. All premiums are payable at the Home Office in Binghamton, New York.

Premiums are payable for the period shown on Page 3 of this policy or until the death of the Insured. The premium for any Rider which provides additional benefits is set forth in the schedule on Page 3 and is included in the premium for the policy. Premiums may be paid annually, semi-annually, or quarterly. The Owner may change the frequency of premium payments subject to Company rules in effect at the time of the change by filing a written request in a form satisfactory to the Company at the Home Office.

### GRACE PERIOD

A grace period of 31 days will be allowed for payment of each premium due after the first. Each such premium payment must be postmarked before the end of the grace period. This policy will continue in force during the grace period.

### REINSTATEMENT

Any premium not paid before the grace period ends will result in default. The default date is the date on which the unpaid premium is due. This policy may be reinstated within 5 years after default if:

- (a) the policy has not been surrendered for cash;
- (b) the Insured is alive;
- (c) evidence of insurability satisfactory to the Company is given;
- (d) all overdue premiums are paid with interest at 6% a year, compounded annually, from the due date of each premium; and
- (e) any policy indebtedness existing on the due date of the unpaid premium is paid or reinstated with interest at a rate not exceeding the applicable policy loan rate or rates determined in accordance with policy provisions.

A part or all of the reinstatement cost may be paid by policy loan if, after reinstatement, the loan value is sufficient. Any dividends payable by reason of the reinstatement may be used to reduce the required payment.

The application for reinstatement will attach to, and become a part of, the policy.

### PREMIUM ADJUSTMENT AT DEATH

The portion of any premium paid for the period beyond the end of the policy month in which the Insured dies will be included in the death benefit. However, if premiums have been waived under any waiver of premium benefit rider attached to this policy or for any other reason, no such refund will be made. If the Insured dies within the grace period, the portion of any unpaid premium due for the period ending with the last day of the policy month in which the Insured dies will be deducted from the death benefit.

**DIVIDENDS**

**DIVIDENDS**

While this policy is in force, except as Extended Term Insurance, it is eligible to share in the divisible surplus of the Company. This policy's share, if any, will be determined annually by the Company and will be payable as a dividend at the end of each policy year provided premiums for the year are paid in full. No dividend will be payable for the first policy year until all the required premiums for the second policy year are paid. The dividend for any policy year will not be affected by any outstanding loan during the policy year.

Each dividend may be applied under one of the options below. The Owner may change the option for future dividends without the consent of any beneficiary by written notice to the Company. If no dividend option is elected, dividends will be applied under option C.

**OPTION A. PAID IN CASH**

**OPTION B. APPLIED TO REDUCE PREMIUMS**

**OPTION C. APPLIED TO PURCHASE PAID-UP ADDITIONAL WHOLE-LIFE INSURANCE**

Such paid-up insurance is referred to as dividend additions and may be surrendered for cash if not collaterally assigned. The amount of additional insurance purchased by each dividend applied will be that which the dividend will purchase when applied as a net single premium at the attained age of the Insured. The cash value

is the present value but not less than the dividends applied to purchase the additions. The present value is the attained age net single premium for the total amount of paid-up insurance not previously surrendered, based on the interest rate and mortality table defined in the Basis of Computations provision. Dividend additions share in divisible surplus.

**OPTION D. LEFT WITH THE COMPANY ON DEPOSIT AT INTEREST**

On each policy anniversary, interest will be credited at the rate determined each year but not less than 3.0% and added to the amount on deposit. Dividend deposits may be surrendered for cash if not collaterally assigned. The value shall be the amount on deposit.

**OPTION E. APPLIED AS A NET SINGLE PREMIUM TO PURCHASE A ONE-YEAR TERM ADDITION**

The one year term addition purchased is effective on the dividend due date and terminates one year thereafter. The one-year term addition will terminate earlier if any premium is not paid on or before the end of the grace period. If this occurs, the cash value of such term addition, if any, will be paid. One-year term additions are not eligible for dividends. This option is not available if this policy is in a rated premium class. If this option is elected after this policy is in force, evidence of insurability satisfactory to the Company must be given.

**POLICY LOANS**

**LOANS**

Loans may be made at any time a loan value is available if the policy is not on the Extended Term Insurance basis. The loan value will be the total of:

The Basic Cash Value of this policy on the next policy anniversary, discounted to date of loan;

PLUS: The cash value of any dividend additions discounted to date of loan;

LESS: Any current loan interest;

LESS: All premiums unpaid to the next policy anniversary.

A loan will be made on the sole security and proper assignment of this policy to the Company.

Loan interest will accrue daily from the date of the loan and is due at the end of each policy year. If interest is not paid when due it will be added to the amount of the loan. It will be added as of the due date and will bear interest at the same rate as the rest of the loan.

The Company reserves the right to adjust the policy loan interest rate once every twelve (12) calendar months as permitted by law. The rate of interest charged on the policy loans shall be determined at the beginning of each calendar year. The new interest rate charged shall not exceed the higher of (a) or (b) as follows:

- (a) Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc., any successor thereto or any similar average as set by regulation of the state in which this policy is delivered. Such monthly average shall be for the calendar month ending two months before the date on which the rate is determined; or
- (b) 5%.

## RIGHTS OF OWNER AND BENEFICIARY (CONTINUED)

### ASSIGNMENT

The Owner may assign the ownership of this policy. No policy assignment will be binding on the Company unless it is in writing in a form satisfactory to the Company and received by the Company at the Home Office. Unless otherwise specified by the Owner, the assignment will then be effective as of the date it was signed by the Owner, subject to any payment or other action by the Company before receipt of such notice. An absolute policy assignment will make the assignee the Owner and will revoke any prior designation of Contingent Owner. A collateral assignment of this policy will not cause an ownership change. However, the rights of any owner, beneficiary, or other payee will be subject to the terms of the collateral assignment. The Company is not responsible for the validity, effect or sufficiency of an assignment.

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### GRACE PERIOD

A grace period of 31 days will be allowed for payment of each premium due after the first. Each such premium payment must be postmarked before the end of the grace period. This policy will continue in force during the grace period.

### REINSTATEMENT

Any premium not paid before the grace period ends will result in default. The default date is the date on which the unpaid premium is due. This policy may be reinstated within 5 years after default if:

- (a) the policy has not been surrendered for cash;
- (b) the Insured is alive;
- (c) evidence of insurability satisfactory to the Company is given;
- (d) all overdue premiums are paid with interest at 6% a year, compounded annually, from the due date of each premium; and
- (e) any policy indebtedness existing on the due date of the unpaid premium is paid or reinstated with interest at a rate not exceeding the applicable policy loan rate or rates determined in accordance with policy provisions.

A part or all of the reinstatement cost may be paid by policy loan if, after reinstatement, the loan value is sufficient. Any dividends payable by reason of the reinstatement may be used to reduce the required payment.

The application for reinstatement will attach to, and become a part of, the policy.

### PREMIUM ADJUSTMENT AT DEATH

The portion of any premium paid for the period beyond the end of the policy month in which the Insured dies will be included in the death benefit. However, if premiums have been waived under any waiver of premium benefit rider attached to this policy or for any other reason, no such refund will be made. If the Insured dies within the grace period, the portion of any unpaid premium due for the period ending with the last day of the policy month in which the Insured dies will be deducted from the death benefit.

**DIVIDENDS****DIVIDENDS**

While this policy is in force, except as Extended Term Insurance, it is eligible to share in the divisible surplus of the Company. This policy's share, if any, will be determined annually by the Company and will be payable as a dividend at the end of each policy year provided premiums for the year are paid in full. No dividend will be payable for the first policy year until all the required premiums for the second policy year are paid. The dividend for any policy year will not be affected by any outstanding loan during the policy year.

Each dividend may be applied under one of the options below. The Owner may change the option for future dividends without the consent of any beneficiary by written notice to the Company. If no dividend option is elected, dividends will be applied under option C.

**OPTION A. PAID IN CASH****OPTION B. APPLIED TO REDUCE PREMIUMS****OPTION C. APPLIED TO PURCHASE PAID-UP ADDITIONAL WHOLE-LIFE INSURANCE**

Such paid-up insurance is referred to as dividend additions and may be surrendered for cash if not collaterally assigned. The amount of additional insurance purchased by each dividend applied will be that which the dividend will purchase when applied as a net single

premium at the attained age of the Insured. The cash value is the present value but not less than the dividends applied to purchase the additions. The present value is the attained age net single premium for the total amount of paid-up insurance not previously surrendered, based on the interest rate and mortality table defined in the Basis of Computations provision. Dividend additions share in divisible surplus.

**OPTION D. LEFT WITH THE COMPANY ON DEPOSIT AT INTEREST**

On each policy anniversary, interest will be credited at the rate determined each year but not less than 3.0% and added to the amount on deposit. Dividend deposits may be surrendered for cash if not collaterally assigned. The value shall be the amount on deposit.

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The one year term addition purchased is effective on the dividend due date and terminates one year thereafter. The one-year term addition will terminate earlier if any premium is not paid on or before the end of the grace period. If this occurs, the cash value of such term addition, if any, will be paid. One-year term additions are not eligible for dividends. This option is not available if this policy is in a rated premium class. If this option is elected after this policy is in force, evidence of insurability satisfactory to the Company must be given.

**POLICY LOANS****LOANS**

Loans may be made at any time a loan value is available if the policy is not on the Extended Term Insurance basis.

The loan value will be the total of:

- The Basic Cash Value of this policy on the next policy anniversary, discounted to date of loan;
- PLUS:** The cash value of any dividend additions discounted to date of loan;
- LESS:** Any current loan or loan interest;
- LESS:** All premiums unpaid to the next policy anniversary.

A loan will be made on the sole security and proper assignment of this policy to the Company.

Loan interest will accrue daily from the date of the loan and is due at the end of each policy year. If interest is not paid when due it will be added to the amount of the loan. It will be added as of the due date and will bear interest at the same rate as the rest of the loan.

The Company reserves the right to adjust the policy loan interest rate once every twelve (12) calendar months as permitted by law. The rate of interest charged on the policy loans shall be determined at the beginning of each calendar year. The new interest rate charged shall not exceed the higher of (a) or (b) as follows:

- (a) Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc., any successor thereto or any similar average as set by regulation of the state in which this policy is delivered. Such monthly average shall be for the calendar month ending two months before the date on which the rate is determined; or
- (b) 5%.

## ENDORSEMENT

This endorsement is attached to and made a part of the policy as of the Policy Date.

The Dividends provision of this policy is amended to read as follows:

### DIVIDENDS

While this policy is in force, except as Extended Term Insurance, it is eligible to share in the divisible surplus of the Company. This policy's share, if any, will be determined annually by the Company and will be payable as a dividend at the end of each policy year provided premiums for the year are paid in full. No dividend will be payable for the first policy year until all the required premiums for the second policy year are paid. The dividend for any policy year will not be affected by any outstanding loan during the policy year.

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Such paid-up insurance is referred to as dividend additions and may be surrendered for cash if not collaterally assigned. The amount of additional insurance purchased by each dividend applied will be that which the dividend will purchase when applied as a net single premium at the attained age of the Insured. The cash value is the present value but not less than the dividends applied to purchase the additions. The present value is the attained age net single premium for the total amount of paid-up insurance not previously surrendered, based on the interest rate and mortality table defined in the Basis of Computations provision. Dividend additions share in divisible surplus.

SECURITY MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

[ *Bruce W. Boyka* ]

[President]

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## Supporting Document Schedules

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b>		
<b>Attachment:</b> IO-9329 AR Flesch cert.pdf		

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Specimen Policies		
<b>Comments:</b>		
<b>Attachments:</b> 2104 AR 4-5-10.pdf 2105 AR 4-5-10.pdf		



**SECURITY MUTUAL LIFE**  
**INSURANCE COMPANY OF NEW YORK**

SECURITY MUTUAL BUILDING • 100 COURT STREET  
P.O. BOX 1625 • BINGHAMTON, NY 13902-1625  
(607) 723-3551 www.smlny.com

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Certification

This is to certify that the attached whole life amendment  
has achieved the following Flesch Reading Ease Scores of

<u>Form Nos.</u>	<u>Flesch Reading Ease Score</u>
IO-9329	46.2

and comply with the requirements of Ark. Stat. Ann. Sections 23-80-201 through 23-80-208, cited as the Life and Disability Insurance Policy Language Simplification Act.

*Vincent Montelione*

By: \_\_\_\_\_  
Vincent J. Montelione, CPA, CLU, ChFC, ACS  
Vice President, Individual Client Services, Reinsurance Administration & Claims

March 21, 2011

\_\_\_\_\_  
Date



**SECURITY MUTUAL LIFE**  
**INSURANCE COMPANY OF NEW YORK**  
SECURITY MUTUAL BUILDING • 100 COURT STREET  
P.O. BOX 1625 • BINGHAMTON, NY 13902-1625 • (607) 723-3551  
www.smlny.com • (800) 765-6668

### WHOLE LIFE INSURANCE

SECURITY MUTUAL LIFE INSURANCE COMPANY OF NEW YORK agrees to pay the death benefit to the beneficiary, subject to the conditions and provisions of this policy. Payment will be made when proof of the Insured's death and proof of the claimant's interest in the proceeds is received at the Company's Home Office in Binghamton, New York. This policy may have to be returned.

The policy is issued in consideration of the application and the payment of the premium.

Signed for the Company at Binghamton, New York on the Issue Date.

[ *Handwritten Signature* ]

[ Secretary ]

[ *Handwritten Signature* ]

[ President ]

### RIGHT TO EXAMINE POLICY

Please read this policy. The Owner may return this policy to the Company or to the agent or broker through whom it was purchased within 10 days after it is received. If this policy is issued as a replacement policy, the Owner may return it within 30 days after it is received, or any longer period as may be required by the laws of the state in which this policy is delivered. If the policy is returned within the stated period, the policy will be void from the beginning. The Company will refund any premium paid.

