

SERFF Tracking Number: IHLI-126952001 State: Arkansas  
Filing Company: Investors Heritage Life Insurance Company State Tracking Number: 48448  
Company Tracking Number: ICC11-FEWL 2011  
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
Product Name: IHLIC-FE 2011  
Project Name/Number: FEWL-2011-AR/

## Filing at a Glance

Company: Investors Heritage Life Insurance Company

Product Name: IHLIC-FE 2011

TOI: L071 Individual Life - Whole

Sub-TOI: L071.101 Fixed/Indeterminate  
Premium - Single Life

Filing Type: Form

SERFF Tr Num: IHLI-126952001

SERFF Status: Closed-Approved-  
Closed

Co Tr Num: ICC11-FEWL 2011

Authors: Julie Hunsinger, Karen  
Jones, Brad Shepherd

Date Submitted: 04/08/2011

State: Arkansas

State Tr Num: 48448

State Status: Approved-Closed

Reviewer(s): Linda Bird

Disposition Date: 04/14/2011

Disposition Status: Approved-  
Closed

Implementation Date:

Implementation Date Requested: On Approval

State Filing Description:

## General Information

Project Name: FEWL-2011-AR

Project Number:

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Deemer Date:

Submitted By: Karen Jones

Filing Description:

We are submitting the attached numbered forms for your consideration for approval. These forms have not previously been filed in the state of Arkansas and do not replace any current forms. They are submitted in final print format.

Form ICC11-FEWL-AR (1-2011) is a level premium non-participating whole life insurance policy with level death benefits.

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: Pending approval  
in Kentucky filed with Interstate Compact.

Market Type: Individual

Individual Market Type:

Filing Status Changed: 04/14/2011

State Status Changed: 04/14/2011

Created By: Karen Jones

Corresponding Filing Tracking Number:

<i>SERFF Tracking Number:</i>	<i>IHLI-126952001</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Investors Heritage Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>48448</i>
<i>Company Tracking Number:</i>	<i>ICC11-FEWL 2011</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>IHLIC-FE 2011</i>		
<i>Project Name/Number:</i>	<i>FEWL-2011-AR/</i>		

Form ICC11-FEGB-AR (1-2011) is a level premium non-participating whole life insurance policy with graded death benefits. For all policy years, the death benefit for death resulting from accidental causes is the ultimate face amount. The death benefit for death resulting from non-accidental causes is 30% of the ultimate face amount in the first policy year, 70% of the ultimate face amount in the second policy year, and 100% of the ultimate face amount in the third and later policy years.

Form ICC11-FERB-AR (1-2011) is a level premium non-participating whole life insurance policy with reduced death benefits. During the first two policy years the death benefit for non-accidental causes is a return of premium with interest at 10% and the death benefit for accidental causes is the face amount. During the third and later policy years, the death benefit for all causes of death is the ultimate face amount.

These policies will be marketed to potential insureds aged 40-85 using face-to-face contact and normal underwriting methods. There are no non-guaranteed elements, so these policies will not be illustrated.

Form ICC11-FEADB-AR (1-2011) is an Accidental Benefit Payment Rider. This rider may be attached to forms ICC11-FEWL-AR (1-2011) and ICC11-FEGB (1-2011) if the rider is applied for and the risk is accepted by the Company. This rider will provide an additional accidental death benefit for the face amount of the rider if the cause of death is accidental as defined in the rider.

Form ICC11-FEABR-AR (1-2011) is an Accelerated Death Insurance Rider. This rider may be attached to forms ICC11-FEWL-AR (1-2011) and ICC11-FEGB-AR (1-2011) if the face amount is greater than or equal to \$10,000. There is no premium for this rider.

Form ICC11-AR-FEAPP (1-2011) is the application that will be used to apply for the policy and riders above.

## Company and Contact

### Filing Contact Information

Karen Jones, Filing Administrator	kjones@ihlic.com
P.O. Box 717	800-422-2011 [Phone] 1007 [Ext]
Frankfort, KY 40602-0717	502-875-7084 [FAX]

### Filing Company Information

Investors Heritage Life Insurance Company	CoCode: 64904	State of Domicile: Kentucky
P.O. Box 717	Group Code:	Company Type: LAH
200 Capital Avenue	Group Name:	State ID Number:
Frankfort, KY 40602-0717	FEIN Number: 61-0574893	

SERFF Tracking Number: IHLI-126952001 State: Arkansas  
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(502) 209-1007 ext. [Phone]