Insurance Payable at Death  
Participating  
Premiums Payable to the Earlier of the Maturity Date or Until Prior Death

### POLICY SPECIFICATIONS

INSURED:	[JOHN DOE]	POLICY NUMBER:	[SPECIMEN]
FACE AMOUNT:	[\$100,000]	AGE AND SEX:	[35 – MALE]
[† INITIAL RIDER AMOUNT:	[\$50,000]	POLICY DATE:	[NOVEMBER 1, 2009]
TOTAL FACE AMOUNT:	[\$150,000]	ISSUE DATE:	[NOVEMBER 1, 2009]
PREMIUM:	[\$1,532.50 ANNUALLY]	MATURITY DATE:	[NOVEMBER 1, 2095]
OWNER:	[ INSURED ]	PREMIUM CLASS:	[STANDARD NON-SMOKER]

[STATE] INSURANCE DEPARTMENT TELEPHONE NUMBER: [XXX-XXX-XXXX]

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**SCHEDULE OF BENEFITS**

<u>BENEFIT</u>	<u>PREMIUM</u>	<u>YEARS PAYABLE</u>
FACE AMOUNT [ \$100,000 ]	[ \$1,179.00 ]	[ 86 ]
AN ANNUAL POLICY FEE OF [ \$75.00 ] IS INCLUDED IN THIS PREMIUM		
[ ACCIDENTAL DEATH: [ \$100,000 ]	[ \$74.00 ]	[ 35 ] ]
[ ADDITIONAL INSURANCE RIDER: [ \$25,000 ]	[ \$53.00 ]	[ 14 ]
EXPIRY DATE: [ NOVEMBER 1, 2023 ]		
[ DISABILITY WAIVER	[ \$33.00 ]	[ 31 ] ]
 [ PAID-UP AND ONE YEAR TERM ADDITIONS RIDER		
† INITIAL RIDER AMOUNT: [ \$50,000 ]		
PLANNED RIDER PREMIUM:	[ \$188.00 ]	[ 86 ]
SERVICE FEE YEAR 1: [ 30.00% ]		
SERVICE FEE YEARS 2-10: [ 5.00% ]		
CONVERSION PERIOD FOR TERM ADDITIONS IS TO AGE 65		
[ DISABILITY WAIVER	[ \$5.50 ]	[ 31 ] ] ]
 TOTAL ANNUAL PREMIUM	<hr/> [ \$1,532.50 ]	
 [ PAID-UP ADDITIONS RIDER - INITIAL PAYMENT	[ \$1,000.00 ]	
[ DISABILITY WAIVER	[ \$4.03 ]	[ 10 ] ]
(SEE DETAILS ON PAGE 3(FPUA))		

THE POLICY SPECIFICATIONS ARE CONTINUED ON THE FOLLOWING PAGES

**POLICY SPECIFICATIONS**

INSURED: [ JOHN DOE ]	POLICY NUMBER: [ SPECIMEN ]
FACE AMOUNT: [ \$100,000 ]	AGE AND SEX: [ 35 – MALE ]
[ † INITIAL RIDER AMOUNT: [ \$50,000 ]	POLICY DATE: [ NOVEMBER 1, 2009 ]
TOTAL FACE AMOUNT: [ \$150,000 ]	ISSUE DATE: [ NOVEMBER 1, 2009 ]
PREMIUM: [ \$1,532.50 ] [ ANNUALLY ]	MATURITY DATE: [ NOVEMBER 1, 2095 ]
OWNER: [ INSURED ]	PREMIUM CLASS: [ STANDARD NON-SMOKER ]

**SCHEDULE OF BENEFITS [(CONTINUED)]**

**[††]SCHEDULE OF PREMIUMS**

WHEN THE PREMIUM FOR ANY BENEFIT CHANGES OR CEASES TO BE PAYABLE, AS SHOWN IN THE SCHEDULE OF BENEFITS, THESE PREMIUMS WILL CHANGE ACCORDINGLY.

PREMIUMS DUE BEGINNING ON:	FREQUENCY OF PREMIUM PAYMENT			
	ANNUAL	SEMI-ANNUAL *	QUARTERLY *	[ ]
[NOVEMBER 1, 2009]	[\$1,532.50]	[\$796.90]	[\$406.11]	[ ]

\* PREMIUMS SHOWN INCLUDE THE ADDITIONAL CHARGE FOR THE CONVENIENCE OF PAYING MORE FREQUENTLY THAN ANNUALLY.

[ ]

[†† THIS SCHEDULE DOES NOT SHOW PREMIUMS FOR PAID-UP ADDITIONS RIDER. (SEE PAGE 3(FPUA))]

**POLICY SPECIFICATIONS**

INSURED:	[JOHN DOE]	POLICY NUMBER:	[SPECIMEN]
FACE AMOUNT:	[\$100,000]	AGE AND SEX:	[35 – MALE]
[† INITIAL RIDER AMOUNT:	[\$50,000]	POLICY DATE:	[NOVEMBER 1, 2009]
TOTAL FACE AMOUNT:	[\$150,000]	ISSUE DATE:	[NOVEMBER 1, 2009]
PREMIUM:	[\$1,532.50] [ANNUALLY]	MATURITY DATE:	[NOVEMBER 1, 2095]
OWNER:	[ INSURED ]	PREMIUM CLASS:	[STANDARD NON-SMOKER ]

DIVIDENDS ARE NOT GUARANTEED. THE COMPANY HAS THE RIGHT TO CHANGE THE AMOUNT OF DIVIDENDS TO BE CREDITED TO THIS POLICY WHICH MAY RESULT IN LOWER DIVIDEND CASH VALUES THAN WERE ILLUSTRATED. IN THE EVENT THAT PREMIUMS WERE ILLUSTRATED TO STOP PRIOR TO AGE 121, A REDUCTION IN DIVIDENDS MAY REQUIRE MORE PREMIUMS TO BE PAID THAN WERE ILLUSTRATED. GUARANTEED POLICY VALUES ARE CALCULATED USING THE GUARANTEED INTEREST RATE OF 4.0%.

THIS POLICY MAY NOT QUALIFY AS LIFE INSURANCE UNDER FEDERAL TAX LAW AFTER THE INSURED'S ATTAINED AGE 100. THE OWNER SHOULD CONSULT HIS/HER TAX ADVISOR BEFORE CONTINUING THE POLICY AFTER THE INSURED'S ATTAINED AGE 100.

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

## TABLE OF GUARANTEED VALUES

The values in this table have been computed on the basis that the premium shown on the third page has been paid, no loans exist, and no dividend credits exist on this policy. The values applying to this policy are dependent on the age at Issue of the Insured as stated on the third page of this policy. The period of extended term insurance does not vary with the amount of insurance. The "Basic Cash Value" values are calculated using the 2001 Commissioners Standard Ordinary Select and Ultimate [Male] [Non-Smoker] Mortality Table. The "Paid-Up Insurance" and "Extended Term Insurance" values are calculated using the 2001 Commissioners Standard Ordinary Ultimate [Male] [Non-Smoker] Mortality Table.

### AGE [35]

END OF YEAR	BASIC CASH VALUE	PAID-UP INSURANCE	EXTENDED TERM INSURANCE	
			YEARS	DAYS
1	[0	0	0	0
2	0	0	0	0
3	782	3,444	5	272
4	1,833	7,795	10	329
5	2,916	11,975	14	281
6	4,393	17,424	18	132
7	5,919	22,677	20	349
8	7,497	27,750	22	289
9	9,127	32,648	24	83
10	10,810	37,378	25	153
11	12,071	40,358	25	291
12	13,361	43,205	26	17
13	14,681	45,926	26	68
14	16,032	48,518	26	86
15	17,418	50,996	26	77
16	18,842	53,377	26	47
17	20,304	55,662	25	362
18	21,804	57,864	25	295
19	23,338	59,974	25	212
20	24,908	62,008	25	117]

**Values for the years not shown in the above table will be furnished upon request.**

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

**TABLE OF CURRENT ONE YEAR TERM ADDITION PURCHASE  
RATES PER DOLLAR OF INSURANCE**

AGE	CHARGE	AGE	CHARGE
[35	0.00046	78	0.03693
36	0.00060	79	0.04135
37	0.00076	80	0.04618
38	0.00093	81	0.05169
39	0.00107	82	0.05740
40	0.00124	83	0.06353
41	0.00138	84	0.07033
42	0.00153	85	0.07791
43	0.00169	86	0.08633
44	0.00191	87	0.09551
45	0.00219	88	0.10533
46	0.00253	89	0.11565
47	0.00280	90	0.12639
48	0.00304	91	0.13635
49	0.00323	92	0.14668
50	0.00337	93	0.15752
51	0.00351	94	0.16893
52	0.00367	95	0.18085
53	0.00387	96	0.19153
54	0.00405	97	0.20282
55	0.00427	98	0.21477
56	0.00450	99	0.22742
57	0.00470	100	0.24081
58	0.00486	101	0.25499
59	0.00497	102	0.26999
60	0.00578	103	0.28586
61	0.00645	104	0.30266
62	0.00729	105	0.32021
63	0.00824	106	0.33878
64	0.00923	107	0.35843
65	0.01027	108	0.37922
66	0.01132	109	0.40122
67	0.01238	110	0.42449
68	0.01352	111	0.44911
69	0.01469	112	0.47515
70	0.01611	113	0.50271
71	0.01771	114	0.53187
72	0.01986	115	0.56272
73	0.02211	116	0.59536
74	0.02446	117	0.62989
75	0.02703	118	0.66642
76	0.02983	119	0.70508
77	0.03310	120	0.74431]

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

**TABLE OF GUARANTEED ONE YEAR TERM ADDITION PURCHASE  
RATES PER DOLLAR OF INSURANCE**

AGE	CHARGE	AGE	CHARGE
[35	0.00107	78	0.05340
36	0.00113	79	0.05969
37	0.00118	80	0.06656
38	0.00127	81	0.07437
39	0.00134	82	0.08251
40	0.00143	83	0.09129
41	0.00155	84	0.10101
42	0.00170	85	0.11186
43	0.00186	86	0.12389
44	0.00206	87	0.13704
45	0.00228	88	0.15112
46	0.00250	89	0.16597
47	0.00274	90	0.18148
48	0.00287	91	0.19606
49	0.00303	92	0.21126
50	0.00326	93	0.22729
51	0.00352	94	0.24423
52	0.00388	95	0.26202
53	0.00428	96	0.27830
54	0.00478	97	0.29565
55	0.00539	98	0.31418
56	0.00602	99	0.33395
57	0.00670	100	0.35509
58	0.00728	101	0.37187
59	0.00794	102	0.38975
60	0.00875	103	0.40877
61	0.00973	104	0.42901
62	0.01092	105	0.45024
63	0.01227	106	0.47282
64	0.01368	107	0.49681
65	0.01517	108	0.52232
66	0.01668	109	0.54942
67	0.01821	110	0.57818
68	0.01986	111	0.60872
69	0.02156	112	0.64114
70	0.02363	113	0.67558
71	0.02595	114	0.71209
72	0.02899	115	0.75085
73	0.03219	116	0.79196
74	0.03557	117	0.83556
75	0.03926	118	0.88181
76	0.04328	119	0.93085
77	0.04794	120	0.98064]

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

**PAID UP ADDITIONS RIDER**

PREMIUM SERVICE FEE:

[8.00%] DEDUCTED PRIOR TO PURCHASE IN FIRST RIDER YEAR;

[7.00%] DEDUCTED PRIOR TO PURCHASE IN RENEWAL YEARS

		MAXIMUM NUMBER OF SCHEDULED PAYMENTS
INITIAL PREMIUM PAYMENT	[\$1,000.00]	1
TOTAL PAID UP INSURANCE PURCHASED BY RIDER INITIAL PREMIUM PAYMENT	[\$4,500.00]	
SCHEDULED [ANNUAL] PREMIUM PAYMENT	[\$1,000.00]	[9]
DISABILITY WAIVER OF PREMIUM PAYMENT [ANNUAL]	[\$4.03]	[10]
RIDER PREMIUM TERMINATION DATE [NOVEMBER 1, 2019]		

MINIMUM SCHEDULED PREMIUM PAYMENT [\$180] ANNUALLY

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

## POLICY BENEFITS

### LIVING BENEFITS

This policy has certain values which are available to the Owner during the Insured's lifetime. These values consist of the policy's Basic Cash Value plus any dividend values which are credited to the policy. These values may be used:

- As collateral for a loan or as the basis for a policy loan.
- To continue some insurance protection if you cannot or do not wish to continue paying premiums.
- To obtain cash by surrendering your policy.
- To provide any settlement options.

The Surrender Value available for such use is the total of:

The Basic Cash Value of your policy;

- PLUS: The cash value of any additional insurance, purchased by dividends under Options C or E of the Dividends section, not previously surrendered;
- PLUS: The accumulated value of any dividends left at interest;
- PLUS: Any other dividend credits;
- MINUS: Any unpaid policy loans and unpaid loan interest.

### AT AND BEYOND MATURITY

On and after the Maturity Date shown on page 3, interest on policy loans will continue to accrue in accordance with the Loans provision of this policy. The Owner may take out a new policy loan. Loan repayments will be accepted. The Death Benefit will always be at least equal to the Surrender Value. Interest will be paid on the Basic Cash Value and the cash values of any paid-up insurance

purchased by dividends under Option C of the Dividends provision of this policy and not previously surrendered, at the rate declared by the Company for Settlement Option A.

### DEATH BENEFITS

The amount payable to the beneficiary is the total of the following amounts determined on the date of the Insured's death:

- The Face Amount on this policy;
- PLUS: Interest from date of death to date of payment at the rate declared by the Company for Settlement Option A as of the date of the Insured's death; provided, however that if any proceeds or refunds of premiums on this Policy are not paid within 30 days after proof of death of the Insured is received, interest will be paid upon the proceeds or refunds of premiums at the rate of 8.00% per year.
- PLUS: Any additional insurance on the Insured's life provided by an additional benefit agreement;
- PLUS: Any paid-up insurance on the Insured's life purchased with dividends, under Options C or E of the Dividends section, not previously surrendered;
- PLUS: The value of any dividends left at interest;
- PLUS: Any other dividend credits;
- PLUS: Any premium paid beyond the policy month in which death occurs;
- MINUS: Any premium due if death occurs within the grace period;
- MINUS: Any unpaid policy loans and unpaid loan interest.

PLEASE READ THIS POLICY FOR FULL DETAILS

## GENERAL PROVISIONS AND EXCLUSIONS

### THE CONTRACT

The entire contract consists of this policy and the attached application. In issuing, changing or reinstating this policy, the Company has relied upon the statements made in the application. These statements shall, in the absence of fraud, be deemed as representations and not warranties. The Company will not use any statement to void this policy or to defend against a claim under it, unless the statement is contained in the attached written application.

Policy years, policy months, and policy anniversaries are measured from the Policy Date. The only way this contract may be modified is by a written agreement signed by the President, a Vice President, or the Secretary of the Company. The Company may require that the policy be submitted for endorsement to show any change. No agent or broker has authority to change the policy or to waive any of its provisions.

## GENERAL PROVISIONS AND EXCLUSIONS (CONTINUED)

### INCONTESTABILITY

Except for fraud in the procurement of the policy (when permitted by applicable law in the state where this policy is delivered or issued for delivery):

1) the Company will not contest this policy after it has been in force, during the Insured's lifetime, for two years from its Issue Date, except for:

- (a) nonpayment of premiums, or
- (b) any Rider providing disability or accidental death benefits;

2) further, the Company will not contest any reinstatement of this policy for any material misstatement made in the application for reinstatement, after the policy has been in force, during the Insured's lifetime, for two years from the effective date of such reinstatement (see "Reinstatement");

3) the Company will not contest any change requiring evidence of insurability after such change has been in force for two years from its effective date.

### MISSTATEMENT OF AGE OR SEX

If the Insured's age or sex is incorrectly stated, the amount payable will be the amount which the premiums paid would have purchased for the correct age and sex. Upon receipt of due proof, the Company will admit the age and sex of the Insured at any time.

### SUICIDE

If the Insured dies by suicide while sane or insane within 2 years from the Issue Date the policy proceeds will be limited to the gross premiums paid, reduced by the amount of any dividends paid in cash, dividends applied in reduction of premium and any outstanding loans with loan interest to date of death.

### CHANGE OF PLAN

Subject to Company rules, the policy may be changed to another form, amount or plan of insurance.

### ANNUAL NOTICE

At least once each policy year, the Company will send to the Owner a statement concerning the status of the policy and such other information as may be required by the officials of the state in which this policy is delivered.

### ILLUSTRATIVE REPORT

Upon written request, the Company will provide to the Owner an illustrative report of the current status of the policy based on actual payments made and dividends credited. One such report will be provided to the Owner per year at no charge. Additional reports in a year will be subject to a fee of \$25 per report.

## RIGHTS OF OWNER AND BENEFICIARY

### RIGHTS OF OWNER

The Owner on the Issue Date will be the person designated in the Policy Specifications. If no other Owner is designated, the Insured will be the Owner. Consistent with the terms of any beneficiary designation and any assignment, the Owner may, during the lifetime of the Insured:

- (a) assign or surrender this policy;
- (b) take or repay a policy loan;
- (c) amend or modify this policy with the written consent of the Company; and
- (d) exercise any right, receive any benefit, or enjoy any privilege contained in this policy.

During the lifetime of the Insured, the Owner may change the ownership designation by written notice satisfactory to the Company. Unless otherwise specified by the Owner, the change will take effect as of the date the

notice is signed by the Owner, subject to any payments made or actions taken by the Company prior to receipt of the notice.

### CONTINGENT OWNER

If the Owner is other than the Insured, the Owner may, during the lifetime of the Insured, name a single Contingent Owner. The Contingent Owner may be named in the application for the policy or by later written notice satisfactory to the Company. The Contingent Owner may also be changed by written notice satisfactory to the Company. If the Owner dies before the Insured, then upon the Owner's death, the Contingent Owner will become the Owner of the policy. If the Contingent Owner does not survive the Owner, then upon the Owner's death, the Owner's estate shall become the Owner. Any change of ownership prior to the Owner's death shall revoke the Contingent Owner designation.

## RIGHTS OF OWNER AND BENEFICIARY (CONTINUED)

### ASSIGNMENT

The Owner may assign the ownership of this policy. No policy assignment will be binding on the Company unless it is in writing in a form satisfactory to the Company and received by the Company at the Home Office. Unless otherwise specified by the Owner, the assignment will then be effective as of the date it was signed by the Owner; subject to any payment or other action by the Company before receipt of such notice. An absolute policy assignment will make the assignee the Owner and will revoke any prior designation of Contingent Owner. A collateral assignment of this policy will not cause an ownership change. However, the rights of any owner, beneficiary, or other payee will be subject to the terms of the collateral assignment. The Company is not responsible for the validity, effect or sufficiency of an assignment.

### BENEFICIARY

The beneficiary named in the application for this policy will receive the death benefit upon the Insured's death unless the Owner has changed the beneficiary designation. Unless specifically designated as irrevocable, beneficiary designations may be changed by the Owner, while the Insured is living, by written notice satisfactory to the Company. An irrevocable beneficiary designation may be changed only with the consent of such irrevocable beneficiary. The consent of any irrevocable beneficiary will also be required for any policy loan, assignment or change. Unless otherwise specified by the Owner, the change in beneficiary will take effect as of the date the notice was signed, subject to any payment or other action taken by the Company before receipt of such notice. If any beneficiary dies before the Insured, that beneficiary's interest will pass to any other beneficiaries according to their respective interests. If no beneficiary survives the Insured, the proceeds will be paid in one sum to the Owner, if living; otherwise, to the Owner's estate.

## PREMIUMS

### PREMIUMS

This policy is issued in consideration of the application and the first premium payment. Subsequent premiums are due and payable in advance while the Insured is alive. The amount and frequency of premium payments are shown on Page 3. All premiums are payable at the Home Office in Binghamton, New York.

Premiums are payable for the period shown on Page 3 of this policy or until the death of the Insured. The premium for any Rider which provides additional benefits is set forth in the schedule on Page 3 and is included in the premium for the policy. Premiums may be paid annually, semi-annually, or quarterly. The Owner may change the frequency of premium payments subject to Company rules in effect at the time of the change by filing a written request in a form satisfactory to the Company at the Home Office.

### GRACE PERIOD

A grace period of 31 days will be allowed for payment of each premium due after the first. Each such premium payment must be postmarked before the end of the grace period. This policy will continue in force during the grace period.

### REINSTATEMENT

Any premium not paid before the grace period ends will result in default. The default date is the date on which the unpaid premium is due. This policy may be reinstated within 5 years after default if:

- (a) the policy has not been surrendered for cash;
- (b) the Insured is alive;
- (c) evidence of insurability satisfactory to the Company is given;
- (d) all overdue premiums are paid with interest at 6% a year, compounded annually, from the due date of each premium; and
- (e) any policy indebtedness existing on the due date of the unpaid premium is paid or reinstated with interest at a rate not exceeding the applicable policy loan rate or rates determined in accordance with policy provisions.

A part or all of the reinstatement cost may be paid by policy loan if, after reinstatement, the loan value is sufficient. Any dividends payable by reason of the reinstatement may be used to reduce the required payment.

The application for reinstatement will attach to, and become a part of, the policy.

### PREMIUM ADJUSTMENT AT DEATH

The portion of any premium paid for the period beyond the end of the policy month in which the Insured dies will be included in the death benefit. However, if premiums have been waived under any waiver of premium benefit rider attached to this policy or for any other reason, no such refund will be made. If the Insured dies within the grace period, the portion of any unpaid premium due for the period ending with the last day of the policy month in which the Insured dies will be deducted from the death benefit.

**DIVIDENDS****DIVIDENDS**

While this policy is in force, except as Extended Term Insurance, it is eligible to share in the divisible surplus of the Company. This policy's share, if any, will be determined annually by the Company and will be payable as a dividend at the end of each policy year provided premiums for the year are paid in full. No dividend will be payable for the first policy year until all the required premiums for the second policy year are paid. The dividend for any policy year will be affected by any outstanding loan during the policy year.

Each dividend may be applied under one of the options below. The Owner may change the option for future dividends without the consent of any beneficiary by written notice to the Company. If no dividend option is elected, dividends will be applied under option C.

**OPTION A. PAID IN CASH****OPTION B. APPLIED TO REDUCE PREMIUMS****OPTION C. APPLIED TO PURCHASE PAID-UP ADDITIONAL WHOLE-LIFE INSURANCE**

Such paid-up insurance is referred to as dividend additions and may be surrendered for cash if not collaterally assigned. The amount of additional insurance purchased by each dividend applied will be that which the dividend will purchase when applied as a net single premium at the attained age of the Insured. The cash value

is the present value but not less than the dividends applied to purchase the additions. The present value is the attained age net single premium for the total amount of paid-up insurance not previously surrendered, based on the interest rate and mortality table defined in the Basis of Computations provision. Dividend additions share in divisible surplus.

**OPTION D. LEFT WITH THE COMPANY ON DEPOSIT AT INTEREST**

On each policy anniversary, interest will be credited at the rate determined each year but not less than 3.0% and added to the amount on deposit. Dividend deposits may be surrendered for cash if not collaterally assigned. The value shall be the amount on deposit.

**OPTION E. APPLIED AS A NET SINGLE PREMIUM TO PURCHASE A ONE-YEAR TERM ADDITION**

The one year term addition purchased is effective on the dividend due date and terminates one year thereafter. The one-year term addition will terminate earlier if any premium is not paid on or before the end of the grace period. If this occurs, the cash value of such term addition, if any, will be paid. One-year term additions are not eligible for dividends. This option is not available if this policy is in a rated premium class. If this option is elected after this policy is in force, evidence of insurability satisfactory to the Company must be given.

**POLICY LOANS****LOANS**

Loans may be made at any time a loan value is available if the policy is not on the Extended Term Insurance basis. The loan value will be the total of:

The Basic Cash Value of this policy on the next policy anniversary, discounted to date of loan;

PLUS: The cash value of any dividend additions discounted to date of loan;

LESS: Any current loan interest;

LESS: All premiums unpaid to the next policy anniversary.

A loan will be made on the sole security and proper assignment of this policy to the Company.

Loan interest will accrue daily from the date of the loan and is due at the end of each policy year. If interest is not paid when due it will be added to the amount of the loan. It

will be added as of the due date and will bear interest at the same rate as the rest of the loan.

The Company reserves the right to adjust the policy loan interest rate once every twelve (12) calendar months as permitted by law. The rate of interest charged on the policy loans shall be determined at the beginning of each calendar year. The new interest rate charged shall not exceed the higher of (a) or (b) as follows:

- (a) Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc., any successor thereto or any similar average as set by regulation of the state in which this policy is delivered. Such monthly average shall be for the calendar month ending two months before the date on which the rate is determined; or
- (b) 5%.

## POLICY LOANS (CONTINUED)

### LOANS (CONTINUED)

The interest rate being charged may be increased when the maximum rate as determined above would increase that rate by ½% or more per annum. The interest rate being charged will be reduced when the maximum rate as determined above would decrease that rate by ½% or more per annum.

This policy will not terminate in a policy year as the sole result of a change in the interest rate during that policy year; coverage will continue during that policy year until the time at which it would otherwise have terminated if there had been no change during that policy year.

The Owner will be notified at the time a loan is made of the initial rate of interest on the loan. If a loan is outstanding, the Owner will be given 30 days advance notice of any increase in the policy loan interest rate.

The Company may defer making the loan for up to six months unless the loan is to be used to pay premiums to the Company.

A loan may be repaid in full or in part at any time while the policy is in force, whether or not the Insured is then living. If any payment is intended as a loan repayment, rather than a premium payment, the Owner must specify this when making the payment.

At any time the policy loan and loan interest equal or exceed the Basic Cash Value of the policy plus the cash value of any dividend additions, this policy will terminate without further value. At least 31 days prior notice will be mailed to the Owner and any assignee of record. Upon termination, any remaining dividends left on deposit at interest shall be paid to the Owner.

### AUTOMATIC PREMIUM PAYMENT

An election may be made for automatic premium payment either in the application or by written notice to the Company if the policy is in force and has been in force for one year.

- 1) Dividends Left on Deposit at Interest: (Applicable only if elected.) While this election is in effect, the Company will pay any premium which is unpaid at the end of its grace period from any amount on deposit under Dividend Option "D", if sufficient.
- 2) Automatic Loan: (Applicable only if elected.) While this election is in effect, the Company will pay any premium which is unpaid at the end of its grace period, and which is not paid by item 1 above, by a loan which the Company will automatically advance, if sufficient cash value exists. The loan will be subject to the provisions of this policy.

While both elections are in effect, and if sufficient value exists, the Company will first apply amounts from dividends left on deposit at interest and then, if necessary, by automatic loan. While either election is in effect, if the amount available is less than the premium due, the interval of premium payment will be changed to the next shorter interval, if any, for which premiums may be paid and which the amount available is sufficient to pay in full. If the amount available is not sufficient to pay a premium for a shorter interval, this provision will be ineffective. The non-forfeiture provisions shall then apply. The Owner may revoke either automatic premium payment provision at any time by written request received by the Company at the Home Office.

## SURRENDER VALUE AND NON-FORFEITURE PROVISIONS

### BASIC CASH VALUE

The Basic Cash Value of this policy is shown on Page 3(B).

### SURRENDER VALUE

While this policy is in force the Surrender Value will be the sum of:

- 1) the Basic Cash Value of this policy;
- 2) the cash value of any paid-up insurance, purchased by dividends under Options C or E of the Dividends section, not previously surrendered;
- 3) the accumulated value of any dividends left at interest; and

- 4) other dividend credits;
- less:
- 5) any unpaid policy loan and loan interest.