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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$300.00  
 Retaliatory? No  
 Fee Explanation: 3 policy forms @ \$50 each = \$150  
 2 rider forms @ \$50 each = \$100  
 1 application @ \$50 = \$50  
 Total fee = 300.00  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Investors Heritage Life Insurance Company	\$300.00	04/08/2011	46402594

SERFF Tracking Number: IHLI-126952001 State: Arkansas  
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	04/14/2011	04/14/2011

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	04/13/2011	04/13/2011	Karen Jones	04/13/2011	04/13/2011

*SERFF Tracking Number:* IHLI-126952001      *State:* Arkansas  
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## **Disposition**

Disposition Date: 04/14/2011

Implementation Date:

Status: Approved-Closed

Comment: Form ICC11-FERB-AR (1-2011) Final Expense Reduced Benefit policy has been withdrawn from this submission.

Rate data does NOT apply to filing.

SERFF Tracking Number: IHLI-126952001 State: Arkansas  
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Disclosure Forms		Yes
Form	Final Expense Whole Life Policy		Yes
Form	Final Expense Graded Benefit Policy		Yes
Form (revised)	Final Expense Reduced Benefit	Withdrawn	Yes
Form	Final Expense Reduced Benefit	Withdrawn	Yes
Form	Accelerated Death Benefit Rider		Yes
Form	Accidental Death Benefit Rider		Yes
Form	Application for Life Insurance		Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 04/13/2011  
Submitted Date 04/13/2011  
Respond By Date 05/13/2011

Dear Karen Jones,

This will acknowledge receipt of the captioned filing.

### Objection 1

Comment: Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. Form ICC11-FERB-AR (1-2011) Final Expense Reduced Benefit policy is in violation of Guideline One of this bulletin.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

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 Project Name/Number: FEWL-2011-AR/

## Response Letter

Response Letter Status Submitted to State  
 Response Letter Date 04/13/2011  
 Submitted Date 04/13/2011

Dear Linda Bird,

### Comments:

Thank you for your review of this Whole Life Insurance Product.

### Response 1

Comments: Please withdraw form number ICC11-FERB-AR (1-2011) from this filing.

### Related Objection 1

Comment:

Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. Form ICC11-FERB-AR (1-2011) Final Expense Reduced Benefit policy is in violation of Guideline One of this bulletin.

### Changed Items:

No Supporting Documents changed.

### Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Final Expense Reduced Benefit	ICC11-FERB-AR (1-2011)		Policy/Contract/Fraternal Certificate	Other	WITHDRAW	50.800	

### Previous Version

Final Expense Reduced Benefit	ICC11-FERB-AR (1-2011)		Policy/Contract/Fraternal Certificate	Initial		50.800	ICC11-FERB-AR (1-2011).pdf
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*SERFF Tracking Number:* IHLI-126952001      *State:* Arkansas  
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*Product Name:* IHLIC-FE 2011  
*Project Name/Number:* FEWL-2011-AR/

No Rate/Rule Schedule items changed.

Please contact me with additional questions or concerns.

Sincerely,  
Brad Shepherd, Julie Hunsinger, Karen Jones

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## Form Schedule

### Lead Form Number: ICC11-FEWL-AR (1-2011)

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	ICC11-FEWL-AR (1-2011)	Policy/Cont Final Expense Whole Initial ract/Fratern Life Policy Certificate			50.200	ICC11-FEWL-AR (1-2011).pdf
	ICC11-FEGB-AR (1-2011)	Policy/Cont Final Expense ract/Fratern Graded Benefit Certificate	Initial		50.500	ICC11-FEGB-AR (1-2011).pdf
Withdrawn 04/14/2011	ICC11-FERB-AR (1-2011)	Policy/Cont Final Expense ract/Fratern Reduced Benefit Certificate	Other	Other Explanation: WITHDRAW	50.800	
	ICC11-FEABR-AR (1-2011)	Policy/Cont Accelerated Death ract/Fratern Benefit Rider Certificate: Amendment, Insert Page, Endorsement or Rider	Initial		50.900	ICC11-FEABR-AR (1-2011).pdf
	ICC11-FEADB-AR (1-2011)	Policy/Cont Accidental Death ract/Fratern Benefit Rider Certificate: Amendment, Insert Page, Endorsement or Rider	Initial		50.000	ICC11-FEADB-AR (1-2011).pdf

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Product Name: IHLIC-FE 2011

Project Name/Number: FEWL-2011-AR/

ICC11-AR- Application/ Application for Life Initial	51.200	ICC11-AR-
FEAPP (1- Enrollment Insurance		FEAPP (1-
2011) Form		2011).pdf

# INVESTORS HERITAGE

*Life Insurance Company*

200 CAPITAL AVENUE  
PO BOX 717  
FRANKFORT, KY 40602-0717  
PHONE 1.800.422.2011

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We will pay the proceeds of this policy to the beneficiary upon receipt of due proof of death of the insured while this policy is in force.