If this policy is surrendered within 60 days after the due date of the first unpaid premium, the Surrender Value shall be the value as of the premium due date. After 60 days the Surrender Value shall be the then present value of the non-forfeiture benefit plus dividend credits, less any indebtedness. If the surrender occurs within 30 days after any anniversary of the Policy Date, the Surrender Value shall not be less than the value on that anniversary.

**SURRENDER VALUE AND NON-FORFEITURE PROVISIONS (CONTINUED)****NON-FORFEITURE PROVISIONS**

If a premium has not been paid when its grace period ends, these provisions apply. The Surrender Value, if any, will be applied as a net single premium to provide insurance on an adjusted basis as of the due date of the unpaid premium. The Owner may choose one of the following options:

- (1) Extended Term Insurance. The amount will be the Face Amount of this policy plus any dividend additions and dividends left on deposit at interest; less any indebtedness. Insurance will extend from the due date of the unpaid premium for such period as the Surrender Value will purchase. If the term insurance would extend to or beyond attained age 120, Paid-Up Life Insurance under (2) below will be provided instead. Extended Term Insurance does not share in divisible surplus. This option is not available if this policy is issued in a rated premium class.
- (2) Paid-Up Life Insurance. The amount will be that which the Surrender Value will purchase when applied as a net single premium. Paid-Up Life Insurance shares in divisible surplus.

If a premium is overdue more than 60 days and one of the options has not been chosen, the Company will automatically:

- (a) Apply (1) Extended Term Insurance, if the premium class of this policy is standard or better; or
- (b) Apply (2) Paid-Up Life Insurance, if the premium class of this policy is rated.

The present value of Extended Term or Paid-Up Life Insurance, as of the date the last premium was paid, is at least equal to the Surrender Value.

**SETTLEMENT OPTIONS**

Upon written request, the Company will pay the net policy proceeds in accordance with the options shown below. Endowment or surrender proceeds may be settled under the options, too. Subject to Company rules, more than one settlement option may be elected. The Owner may elect or change any settlement option in the same manner as a change of beneficiary during the lifetime of the Insured. The payee may elect any settlement option when the proceeds are payable if the proceeds are payable in one sum. If the payee is an estate, corporation, partnership or trustee, only Options A, B or C may be elected.

Settlement Option benefits under Options D and E at the time of their commencement, will not be less than those

**CASH SURRENDER**

The Company will pay the Surrender Value of the policy when it receives a written request and surrender of the policy before the Insured dies. The Company may defer the payment of any Surrender Value for up to 6 months from date of receipt of written request. The Company will not defer payment if the amount payable is to be used to pay premiums on policies with the Company. If payment is not made within 10 working days after the Company receives documentation in good order required for the surrender, interest will be paid at the rate required by applicable state laws.

**BASIS OF COMPUTATIONS**

This policy's values and net single premiums are calculated using the table shown on Page 3(B) for the class of the Insured. Extended Term Insurance is based on the appropriate table shown on Page 3(B).

All calculations are made using an annual rate of interest of 4.0% and semi-continuous functions, at the age nearest birthday. All surrender values and paid-up non-forfeiture values are equal to or greater than those required by the state in which this policy is delivered. Where required or requested, a detailed statement of the method of computing policy values has been filed with the insurance officials of that state.

Basic Cash Values, Paid Up Life Insurance and Extended Term Insurance are shown in the "Table of Guaranteed Values" on Page 3(B) for the end of the policy years indicated. These values assume that premiums have been paid for the number of years stated. They do not reflect dividend credits or indebtedness. Values during a policy year will reflect any portion of the year's premium paid and the time elapsed in that year.

that would be provided by the application of the Surrender Value to purchase a single consideration immediate annuity contract at purchase rates offered by the Company at the time to the same class of annuitants, whether the annuity benefits are payable in fixed or variable amounts or both.

**OPTION A. INTEREST**

The Company will retain the proceeds while the payee is alive or for 30 years, whichever is shorter. Interest will be paid at the rate declared yearly by the Company, but not less than 2½% per year. The proceeds may be withdrawn at any time by the payee in whole or in part (not less than \$200 each time) upon written request.

## SETTLEMENT OPTIONS (CONTINUED)

### OPTION B. FIXED PAYMENTS

Installments of specified amounts will be payable until the proceeds with any interest thereon are exhausted. The installment amount must be at least \$75 per year per \$1,000 of proceeds retained. Interest will be paid at the rate declared yearly by the Company, but not less than 2½% per year. The proceeds may be withdrawn at any time by the payee in whole or in part (not less than \$200 each time) upon written request.

### OPTION C. FIXED PERIOD

The proceeds will be used to provide installment payments during a specified period of 30 years or less. The Option C table shows the minimum monthly payments for each \$1,000 of proceeds applied.

### OPTION D. LIFE INCOME WITH GUARANTEED PERIOD

The proceeds will be paid in installments for a guaranteed period of 10 or 20 years, as elected, and for life thereafter. The Option D table shows minimum monthly payments for each \$1,000 of proceeds applied. Payments are based on the payee's sex and age nearest birthday on the date the first payment becomes due. When the monthly payments for a guaranteed period of 10 years equal those for a guaranteed period of 20 years, the Company will automatically deem the longer guaranteed period.

### OPTION E. JOINT INCOME-TWO-THIRDS TO THE SURVIVOR

The proceeds will be paid in monthly installments during the joint lifetime of two payees. Two-thirds of the installment amount shall continue to be paid for the remaining lifetime of the survivor. Option table E shows the minimum monthly payments for each \$1,000 of proceeds applied. Payments are based on the ages nearest birthday of the payees on the date the first payment becomes due. This option is only available to payees at least 40 years of age.

•  
At the time the proceeds become payable under a settlement option, a Settlement Certificate will be issued. This certificate shall bear the date of the Insured's death if the proceeds settled are death proceeds and the Insured elected the option while alive. Otherwise the certificate shall bear the date the proceeds are payable. The first installment under options B, C, D and E will be payable on

the date of the Settlement Certificate. If there are amounts due the Company to be deducted from the proceeds, the beneficiary may repay the amount due when filing proof of claim. If any installment or interest payment under an option is less than \$20, the Company may change the payment interval so that payments will be at least \$20 each. If the annual payment is less than \$20, the Company may pay any unpaid amount in one sum.

The Settlement Certificate's share of the surplus of the Company will be determined annually. The Company expects that it will pay only minimal dividends, if any.

Settlement option benefits may not be assigned or commuted before they are due unless the payee has the right to do so under the elected option. As far as allowed by law, such benefits are not subject to claims of creditors or legal process. If the policy is subject to a collateral assignment on the date proceeds are payable, the amount due the assignee will be paid in one sum and not according to the option elected.

A payee under a settlement option may, by written notice filed with the Company, name and change a contingent payee(s) to receive any amount that would otherwise be payable to the payee's estate. If no contingent payee survives the payee, any unpaid amount will be paid in a single sum to the last payee's estate. Any settlement under Options A, B, C or D will then terminate. Under Options A and B the single sum will include interest to date of death. Under Options C and D, the single sum will be the present value of any guaranteed payments remaining at that time, commuted using the interest rate applied in determining these payments, compounded each year.

If payments depend upon the survival of one or more payees, the Company may require proof of age, sex, or survival of each payee. If a business has the right to elect a settlement option but transfers this right to the Insured's surviving spouse or children, the transferee(s) may elect one of the above options as if named as beneficiary under this policy.

In the event that payments under the settlement options are the same for different periods certain, then the longest period certain with that payment amount will be deemed to have been chosen.

The underlying bases used for computing the Settlement Option Tables are The Annuity 2000 Mortality Table and 2.5% interest.

SETTLEMENT OPTION TABLES: MONTHLY # PAYMENTS FOR EACH \$1000 OF PROCEEDS

OPTION D - LIFE INCOME WITH GUARANTEED PERIOD

MALE PAYEE		Age of Payee	FEMALE PAYEE	
Guaranteed			Guaranteed	
10 Years	20 Years		10 Years	20 Years
\$2.52	\$2.51	10*	\$2.46	\$2.45
2.53	2.53	11	2.47	2.47
2.54	2.54	12	2.48	2.48
2.56	2.55	13	2.49	2.49
2.57	2.57	14	2.51	2.50
2.59	2.58	15	2.52	2.52
2.60	2.60	16	2.53	2.53
2.62	2.61	17	2.55	2.54
2.64	2.63	18	2.56	2.56
2.65	2.65	19	2.58	2.57
2.67	2.67	20	2.59	2.59
2.69	2.68	21	2.61	2.61
2.71	2.70	22	2.63	2.62
2.73	2.72	23	2.64	2.64
2.75	2.74	24	2.66	2.66
2.77	2.76	25	2.68	2.68
2.79	2.79	26	2.70	2.70
2.82	2.81	27	2.72	2.72
2.84	2.83	28	2.74	2.74
2.87	2.86	29	2.76	2.76
2.89	2.88	30	2.79	2.78
2.92	2.91	31	2.81	2.81
2.95	2.94	32	2.84	2.83
2.98	2.97	33	2.86	2.85
3.01	3.00	34	2.89	2.88
3.05	3.03	35	2.92	2.91
3.08	3.06	36	2.95	2.94
3.12	3.10	37	2.98	2.97
3.16	3.13	38	3.01	3.00
3.20	3.17	39	3.04	3.03
3.24	3.21	40	3.08	3.06
3.28	3.25	41	3.11	3.10
3.33	3.29	42	3.15	3.13
3.37	3.33	43	3.19	3.17
3.42	3.37	44	3.23	3.21
3.47	3.42	45	3.28	3.25
3.53	3.47	46	3.32	3.29
3.58	3.52	47	3.37	3.34
3.64	3.57	48	3.42	3.38
3.70	3.62	49	3.47	3.43

\* and under

MALE PAYEE		Age of Payee	FEMALE PAYEE	
Guaranteed			Guaranteed	
10 Years	20 Years		10 Years	20 Years
\$3.76	\$3.67	50	\$3.53	\$3.48
3.83	3.73	51	3.59	3.53
3.90	3.79	52	3.65	3.59
3.97	3.84	53	3.71	3.64
4.05	3.90	54	3.78	3.70
4.13	3.97	55	3.85	3.76
4.22	4.03	56	3.92	3.82
4.31	4.09	57	4.00	3.88
4.40	4.16	58	4.08	3.95
4.50	4.23	59	4.17	4.02
4.61	4.29	60	4.26	4.09
4.72	4.36	61	4.36	4.16
4.83	4.43	62	4.46	4.23
4.95	4.50	63	4.57	4.31
5.08	4.56	64	4.68	4.38
5.21	4.63	65	4.80	4.45
5.35	4.69	66	4.93	4.53
5.50	4.75	67	5.07	4.60
5.65	4.81	68	5.21	4.67
5.80	4.87	69	5.36	4.74
5.96	4.92	70	5.51	4.80
6.13	4.97	71	5.68	4.87
6.30	5.01	72	5.85	4.92
6.47	5.05	73	6.03	4.98
6.65	5.09	74	6.22	5.02
6.82	5.12	75	6.41	5.07
7.00	5.15	76	6.61	5.10
7.18	5.17	77	6.81	5.14
7.36	5.19	78	7.01	5.16
7.53	5.21	79	7.21	5.19
7.70	5.22	80	7.42	5.21
7.87	5.24	81	7.61	5.22
8.03	5.25	82	7.80	5.24
8.18	5.25	83	7.99	5.25
8.32	5.26	84	8.16	5.26
8.46	5.26	85	8.32	5.26
8.58	5.27	86	8.47	5.27
8.69	5.27	87	8.60	5.27
8.80	5.27	88	8.72	5.27
8.89	5.27	89	8.83	5.27
8.98	5.27	90+	8.92	5.27

+ and over

# Please see Page 13 for information regarding the calculation of annual, semi-annual or quarterly payments.

**SETTLEMENT OPTION TABLES: MONTHLY # PAYMENTS FOR EACH \$1000 OF PROCEEDS (CONTINUED)**

**OPTION E - JOINT INCOME WITH TWO-THIRDS TO THE SURVIVOR**

FEMALE Payee Age	MALE Payee Age														
	40	45	50	55	60	65	66	67	68	69	70	75	80	85	90+
40	\$3.06	\$3.15	\$3.25	\$3.35	\$3.46	\$3.58	\$3.61	\$3.63	\$3.66	\$3.69	\$3.71	\$3.85	\$3.98	\$4.10	\$4.21
41	3.08	3.17	3.27	3.38	3.49	3.61	3.64	3.67	3.69	3.72	3.75	3.89	4.02	4.15	4.26
42	3.10	3.20	3.30	3.40	3.52	3.65	3.67	3.70	3.73	3.76	3.79	3.92	4.06	4.19	4.30
43	3.12	3.22	3.32	3.43	3.55	3.68	3.71	3.74	3.77	3.79	3.82	3.97	4.11	4.24	4.35
44	3.14	3.24	3.35	3.46	3.58	3.72	3.75	3.77	3.80	3.83	3.86	4.01	4.15	4.29	4.41
45	3.16	3.26	3.37	3.49	3.62	3.75	3.78	3.81	3.84	3.87	3.90	4.05	4.20	4.34	4.46
46	3.18	3.29	3.40	3.52	3.65	3.79	3.82	3.85	3.88	3.91	3.94	4.10	4.25	4.39	4.52
47	3.20	3.31	3.43	3.55	3.69	3.83	3.86	3.89	3.93	3.96	3.99	4.15	4.30	4.45	4.58
48	3.22	3.33	3.45	3.58	3.72	3.87	3.91	3.94	3.97	4.00	4.03	4.20	4.36	4.51	4.64
49	3.24	3.36	3.48	3.62	3.76	3.92	3.95	3.98	4.01	4.05	4.08	4.25	4.41	4.57	4.70
50	3.26	3.38	3.51	3.65	3.80	3.96	3.99	4.03	4.06	4.10	4.13	4.30	4.47	4.63	4.77
51	3.28	3.41	3.54	3.68	3.84	4.01	4.04	4.08	4.11	4.15	4.18	4.36	4.54	4.70	4.84
52	3.30	3.43	3.57	3.72	3.88	4.05	4.09	4.12	4.16	4.20	4.23	4.42	4.60	4.77	4.92
53	3.33	3.46	3.60	3.76	3.92	4.10	4.14	4.18	4.21	4.25	4.29	4.48	4.67	4.84	5.00
54	3.35	3.49	3.63	3.79	3.96	4.15	4.19	4.23	4.27	4.31	4.35	4.55	4.74	4.92	5.08
55	3.37	3.51	3.67	3.83	4.01	4.20	4.24	4.28	4.32	4.37	4.41	4.61	4.81	5.00	5.17
56	3.40	3.54	3.70	3.87	4.06	4.26	4.30	4.34	4.38	4.43	4.47	4.68	4.89	5.09	5.26
57	3.42	3.57	3.73	3.91	4.10	4.31	4.36	4.40	4.44	4.49	4.53	4.75	4.97	5.18	5.35
58	3.44	3.60	3.76	3.95	4.15	4.37	4.41	4.46	4.51	4.55	4.60	4.83	5.06	5.27	5.46
59	3.47	3.62	3.80	3.99	4.20	4.43	4.47	4.52	4.57	4.62	4.67	4.91	5.15	5.37	5.56
60	3.49	3.65	3.83	4.03	4.25	4.49	4.54	4.59	4.64	4.69	4.74	4.99	5.24	5.47	5.67
61	3.52	3.68	3.87	4.07	4.30	4.55	4.60	4.65	4.71	4.76	4.81	5.08	5.34	5.58	5.79
62	3.55	3.71	3.90	4.12	4.35	4.61	4.67	4.72	4.78	4.83	4.89	5.17	5.44	5.69	5.92
63	3.57	3.74	3.94	4.16	4.41	4.68	4.74	4.79	4.85	4.91	4.97	5.26	5.55	5.81	6.05
64	3.60	3.78	3.98	4.21	4.46	4.75	4.81	4.87	4.93	4.99	5.05	5.36	5.66	5.94	6.19
65	3.63	3.81	4.02	4.25	4.52	4.82	4.88	4.94	5.01	5.07	5.14	5.46	5.78	6.07	6.33
66	3.65	3.84	4.05	4.30	4.58	4.89	4.95	5.02	5.09	5.16	5.22	5.57	5.90	6.21	6.49
67	3.68	3.87	4.09	4.35	4.63	4.96	5.03	5.10	5.17	5.24	5.31	5.68	6.03	6.36	6.65
68	3.71	3.91	4.13	4.39	4.69	5.04	5.11	5.18	5.26	5.33	5.41	5.79	6.17	6.52	6.83
69	3.74	3.94	4.17	4.44	4.75	5.11	5.19	5.27	5.34	5.42	5.50	5.91	6.31	6.68	7.01
70	3.77	3.98	4.21	4.49	4.82	5.19	5.27	5.35	5.43	5.52	5.60	6.03	6.46	6.86	7.21
71	3.80	4.01	4.25	4.54	4.88	5.27	5.35	5.44	5.53	5.61	5.70	6.16	6.61	7.04	7.42
72	3.83	4.05	4.30	4.59	4.94	5.35	5.44	5.53	5.62	5.71	5.81	6.29	6.77	7.23	7.64
73	3.87	4.08	4.34	4.64	5.01	5.43	5.53	5.62	5.72	5.81	5.91	6.43	6.94	7.44	7.87
74	3.90	4.12	4.38	4.70	5.07	5.52	5.61	5.71	5.81	5.92	6.02	6.57	7.12	7.65	8.12
75	3.93	4.16	4.43	4.75	5.14	5.60	5.70	5.81	5.91	6.02	6.13	6.71	7.30	7.87	8.38
76	3.96	4.19	4.47	4.80	5.20	5.69	5.79	5.90	6.01	6.13	6.24	6.86	7.49	8.10	8.66
77	4.00	4.23	4.51	4.85	5.27	5.77	5.88	6.00	6.11	6.24	6.36	7.01	7.68	8.35	8.95
78	4.03	4.27	4.56	4.91	5.33	5.86	5.97	6.09	6.22	6.34	6.47	7.16	7.88	8.60	9.25
79	4.06	4.31	4.60	4.96	5.40	5.94	6.06	6.19	6.32	6.45	6.59	7.31	8.09	8.86	9.57

# Please see Page 13 for information regarding the calculation of annual, semi-annual or quarterly payments.

**SETTLEMENT OPTION TABLES: MONTHLY # PAYMENTS FOR EACH \$1000 OF PROCEEDS (CONTINUED)**

**OPTION E - JOINT INCOME WITH TWO-THIRDS TO THE SURVIVOR (CONTINUED)**

FEMALE Payee Age	MALE Payee Age														
	40	45	50	55	60	65	66	67	68	69	70	75	80	85	90+
80	\$4.10	\$4.34	\$4.65	\$5.01	\$5.47	\$6.03	\$6.16	\$6.29	\$6.42	\$6.56	\$6.70	\$7.47	\$8.29	\$9.13	\$9.90
81	4.13	4.38	4.69	5.07	5.53	6.12	6.25	6.38	6.52	6.67	6.82	7.63	8.51	9.40	10.25
82	4.16	4.42	4.73	5.12	5.60	6.20	6.34	6.48	6.63	6.78	6.93	7.78	8.72	9.69	10.61
83	4.19	4.46	4.78	5.17	5.66	6.28	6.43	6.57	6.73	6.88	7.05	7.94	8.94	9.98	10.98
84	4.22	4.49	4.82	5.22	5.73	6.37	6.51	6.67	6.83	6.99	7.16	8.10	9.16	10.27	11.36
85	4.25	4.53	4.86	5.27	5.79	6.45	6.60	6.76	6.92	7.10	7.27	8.25	9.37	10.57	11.75
86	4.28	4.56	4.90	5.32	5.85	6.53	6.69	6.85	7.02	7.20	7.38	8.41	9.59	10.87	12.15
87	4.31	4.60	4.94	5.37	5.91	6.61	6.77	6.94	7.11	7.30	7.49	8.56	9.80	11.17	12.55
88	4.34	4.63	4.98	5.41	5.96	6.68	6.85	7.02	7.20	7.39	7.59	8.70	10.01	11.47	12.95
89	4.37	4.66	5.01	5.45	6.02	6.75	6.92	7.10	7.29	7.48	7.69	8.84	10.21	11.75	13.35
90+	4.39	4.69	5.05	5.49	6.07	6.82	6.99	7.18	7.37	7.57	7.78	8.97	10.41	12.04	13.74

+ and over

A PRO RATA ALLOWANCE TO THE NEAREST CENT WILL BE MADE IN THE MONTHLY PAYMENT FOR ANY INTERMEDIATE AGE NOT SHOWN. THE MONTHLY PAYMENT WHEN BOTH PAYEES ARE MALE OR BOTH ARE FEMALE WILL BE FURNISHED BY THE COMPANY UPON REQUEST.

**OPTION C - FIXED PERIOD**

Years	Payment								
1	\$84.28	7	\$12.95	13	\$7.49	19	\$5.49	25	\$4.46
2	42.66	8	11.47	14	7.03	20	5.27	26	4.34
3	28.79	9	10.32	15	6.64	21	5.08	27	4.22
4	21.86	10	9.39	16	6.30	22	4.90	28	4.12
5	17.70	11	8.64	17	6.00	23	4.74	29	4.02
6	14.93	12	8.02	18	5.73	24	4.60	30	3.93

# For annual, semiannual, or quarterly payments under Options C, D, or E, calculate the monthly payment from the above tables and then multiply by the appropriate modal factor:

Option	Annual	Semiannual	Quarterly
C	11.865	5.969	2.994
D - 10 Years	11.785	5.951	2.990
D - 20 Years	11.793	5.952	2.990
E	11.787	5.951	2.990

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## NOTICE

The Owner, by virtue of this policy, is entitled to vote, in person, by mail, or by proxy, at the Annual Meetings which are held at the Home Office in Binghamton, New York, on the first Tuesday of February.

If there are any questions about this policy or if anyone seeks to replace this policy, please contact a Security Mutual agent or broker or the Home Office of the Company. All inquiries should be in writing, stating the Policy Number.

## WHOLE LIFE INSURANCE

Insurance Payable at Death  
Participating  
Premiums Payable to the Earlier of the Maturity Date or Until Prior Death



**SECURITY MUTUAL LIFE**  
**INSURANCE COMPANY OF NEW YORK**  
SECURITY MUTUAL BUILDING • 100 COURT STREET  
P.O. BOX 1625 • BINGHAMTON, NY 13902-1625 • (607) 723-3551  
www.smlny.com • (800) 765-6668



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www.smlny.com • (800) 765-6668

### WHOLE LIFE INSURANCE PAID-UP AT AGE 85

SECURITY MUTUAL LIFE INSURANCE COMPANY OF NEW YORK agrees to pay the death benefit to the beneficiary, subject to the conditions and provisions of this policy. Payment will be made when proof of the Insured's death and proof of the claimant's interest in the proceeds is received at the Company's Home Office in Binghamton, New York. This policy may have to be returned.

The policy is issued in consideration of the application and the payment of the premium.

Signed for the Company at Binghamton, New York on the Issue Date.

[ *Handwritten Signature* ]

[Secretary]

[ *Handwritten Signature* ]

[President]

### RIGHT TO EXAMINE POLICY

Please read this policy. The Owner may return this policy to the Company or to the agent or broker through whom it was purchased within 10 days after it is received. If this policy is issued as a replacement policy, the Owner may return it within 30 days after it is received, or any longer period as may be required by the laws of the state in which this policy is delivered. If the policy is returned within the stated period, the policy will be void from the beginning. The Company will refund any premium paid.

Insurance Payable at Death  
Participating  
Premiums Payable to Age 85 or Until Prior Death

### POLICY SPECIFICATIONS

INSURED:	[JOHN DOE]	POLICY NUMBER:	[SPECIMEN]
FACE AMOUNT:	[\$100,000]	AGE AND SEX:	[35 – MALE]
PREMIUM:	[\$1,370.00 ANNUALLY]	POLICY DATE:	[NOVEMBER 1, 2009]
		ISSUE DATE:	[NOVEMBER 1, 2009]
		MATURITY DATE:	[NOVEMBER 1, 2095]
OWNER:	[INSURED]	PREMIUM CLASS:	[STANDARD NON-SMOKER]

[STATE] INSURANCE DEPARTMENT TELEPHONE NUMBER: [XXX-XXX-XXXX]

SECOND PAGE

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**SCHEDULE OF BENEFITS**

<u>BENEFIT</u>	<u>PREMIUM</u>	<u>YEARS PAYABLE</u>
FACE AMOUNT [ \$100,000 ]	[ \$1,210.00 ]	[ 50 ]
AN ANNUAL POLICY FEE OF [ \$75.00 ] IS INCLUDED IN THIS PREMIUM		
[ ACCIDENTAL DEATH: [ \$100,000 ]	[ \$74.00 ]	[ 35 ] ]
[ ADDITIONAL INSURANCE RIDER: [ \$25,000 ]	[ \$53.00 ]	[ 14 ]
EXPIRY DATE: [ NOVEMBER 1, 2023 ]		
[ DISABILITY WAIVER	[ \$33.00 ]	[ 31 ]
 TOTAL ANNUAL PREMIUM	<hr/> [ \$1,370.00 ]	
 [ PAID-UP ADDITIONS RIDER - INITIAL PAYMENT	[ \$1,000.00 ]	
[ DISABILITY WAIVER	[ \$4.03 ]	[ 10 ]
(SEE DETAILS ON PAGE 3(FPUA))		

[ †† ] **SCHEDULE OF PREMIUMS**

WHEN THE PREMIUM FOR ANY BENEFIT CHANGES OR CEASES TO BE PAYABLE, AS SHOWN IN THE SCHEDULE OF BENEFITS, THESE PREMIUMS WILL CHANGE ACCORDINGLY.

FREQUENCY OF PREMIUM PAYMENT

PREMIUMS DUE				
BEGINNING ON:	ANNUAL	SEMI-ANNUAL *	QUARTERLY *	[ ]
[ NOVEMBER 1, 2009 ]	[ \$1,370.00 ]	[ \$712.40 ]	[ \$363.05 ]	[ ]

\* PREMIUMS SHOWN INCLUDE THE ADDITIONAL CHARGE FOR THE CONVENIENCE OF PAYING MORE FREQUENTLY THAN ANNUALLY.

[ ]

[ †† THIS SCHEDULE DOES NOT SHOW PREMIUMS FOR PAID-UP ADDITIONS RIDER. (SEE PAGE 3(FPUA)) ]

**THE POLICY SPECIFICATIONS ARE CONTINUED ON THE FOLLOWING PAGES**

**POLICY SPECIFICATIONS**

INSURED: [ JOHN DOE ]	POLICY NUMBER: [ SPECIMEN ]
FACE AMOUNT: [ \$100,000 ]	AGE AND SEX: [ 35 – MALE ]
PREMIUM: [ \$1,370.00 ] [ ANNUALLY ]	POLICY DATE: [ NOVEMBER 1, 2009 ]
	ISSUE DATE: [ NOVEMBER 1, 2009 ]
	MATURITY DATE: [ NOVEMBER 1, 2095 ]
OWNER: [ INSURED ]	PREMIUM CLASS: [ STANDARD NON-SMOKER ]

DIVIDENDS ARE NOT GUARANTEED. THE COMPANY HAS THE RIGHT TO CHANGE THE AMOUNT OF DIVIDENDS TO BE CREDITED TO THIS POLICY WHICH MAY RESULT IN LOWER DIVIDEND CASH VALUES THAN WERE ILLUSTRATED. IN THE EVENT THAT PREMIUMS WERE ILLUSTRATED TO STOP PRIOR TO AGE 85, A REDUCTION IN DIVIDENDS MAY REQUIRE MORE PREMIUMS TO BE PAID THAN WERE ILLUSTRATED. GUARANTEED POLICY VALUES ARE CALCULATED USING THE GUARANTEED INTEREST RATE OF 4.0%.

THIS POLICY MAY NOT QUALIFY AS LIFE INSURANCE UNDER FEDERAL TAX LAW AFTER THE INSURED'S ATTAINED AGE 100. THE OWNER SHOULD CONSULT HIS/HER TAX ADVISOR BEFORE CONTINUING THE POLICY AFTER THE INSURED'S ATTAINED AGE 100.

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

## TABLE OF GUARANTEED VALUES

The values in this table have been computed on the basis that the premium shown on the third page has been paid, no loans exist, and no dividend credits or indebtedness exist on this policy. The values applying to this policy are dependent on the age at Issue of the Insured as stated on the third page of this policy. The period of extended term insurance does not vary with the amount of insurance. The "Basic Cash Value" values are calculated using the 2001 Commissioners Standard Ordinary Select and Ultimate [Male] [Non-Smoker] Mortality Table. The "Paid-Up Insurance" and "Extended Term Insurance" values are calculated using the 2001 Commissioners Standard Ordinary Ultimate [Male] [Non-Smoker] Mortality Table.

### AGE [35]

END OF YEAR	BASIC CASH VALUE	PAID-UP INSURANCE	EXTENDED TERM INSURANCE	
			YEARS	DAYS
1	[0	0	0	0
2	0	0	0	0
3	810	3,567	5	339
4	1,876	7,977	11	41
5	2,974	12,213	14	361
6	4,309	17,090	18	48
7	5,688	21,792	20	163
8	7,111	26,321	22	39
9	8,581	30,694	23	134
10	10,096	34,909	24	146
11	11,388	38,074	24	329
12	12,710	41,099	25	98
13	14,063	43,992	25	185
14	15,449	46,754	25	233
15	16,871	49,394	25	250
16	18,332	51,931	25	243
17	19,833	54,371	25	215
18	21,372	56,717	25	168
19	22,949	58,974	25	104
20	24,562	61,146	25	25]

Values for the years not shown in the above table will be furnished upon request.

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

**PAID UP ADDITIONS RIDER**

PREMIUM SERVICE FEE:

[8.00%] DEDUCTED PRIOR TO PURCHASE IN FIRST RIDER YEAR;

[7.00%] DEDUCTED PRIOR TO PURCHASE IN RENEWAL YEARS

		MAXIMUM NUMBER OF SCHEDULED PAYMENTS
INITIAL PREMIUM PAYMENT	[\$1,000.00]	1
TOTAL PAID UP INSURANCE PURCHASED BY RIDER INITIAL PREMIUM PAYMENT	[\$4,500.00]	
SCHEDULED [ANNUAL] PREMIUM PAYMENT	[\$1,000.00]	[9]
DISABILITY WAIVER OF PREMIUM PAYMENT [ANNUAL]	[\$4.03]	[10]
RIDER PREMIUM TERMINATION DATE [NOVEMBER 1, 2019]		

MINIMUM SCHEDULED PREMIUM PAYMENT [\$180] ANNUALLY

INSURED: [ JOHN DOE ]

POLICY NUMBER: [ SPECIMEN ]

## POLICY BENEFITS

### LIVING BENEFITS

This policy has certain values which are available to the Owner during the Insured's lifetime. These values consist of the policy's Basic Cash Value plus any dividend values which are credited to the policy. These values may be used:

- As collateral for a loan or as the basis for a policy loan.
- To continue some insurance protection if you cannot or do not wish to continue paying premiums.
- To obtain cash by surrendering your policy.
- To provide any settlement options.

The Surrender Value available for such use is the total of:

The Basic Cash Value of your policy;

- PLUS: The cash value of any additional insurance, purchased by dividends under Options C or E of the Dividends section, not previously surrendered;
- PLUS: The accumulated value of any dividends left at interest;
- PLUS: Any other dividend credits;
- MINUS: Any unpaid policy loans and unpaid loan interest.

### AT AND BEYOND MATURITY

On and after the Maturity Date shown on page 3, interest on policy loans will continue to accrue in accordance with the Loans provision of this policy. The Owner may take out a new policy loan. Loan repayments will be accepted.

The Death Benefit will always be at least equal to the Surrender Value. Interest will be paid on the Basic Cash Value and the cash values of any paid-up insurance

purchased by dividends under Option C of the Dividends provision of this policy and not previously surrendered, at the rate declared by the Company for Settlement Option A.

### DEATH BENEFITS

The amount payable to the beneficiary is the total of the following amounts determined on the date of the Insured's death:

- The Face Amount on this policy;
- PLUS: Interest from date of death to date of payment at the rate declared by the Company for Settlement Option A as of the date of the Insured's death; provided, however that if any proceeds or refunds of premiums on this Policy are not paid within 30 days after proof of death of the Insured is received, interest will be paid upon the proceeds or refunds of premiums at the rate of 8.00% per year.
- PLUS: Any additional insurance on the Insured's life provided by an additional benefit agreement;
- PLUS: Any paid-up insurance on the Insured's life purchased with dividends, under Options C or E of the Dividends section, not previously surrendered;
- PLUS: The value of any dividends left at interest;
- PLUS: Any other dividend credits;
- PLUS: Any premium paid beyond the policy month in which death occurs;
- MINUS: Any premium due if death occurs within the grace period;
- MINUS: Any unpaid policy loans and unpaid loan interest.

PLEASE READ THIS POLICY FOR FULL DETAILS.

## GENERAL PROVISIONS AND EXCLUSIONS

### THE CONTRACT

The entire contract consists of this policy and the attached application. In issuing, changing, or reinstating this policy, the Company has relied upon the statements made in the application. These statements shall, in the absence of fraud, be deemed representations and not warranties. The Company will not use any statement to void this policy or to defend against a claim under it, unless the statement is contained in the attached written application.

Policy years, policy months, and policy anniversaries are measured from the Policy Date. The only way this contract may be modified is by a written agreement signed by the President, a Vice President, or the Secretary of the Company. The Company may require that the policy be submitted for endorsement to show any change. No agent or broker has authority to change the policy or to waive any of its provisions.

**GENERAL PROVISIONS AND EXCLUSIONS (CONTINUED)**

**INCONTESTABILITY**

Except for fraud in the procurement of the policy (when permitted by applicable law in the state where this policy is delivered or issued for delivery):

1) the Company will not contest this policy after it has been in force, during the Insured's lifetime, for two years from its Issue Date, except for:

- (a) nonpayment of premiums, or
- (b) any Rider providing disability or accidental death benefits;

2) further, the Company will not contest any reinstatement of this policy for any material misstatement made in the application for reinstatement, after the policy has been in force, during the Insured's lifetime, for two years from the effective date of such reinstatement (see "Reinstatement");

3) the Company will not contest any change requiring evidence of insurability after such change has been in force for two years from its effective date.

**MISSTATEMENT OF AGE OR SEX**

If the Insured's age or sex is incorrectly stated, the amount payable will be the amount which the premiums paid would have purchased for the correct age and sex. Upon receipt of due proof, the Company will admit the age and sex of the Insured at any time.

**SUICIDE**

If the Insured dies by suicide while sane or insane within 2 years from the Issue Date the policy proceeds will be limited to the gross premiums paid, reduced by the amount of any dividends paid in cash, dividends applied in reduction of premium and any outstanding loans with loan interest to date of death.

**CHANGE OF PLAN**

Subject to Company rules, the policy may be changed to another form, amount or plan of insurance.

**ANNUAL NOTICE**

At least once each policy year, the Company will send to the Owner a statement concerning the status of the policy and such other information as may be required by the officials of the state in which this policy is delivered.

**ILLUSTRATIVE REPORT**

Upon written request, the Company will provide to the Owner an illustrative report of the current status of the policy based on actual payments made and dividends credited. One such report will be provided to the Owner per year at no charge. Additional reports in a year will be subject to a fee of \$25 per report.

**RIGHTS OF OWNER AND BENEFICIARY**

**RIGHTS OF OWNER**

The Owner on the Issue Date will be the person designated in the Policy Specifications. If no other Owner is designated, the Insured will be the Owner. Consistent with the terms of any beneficiary designation and any assignment, the Owner may, during the lifetime of the Insured:

- (a) assign or surrender this policy;
- (b) take or repay a policy loan;
- (c) amend or modify this policy with the written consent of the Company; and
- (d) exercise any right, receive any benefit, or enjoy any privilege contained in this policy.

During the lifetime of the Insured, the Owner may change the ownership designation by written notice satisfactory to the Company. Unless otherwise specified by the Owner, the change will take effect as of the date the

notice is signed by the Owner, subject to any payments made or actions taken by the Company prior to receipt of the notice.

**CONTINGENT OWNER**

If the Owner is other than the Insured, the Owner may, during the lifetime of the Insured, name a single Contingent Owner. The Contingent Owner may be named in the application for the policy or by later written notice satisfactory to the Company. The Contingent Owner may also be changed by written notice satisfactory to the Company. If the Owner dies before the Insured, then upon the Owner's death, the Contingent Owner will become the Owner of the policy. If the Contingent Owner does not survive the Owner, then upon the Owner's death, the Owner's estate shall become the Owner. Any change of ownership prior to the Owner's death shall revoke the Contingent Owner designation.

## RIGHTS OF OWNER AND BENEFICIARY (CONTINUED)

### ASSIGNMENT

The Owner may assign the ownership of this policy. No policy assignment will be binding on the Company unless it is in writing in a form satisfactory to the Company and received by the Company at the Home Office. Unless otherwise specified by the Owner, the assignment will then be effective as of the date it was signed by the Owner, subject to any payment or other action by the Company before receipt of such notice. An absolute policy assignment will make the assignee the Owner and will revoke any prior designation of Contingent Owner. A collateral assignment of this policy will not cause an ownership change. However, the rights of any owner, beneficiary, or other payee will be subject to the terms of the collateral assignment. The Company is not responsible for the validity, effect or sufficiency of an assignment.

### BENEFICIARY

The beneficiary named in the application for this policy will receive the death benefit upon the Insured's death unless the Owner has changed the beneficiary designation. Unless specifically designated as irrevocable, beneficiary designations may be changed by the Owner, while the Insured is living, by written notice satisfactory to the Company. An irrevocable beneficiary designation may be changed only with the consent of such irrevocable beneficiary. The consent of any irrevocable beneficiary will also be required for any policy loan, assignment or change. Unless otherwise specified by the Owner, the change in beneficiary will take effect as of the date the notice was signed, subject to any payment or other action taken by the Company before receipt of such notice. If any beneficiary dies before the Insured, that beneficiary's interest will pass to any other beneficiaries according to their respective interests. If no beneficiary survives the Insured, the proceeds will be paid in one sum to the Owner, if living; otherwise, to the Owner's estate.

## PREMIUMS

### PREMIUMS

This policy is issued in consideration of the application and the first premium payment. Subsequent premiums are due and payable in advance while the Insured is alive. The amount and frequency of premium payments are shown on Page 3. All premiums are payable at the Home Office in Binghamton, New York.

Premiums are payable for the period shown on Page 3 of this policy or until the death of the Insured. The premium for any Rider which provides additional benefits is set forth in the schedule on Page 3 and is included in the premium for the policy. Premiums may be paid annually, semi-annually, or quarterly. The Owner may change the frequency of premium payments subject to Company rules in effect at the time of the change by filing a written request in a form satisfactory to the Company at the Home Office.

### GRACE PERIOD

A grace period of 31 days will be allowed for payment of each premium due after the first. Each such premium payment must be postmarked before the end of the grace period. This policy will continue in force during the grace period.

### REINSTATEMENT

Any premium not paid before the grace period ends will result in default. The default date is the date on which the unpaid premium is due. This policy may be reinstated within 5 years after default if:

- (a) the policy has not been surrendered for cash;

- (b) the Insured is alive;
- (c) evidence of insurability satisfactory to the Company is given;
- (d) all overdue premiums are paid with interest at 6% a year, compounded annually, from the due date of each premium; and
- (e) any policy indebtedness existing on the due date of the unpaid premium is paid or reinstated with interest at a rate not exceeding the applicable policy loan rate or rates determined in accordance with policy provisions.

A part or all of the reinstatement cost may be paid by policy loan if, after reinstatement, the loan value is sufficient. Any dividends payable by reason of the reinstatement may be used to reduce the required payment.

The application for reinstatement will attach to, and become a part of, the policy.

### PREMIUM ADJUSTMENT AT DEATH

The portion of any premium paid for the period beyond the end of the policy month in which the Insured dies will be included in the death benefit. However, if premiums have been waived under any waiver of premium benefit rider attached to this policy or for any other reason, no such refund will be made. If the Insured dies within the grace period, the portion of any unpaid premium due for the period ending with the last day of the policy month in which the Insured dies will be deducted from the death benefit.

**DIVIDENDS****DIVIDENDS**

While this policy is in force, except as Extended Term Insurance, it is eligible to share in the divisible surplus of the Company. This policy's share, if any, will be determined annually by the Company and will be payable as a dividend at the end of each policy year provided premiums for the year are paid in full. No dividend will be payable for the first policy year until all the required premiums for the second policy year are paid. The dividend for any policy year will be affected by any outstanding loan during the policy year.

Each dividend may be applied under one of the options below. The Owner may change the option for future dividends without the consent of any beneficiary by written notice to the Company. If no dividend option is elected, dividends will be applied under option C.

**OPTION A. PAID IN CASH****OPTION B. APPLIED TO REDUCE PREMIUMS****OPTION C. APPLIED TO PURCHASE PAID-UP ADDITIONAL WHOLE-LIFE INSURANCE**

Such paid-up insurance is referred to as dividend additions and may be surrendered for cash if not collaterally assigned. The amount of additional insurance purchased by each dividend applied will be that which the dividend will purchase when applied as a net single

premium at the attained age of the Insured. The cash value is the present value but not less than the dividends applied to purchase the additions. The present value is the attained age net single premium for the total amount of paid-up insurance not previously surrendered, based on the interest rate and mortality table defined in the Basis of Computations provision. Dividend additions share in divisible surplus.

**OPTION D. LEFT WITH THE COMPANY ON DEPOSIT AT INTEREST**

On each policy anniversary, interest will be credited at the rate determined each year but not less than 3.0% and added to the amount on deposit. Dividend deposits may be surrendered for cash if not collaterally assigned. The value shall be the amount on deposit.

**OPTION E. APPLIED AS A NET SINGLE PREMIUM TO PURCHASE A ONE-YEAR TERM ADDITION**

The one year term addition purchased is effective on the dividend due date and terminates one year thereafter. The one-year term addition will terminate earlier if any premium is not paid on or before the end of the grace period. If this occurs, the cash value of such term addition, if any, will be paid. One-year term additions are not eligible for dividends. This option is not available if this policy is in a rated premium class. If this option is elected after this policy is in force, evidence of insurability satisfactory to the Company must be given.

**POLICY LOANS****LOANS**

Loans may be made at any time a loan value is available if the policy is not on the Extended Term Insurance basis.

The loan value will be the total of:

The Basic Cash Value of this policy on the next policy anniversary, discounted to date of loan;

**PLUS:** The cash value of any dividend additions discounted to date of loan;

**LESS:** Any current loan or loan interest;

**LESS:** All premiums unpaid to the next policy anniversary.

A loan will be made on the sole security and proper assignment of this policy to the Company.

Loan interest will accrue daily from the date of the loan and is due at the end of each policy year. If interest is not paid when due it will be added to the amount of the loan. It

will be added as of the due date and will bear interest at the same rate as the rest of the loan.

The Company reserves the right to adjust the policy loan interest rate once every twelve (12) calendar months as permitted by law. The rate of interest charged on the policy loans shall be determined at the beginning of each calendar year. The new interest rate charged shall not exceed the higher of (a) or (b) as follows:

- (a) Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc., any successor thereto or any similar average as set by regulation of the state in which this policy is delivered. Such monthly average shall be for the calendar month ending two months before the date on which the rate is determined; or
- (b) 5%.

## POLICY LOANS (CONTINUED)

### LOANS (CONTINUED)

The interest rate being charged may be increased when the maximum rate as determined above would increase that rate by ½% or more per annum. The interest rate being charged will be reduced when the maximum rate as determined above would decrease that rate by ½% or more per annum.

Starting in policy year 20, the rate of interest charged on the policy loans will be reduced by ½%.

This policy will not terminate in a policy year as the sole result of a change in the interest rate during that policy year; coverage will continue during that policy year until the time at which it would otherwise have terminated if there had been no change during that policy year.

The Owner will be notified at the time a loan is made of the initial rate of interest on the loan. If a loan is outstanding, the Owner will be given 30 days advance notice of any increase in the policy loan interest rate.

The Company may defer making the loan for up to six months unless the loan is to be used to pay premiums to the Company.

A loan may be repaid in full or in part at any time while the policy is in force, whether or not the Insured is then living. If any payment is intended as a loan repayment, rather than a premium payment, the Owner must specify this when making the payment.

At any time the policy loan and loan interest equal or exceed the Basic Cash Value of the policy plus the cash value of any dividend additions, this policy will terminate without further value. At least 31 days prior notice will be mailed to the Owner and any assignee of record. Upon termination, any remaining dividends left on deposit at interest shall be paid to the Owner.

## SURRENDER VALUE AND NON-FORFEITURE PROVISIONS

### BASIC CASH VALUE

The Basic Cash Value of this policy is shown on Page 3(B).

### SURRENDER VALUE

While this policy is in force the Surrender Value will be the sum of:

- 1) the Basic Cash Value of this policy;
- 2) the cash value of any paid-up insurance, purchased by dividends under Options C or E of the Dividends section, not previously surrendered;
- 3) the accumulated value of any dividends left at interest; and

### AUTOMATIC PREMIUM PAYMENT

An election may be made for automatic premium payment either in the application or by written notice to the Company if the policy is in force and has been in force for one year.

- 1) Dividends Left on Deposit at Interest: (Applicable only if elected.) While this election is in effect, the Company will pay any premium which is unpaid at the end of its grace period from any amount on deposit under Dividend Option "D", if sufficient.
- 2) Automatic Loan: (Applicable only if elected.) While this election is in effect, the Company will pay any premium which is unpaid at the end of its grace period, and which is not paid by item 1 above, by a loan which the Company will automatically advance, if sufficient cash value exists. The loan will be subject to the provisions of this policy.

While both elections are in effect, and if sufficient value exists, the Company will first apply amounts from dividends left on deposit at interest and then, if necessary, by automatic loan. While either election is in effect, if the amount available is less than the premium due, the interval of premium payment will be changed to the next shorter interval, if any, for which premiums may be paid and which the amount available is sufficient to pay in full. If the amount available is not sufficient to pay a premium for a shorter interval, this provision will be ineffective. The non-forfeiture provisions shall then apply. The Owner may revoke either automatic premium payment provision at any time by written request received by the Company at the Home Office.

- 4) other dividend credits;
- less:
- 5) any unpaid policy loan and loan interest.

If this policy is surrendered within 60 days after the due date of the first unpaid premium, the Surrender Value shall be the value as of the premium due date. After 60 days the Surrender Value shall be the then present value of the non-forfeiture benefit plus dividend credits, less any indebtedness. If the surrender occurs within 30 days after any anniversary of the Policy Date, the Surrender Value shall not be less than the value on that anniversary.

**SURRENDER VALUE AND NON-FORFEITURE PROVISIONS (CONTINUED)****NON-FORFEITURE PROVISIONS**

If a premium has not been paid when its grace period ends, these provisions apply. The Surrender Value, if any, will be applied as a net single premium to provide insurance on an adjusted basis as of the due date of the unpaid premium. The Owner may choose one of the following options:

- (1) Extended Term Insurance. The amount will be the Face Amount of this policy plus any dividend additions and dividends left on deposit at interest; less any indebtedness. Insurance will extend from the due date of the unpaid premium for such period as the Surrender Value will purchase. If the term insurance would extend to or beyond attained age 120, Paid-Up Life Insurance under (2) below will be provided instead. Extended Term Insurance does not share in divisible surplus. This option is not available if this policy is issued in a rated premium class.
- (2) Paid-Up Life Insurance. The amount will be that which the Surrender Value will purchase when applied as a net single premium. Paid-Up Life Insurance shares in divisible surplus.

If a premium is overdue more than 60 days and one of the options has not been chosen, the Company will automatically:

- (a) Apply (1) Extended Term Insurance, if the premium class of this policy is standard or better; or
- (b) Apply (2) Paid-Up Life Insurance, if the premium class of this policy is rated.

The present value of Extended Term or Paid-Up Life Insurance, as of the date the last premium was paid, is at least equal to the Surrender Value.

**SETTLEMENT OPTIONS**

Upon written request, the Company will pay the net policy proceeds in accordance with the options shown below. Endowment or surrender proceeds may be settled under the options, too. Subject to Company rules, more than one settlement option may be elected. The Owner may elect or change any settlement option in the same manner as a change of beneficiary during the lifetime of the Insured. The payee may elect any settlement option when the proceeds are payable if the proceeds are payable in one sum. If the payee is an estate, corporation, partnership or trustee, only Options A, B or C may be elected.

Settlement Option benefits under Options D and E at the time of their commencement, will not be less than those

**CASH SURRENDER**

The Company will pay the Surrender Value of the policy when it receives a written request and surrender of the policy before the Insured dies. The Company may defer the payment of any Surrender Value for up to 6 months from date of receipt of written request. The Company will not defer payment if the amount payable is to be used to pay premiums on policies with the Company. If payment is not made within 10 working days after the Company receives documentation in good order required for the surrender, interest will be paid at the rate required by applicable state law.

**BASIS OF COMPUTATIONS**

This policy's values and net single premiums are calculated using the table shown on Page 3(B) for the class of the Insured. Extended Term Insurance is based on the appropriate table shown on Page 3(B).

All calculations are made using an annual rate of interest of 4.0% and semi-continuous functions, at the age nearest birthday. All surrender values and paid-up non-forfeiture values are equal to or greater than those required by the state in which this policy is delivered. Where required or requested, a detailed statement of the method of computing policy values has been filed with the insurance officials of that state.

Basic Cash Values, Paid Up Life Insurance and Extended Term Insurance are shown in the "Table of Guaranteed Values" on Page 3(B) for the end of the policy years indicated. These values assume that premiums have been paid for the number of years stated. They do not reflect dividend credits or indebtedness. Values during a policy year will reflect any portion of the year's premium paid and the time elapsed in that year.

that would be provided by the application of the Surrender Value to purchase a single consideration immediate annuity contract at purchase rates offered by the Company at the time to the same class of annuitants, whether the annuity benefits are payable in fixed or variable amounts or both.

**OPTION A. INTEREST**

The Company will retain the proceeds while the payee is alive or for 30 years, whichever is shorter. Interest will be paid at the rate declared yearly by the Company, but not less than 2½% per year. The proceeds may be withdrawn at any time by the payee in whole or in part (not less than \$200 each time) upon written request.

## SETTLEMENT OPTIONS (CONTINUED)

### OPTION B. FIXED PAYMENTS

Installments of specified amounts will be payable until the proceeds with any interest thereon are exhausted. The installment amount must be at least \$75 per year per \$1,000 of proceeds retained. Interest will be paid at the rate declared yearly by the Company, but not less than 2½% per year. The proceeds may be withdrawn at any time by the payee in whole or in part (not less than \$200 each time) upon written request.

### OPTION C. FIXED PERIOD

The proceeds will be used to provide installment payments during a specified period of 30 years or less. The Option C table shows the minimum monthly payments for each \$1,000 of proceeds applied.

### OPTION D. LIFE INCOME WITH GUARANTEED PERIOD

The proceeds will be paid in installments for a guaranteed period of 10 or 20 years, as elected, and for life thereafter. The Option D table shows minimum monthly payments for each \$1,000 of proceeds applied. Payments are based on the payee's sex and age nearest birthday on the date the first payment becomes due. When the monthly payments for a guaranteed period of 10 years equal those for a guaranteed period of 20 years, the Company will automatically deem the longer guaranteed period.

### OPTION E. JOINT INCOME-TWO-THIRDS TO THE SURVIVOR

The proceeds will be paid in monthly installments during the joint lifetime of two payees. Two-thirds of the installment amount shall continue to be paid for the remaining lifetime of the survivor. Option table E shows the minimum monthly payments for each \$1,000 of proceeds applied. Payments are based on the ages nearest birthday of the payees on the date the first payment becomes due. This option is only available to payees at least 40 years of age.

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At the time the proceeds become payable under a settlement option, a Settlement Certificate will be issued. This certificate shall bear the date of the Insured's death if the proceeds settled are death proceeds and the Insured elected the option while alive. Otherwise the certificate shall bear the date the proceeds are payable. The first installment under options B, C, D and E will be payable on

the date of the Settlement Certificate. If there are amounts due the Company to be deducted from the proceeds, the beneficiary may repay the amount due when filing proof of claim. If any installment or interest payment under an option is less than \$20, the Company may change the payment interval so that payments will be at least \$20 each. If the annual payment is less than \$20, the Company may pay any unpaid amount in one sum.

The Settlement Certificate's share of the surplus of the Company will be determined annually. The Company expects that it will pay only minimal dividends, if any.

Settlement option benefits may not be assigned or commuted before they are due unless the payee has the right to do so under the elected option. As far as allowed by law, such benefits are not subject to claims of creditors or legal process. If the policy is subject to a collateral assignment on the date proceeds are payable, the amount due the assignee will be paid in one sum and not according to the option elected.

A payee under a settlement option may, by written notice filed with the Company, name and change a contingent payee(s) to receive any amount that would otherwise be payable to the payee's estate. If no contingent payee survives the payee, any unpaid amount will be paid in a single sum to the last payee's estate. Any settlement under Options A, B, C or D will then terminate. Under Options A and B the single sum will include interest to date of death. Under Options C and D, the single sum will be the present value of any guaranteed payments remaining at that time, commuted using the interest rate applied in determining these payments, compounded each year.

If payments depend upon the survival of one or more payees, the Company may require proof of age, sex, or survival of each payee. If a business has the right to elect a settlement option but transfers this right to the Insured's surviving spouse or children, the transferee(s) may elect one of the above options as if named as beneficiary under this policy.

In the event that payments under the settlement options are the same for different periods certain, then the longest period certain with that payment amount will be deemed to have been chosen.

The underlying bases used for computing the Settlement Option Tables are The Annuity 2000 Mortality Table and 2.5% interest.

SETTLEMENT OPTION TABLES: MONTHLY # PAYMENTS FOR EACH \$1000 OF PROCEEDS

OPTION D - LIFE INCOME WITH GUARANTEED PERIOD

MALE PAYEE		Age of Payee	FEMALE PAYEE	
Guaranteed			Guaranteed	
10 Years	20 Years		10 Years	20 Years
\$2.52	\$2.51	10*	\$2.46	\$2.45
2.53	2.53	11	2.47	2.47
2.54	2.54	12	2.48	2.48
2.56	2.55	13	2.49	2.49
2.57	2.57	14	2.51	2.50
2.59	2.58	15	2.52	2.52
2.60	2.60	16	2.53	2.53
2.62	2.61	17	2.55	2.54
2.64	2.63	18	2.56	2.56
2.65	2.65	19	2.58	2.57
2.67	2.67	20	2.59	2.59
2.69	2.68	21	2.61	2.61
2.71	2.70	22	2.63	2.62
2.73	2.72	23	2.64	2.64
2.75	2.74	24	2.66	2.66
2.77	2.76	25	2.68	2.68
2.79	2.79	26	2.70	2.70
2.82	2.81	27	2.72	2.72
2.84	2.83	28	2.74	2.74
2.87	2.86	29	2.76	2.76
2.89	2.88	30	2.79	2.78
2.92	2.91	31	2.81	2.81
2.95	2.94	32	2.84	2.83
2.98	2.97	33	2.86	2.85
3.01	3.00	34	2.89	2.88
3.05	3.03	35	2.92	2.91
3.08	3.06	36	2.95	2.94
3.12	3.10	37	2.98	2.97
3.16	3.13	38	3.01	3.00
3.20	3.17	39	3.04	3.03
3.24	3.21	40	3.08	3.06
3.28	3.25	41	3.11	3.10
3.33	3.29	42	3.15	3.13
3.37	3.33	43	3.19	3.17
3.42	3.37	44	3.23	3.21
3.47	3.42	45	3.28	3.25
3.53	3.47	46	3.32	3.29
3.58	3.52	47	3.37	3.34
3.64	3.57	48	3.42	3.38
3.70	3.62	49	3.47	3.43

\* and under

MALE PAYEE		Age of Payee	FEMALE PAYEE	
Guaranteed			Guaranteed	
10 Years	20 Years		10 Years	20 Years
\$3.76	\$3.67	50	\$3.53	\$3.48
3.83	3.73	51	3.59	3.53
3.90	3.79	52	3.65	3.59
3.97	3.84	53	3.71	3.64
4.05	3.90	54	3.78	3.70
4.13	3.97	55	3.85	3.76
4.22	4.03	56	3.92	3.82
4.31	4.09	57	4.00	3.88
4.40	4.16	58	4.08	3.95
4.50	4.23	59	4.17	4.02
4.61	4.29	60	4.26	4.09
4.72	4.36	61	4.36	4.16
4.83	4.43	62	4.46	4.23
4.95	4.50	63	4.57	4.31
5.08	4.56	64	4.68	4.38
5.21	4.63	65	4.80	4.45
5.35	4.69	66	4.93	4.53
5.50	4.75	67	5.07	4.60
5.65	4.81	68	5.21	4.67
5.80	4.87	69	5.36	4.74
5.96	4.92	70	5.51	4.80
6.13	4.97	71	5.68	4.87
6.30	5.01	72	5.85	4.92
6.47	5.05	73	6.03	4.98
6.65	5.09	74	6.22	5.02
6.82	5.12	75	6.41	5.07
7.00	5.15	76	6.61	5.10
7.18	5.17	77	6.81	5.14
7.36	5.19	78	7.01	5.16
7.53	5.21	79	7.21	5.19
7.70	5.22	80	7.42	5.21
7.87	5.24	81	7.61	5.22
8.03	5.25	82	7.80	5.24
8.18	5.25	83	7.99	5.25
8.32	5.26	84	8.16	5.26
8.46	5.26	85	8.32	5.26
8.58	5.27	86	8.47	5.27
8.69	5.27	87	8.60	5.27
8.80	5.27	88	8.72	5.27
8.89	5.27	89	8.83	5.27
8.98	5.27	90+	8.92	5.27

+ and over

# Please see Page 13 for information regarding the calculation of annual, semi-annual or quarterly payments.

**SETTLEMENT OPTION TABLES: MONTHLY # PAYMENTS FOR EACH \$1000 OF PROCEEDS (CONTINUED)**

**OPTION E - JOINT INCOME WITH TWO-THIRDS TO THE SURVIVOR**

FEMALE Payee Age	MALE Payee Age														
	40	45	50	55	60	65	66	67	68	69	70	75	80	85	90+
40	\$3.06	\$3.15	\$3.25	\$3.35	\$3.46	\$3.58	\$3.61	\$3.63	\$3.66	\$3.69	\$3.71	\$3.85	\$3.98	\$4.10	\$4.21
41	3.08	3.17	3.27	3.38	3.49	3.61	3.64	3.67	3.69	3.72	3.75	3.89	4.02	4.15	4.26
42	3.10	3.20	3.30	3.40	3.52	3.65	3.67	3.70	3.73	3.76	3.79	3.92	4.06	4.19	4.30
43	3.12	3.22	3.32	3.43	3.55	3.68	3.71	3.74	3.77	3.79	3.82	3.97	4.11	4.24	4.35
44	3.14	3.24	3.35	3.46	3.58	3.72	3.75	3.77	3.80	3.83	3.86	4.01	4.15	4.29	4.41
45	3.16	3.26	3.37	3.49	3.62	3.75	3.78	3.81	3.84	3.87	3.90	4.05	4.20	4.34	4.46
46	3.18	3.29	3.40	3.52	3.65	3.79	3.82	3.85	3.88	3.91	3.94	4.10	4.25	4.39	4.52
47	3.20	3.31	3.43	3.55	3.69	3.83	3.86	3.89	3.93	3.96	3.99	4.15	4.30	4.45	4.58
48	3.22	3.33	3.45	3.58	3.72	3.87	3.91	3.94	3.97	4.00	4.03	4.20	4.36	4.51	4.64
49	3.24	3.36	3.48	3.62	3.76	3.92	3.95	3.98	4.01	4.05	4.08	4.25	4.41	4.57	4.70
50	3.26	3.38	3.51	3.65	3.80	3.96	3.99	4.03	4.06	4.10	4.13	4.30	4.47	4.63	4.77
51	3.28	3.41	3.54	3.68	3.84	4.01	4.04	4.08	4.11	4.15	4.18	4.36	4.54	4.70	4.84
52	3.30	3.43	3.57	3.72	3.88	4.05	4.09	4.12	4.16	4.20	4.23	4.42	4.60	4.77	4.92
53	3.33	3.46	3.60	3.76	3.92	4.10	4.14	4.18	4.21	4.25	4.29	4.48	4.67	4.84	5.00
54	3.35	3.49	3.63	3.79	3.96	4.15	4.19	4.23	4.27	4.31	4.35	4.55	4.74	4.92	5.08
55	3.37	3.51	3.67	3.83	4.01	4.20	4.24	4.28	4.32	4.37	4.41	4.61	4.81	5.00	5.17
56	3.40	3.54	3.70	3.87	4.06	4.26	4.30	4.34	4.38	4.43	4.47	4.68	4.89	5.09	5.26
57	3.42	3.57	3.73	3.91	4.10	4.31	4.36	4.40	4.44	4.49	4.53	4.75	4.97	5.18	5.35
58	3.44	3.60	3.76	3.95	4.15	4.37	4.41	4.46	4.51	4.55	4.60	4.83	5.06	5.27	5.46
59	3.47	3.62	3.80	3.99	4.20	4.43	4.47	4.52	4.57	4.62	4.67	4.91	5.15	5.37	5.56
60	3.49	3.65	3.83	4.03	4.25	4.49	4.54	4.59	4.64	4.69	4.74	4.99	5.24	5.47	5.67
61	3.52	3.68	3.87	4.07	4.30	4.55	4.60	4.65	4.71	4.76	4.81	5.08	5.34	5.58	5.79
62	3.55	3.71	3.90	4.12	4.35	4.61	4.67	4.72	4.78	4.83	4.89	5.17	5.44	5.69	5.92
63	3.57	3.74	3.94	4.16	4.41	4.68	4.74	4.79	4.85	4.91	4.97	5.26	5.55	5.81	6.05
64	3.60	3.78	3.98	4.21	4.46	4.75	4.81	4.87	4.93	4.99	5.05	5.36	5.66	5.94	6.19
65	3.63	3.81	4.02	4.25	4.52	4.82	4.88	4.94	5.01	5.07	5.14	5.46	5.78	6.07	6.33
66	3.65	3.84	4.05	4.30	4.58	4.89	4.95	5.02	5.09	5.16	5.22	5.57	5.90	6.21	6.49
67	3.68	3.87	4.09	4.35	4.63	4.96	5.03	5.10	5.17	5.24	5.31	5.68	6.03	6.36	6.65
68	3.71	3.91	4.13	4.39	4.69	5.04	5.11	5.18	5.26	5.33	5.41	5.79	6.17	6.52	6.83
69	3.74	3.94	4.17	4.44	4.75	5.11	5.19	5.27	5.34	5.42	5.50	5.91	6.31	6.68	7.01
70	3.77	3.98	4.21	4.49	4.82	5.19	5.27	5.35	5.43	5.52	5.60	6.03	6.46	6.86	7.21
71	3.80	4.01	4.25	4.54	4.88	5.27	5.35	5.44	5.53	5.61	5.70	6.16	6.61	7.04	7.42
72	3.83	4.05	4.30	4.59	4.94	5.35	5.44	5.53	5.62	5.71	5.81	6.29	6.77	7.23	7.64
73	3.87	4.08	4.34	4.64	5.01	5.43	5.53	5.62	5.72	5.81	5.91	6.43	6.94	7.44	7.87
74	3.90	4.12	4.38	4.70	5.07	5.52	5.61	5.71	5.81	5.92	6.02	6.57	7.12	7.65	8.12
75	3.93	4.16	4.43	4.75	5.14	5.60	5.70	5.81	5.91	6.02	6.13	6.71	7.30	7.87	8.38
76	3.96	4.19	4.47	4.80	5.20	5.69	5.79	5.90	6.01	6.13	6.24	6.86	7.49	8.10	8.66
77	4.00	4.23	4.51	4.85	5.27	5.77	5.88	6.00	6.11	6.24	6.36	7.01	7.68	8.35	8.95
78	4.03	4.27	4.56	4.91	5.33	5.86	5.97	6.09	6.22	6.34	6.47	7.16	7.88	8.60	9.25
79	4.06	4.31	4.60	4.96	5.40	5.94	6.06	6.19	6.32	6.45	6.59	7.31	8.09	8.86	9.57

# Please see Page 13 for information regarding the calculation of annual, semi-annual or quarterly payments.

**SETTLEMENT OPTION TABLES: MONTHLY # PAYMENTS FOR EACH \$1000 OF PROCEEDS (CONTINUED)**

**OPTION E - JOINT INCOME WITH TWO-THIRDS TO THE SURVIVOR (CONTINUED)**

FEMALE Payee Age	MALE Payee Age														
	40	45	50	55	60	65	66	67	68	69	70	75	80	85	90+
80	\$4.10	\$4.34	\$4.65	\$5.01	\$5.47	\$6.03	\$6.16	\$6.29	\$6.42	\$6.56	\$6.70	\$7.47	\$8.29	\$9.13	\$9.90
81	4.13	4.38	4.69	5.07	5.53	6.12	6.25	6.38	6.52	6.67	6.82	7.63	8.51	9.40	10.25
82	4.16	4.42	4.73	5.12	5.60	6.20	6.34	6.48	6.63	6.78	6.93	7.78	8.72	9.69	10.61
83	4.19	4.46	4.78	5.17	5.66	6.28	6.43	6.57	6.73	6.88	7.05	7.94	8.94	9.98	10.98
84	4.22	4.49	4.82	5.22	5.73	6.37	6.51	6.67	6.83	6.99	7.16	8.10	9.16	10.27	11.36
85	4.25	4.53	4.86	5.27	5.79	6.45	6.60	6.76	6.92	7.10	7.27	8.25	9.37	10.57	11.75
86	4.28	4.56	4.90	5.32	5.85	6.53	6.69	6.85	7.02	7.20	7.38	8.41	9.59	10.87	12.15
87	4.31	4.60	4.94	5.37	5.91	6.61	6.77	6.94	7.11	7.30	7.49	8.56	9.80	11.17	12.55
88	4.34	4.63	4.98	5.41	5.96	6.68	6.85	7.02	7.20	7.39	7.59	8.70	10.01	11.47	12.95
89	4.37	4.66	5.01	5.45	6.02	6.75	6.92	7.10	7.29	7.48	7.69	8.84	10.21	11.75	13.35
90+	4.39	4.69	5.05	5.49	6.07	6.82	6.99	7.18	7.37	7.57	7.78	8.97	10.41	12.04	13.74

+ and over

A PRO RATA ALLOWANCE TO THE NEAREST CENT WILL BE MADE IN THE MONTHLY PAYMENT FOR ANY INTERMEDIATE AGE NOT SHOWN. THE MONTHLY PAYMENT WHEN BOTH PAYEES ARE MALE OR BOTH ARE FEMALE WILL BE FURNISHED BY THE COMPANY UPON REQUEST.

**OPTION C - FIXED PERIOD**

Years	Payment								
1	\$84.28	7	\$12.95	13	\$7.49	19	\$5.49	25	\$4.46
2	42.66	8	11.47	14	7.03	20	5.27	26	4.34
3	28.79	9	10.32	15	6.64	21	5.08	27	4.22
4	21.86	10	9.39	16	6.30	22	4.90	28	4.12
5	17.70	11	8.64	17	6.00	23	4.74	29	4.02
6	14.93	12	8.02	18	5.73	24	4.60	30	3.93

# For annual, semiannual, or quarterly payments under Options C, D, or E, calculate the monthly payment from the above tables and then multiply by the appropriate modal factor:

Option	Annual	Semiannual	Quarterly
C	11.865	5.969	2.994
D - 10 Years	11.785	5.951	2.990
D - 20 Years	11.793	5.952	2.990
E	11.787	5.951	2.990

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## NOTICE

The Owner, by virtue of this policy, is entitled to vote, in person, by mail, or by proxy, at the Annual Meetings which are held at the Home Office in Binghamton, New York, on the first Tuesday of February.

If there are any questions about this policy or if anyone seeks to replace this policy, please contact a Security Mutual agent or broker or the Home Office of the Company. All inquiries should be in writing, stating the Policy Number.

### WHOLE LIFE INSURANCE PAID-UP AT AGE 85

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Participating  
Premiums Payable to Age 85 or Until Prior Death



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