We will pay the cash surrender value of this policy to you upon its surrender.

This policy is a legal contract between you and us. It is issued in consideration of the application and the payment of the initial premium on or before the date of policy delivery. Subsequent premiums are payable as provided in the policy.

## **PLEASE READ YOUR POLICY CAREFULLY!**

Signed at our home office at 200 Capital Avenue, Frankfort, Kentucky 40601.



Jane S. Jackson  
Secretary



Harry Lee Waterfield II  
President

## **30 DAY EXAMINATION PERIOD**

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You may return this policy within 30 days after receiving it by mailing it to us, taking it to the agent through whom it was purchased, or by taking it to any other agent of Investors Heritage Life Insurance Company. It will then be void as of the date of issue. Any premium paid will be returned.

Surrender of this policy may result in a substantial penalty because the cash value may be less than the premiums paid.

## **WHOLE LIFE INSURANCE POLICY**

Proceeds payable at death of insured and prior to the maturity date;  
Cash surrender value payable on the maturity date;  
Premiums payable for amount and period stated in policy schedule;  
Non-participating - no dividends.

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**POLICY SCHEDULE  
WHOLE LIFE INSURANCE**

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**POLICY NUMBER:** ..... 999200

**INSURED:** ..... John Doe

**OWNER:** ..... John Doe

**FACE AMOUNT:** ..... \$ 10,000

**DATE OF ISSUE:** ..... January 5, 2011

**ISSUE AGE:** ..... 55

**SEX:** ..... Male

**RISK CLASSIFICATION:** ..... Non-Tobacco

**ANNUAL PREMIUM:** ..... \$ 462.50

**INITIAL PREMIUM:** ..... \$ 462.50

**PREMIUM PAYMENT PERIOD:** ..... To Age 120

**MATURITY DATE:** ..... January 5, 2076

**BENEFICIARY:** ..... As stated in the application unless changed by you.

The owner and beneficiary are subject to change as described in this policy.

Guaranteed cash values are based on the 2001 CSO Mortality Table, Male or Female, Non-Tobacco or Tobacco, Age Last Birthday, and 5.00% interest per year, compounded annually.

The maximum policy loan interest rate is 8.0% per year, payable in arrears, compounded annually.

**BENEFIT SCHEDULE**

INSURED	BENEFIT	ISSUE AGE	FACE AMOUNT	PREMIUM PERIOD	BENEFIT PERIOD	ANNUAL PREMIUM
JOHN DOE	Whole Life Insurance	55	\$ 10,000	To Age 120	Whole Life	\$ 390.00
	Accidental Death Benefit Rider	55	\$ 10,000	Whole Life	Whole Life	\$ 22.50
	Accelerated Death Benefit Rider	55	\$ 10,000	Whole Life	Whole Life	\$ 0.00
	Policy Fee					\$ 50.00
				Total Annual Premium		\$ 462.50

The initial premium mode for this policy is annually.

PREMIUM MODE	MODAL PREMIUM FACTOR	MODAL PREMIUM
Monthly preauthorized transfer	0.0835	\$ 38.62
Quarterly (direct and preauthorized transfer)	0.2600	\$ 120.25
Semi-annually (direct and preauthorized transfer)	0.5150	\$ 238.19
Annual (direct and preauthorized transfer)	1.0000	\$ 462.50

The policy fee included in the above premium is \$50.00 per year.

**TABLE OF GUARANTEED POLICY VALUES**  
**DEATH BENEFITS SHOWN AS OF BEGINNING OF POLICY YEAR**  
**CASH VALUES SHOWN AS OF END OF POLICY YEAR**  
**VALUES ASSUME NO POLICY LOANS**

**ISSUE AGE 55**

<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>	<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>
1	56	\$ 10,000	\$ 0.00	\$ 0	23	78	\$ 10,000	\$ 5,076.60	\$ 7,585
2	57	10,000	54.70	165	24	79	10,000	5,308.70	7,751
3	58	10,000	268.20	775	25	80	10,000	5,535.00	7,906
4	59	10,000	487.50	1,350	26	81	10,000	5,751.50	8,048
5	60	10,000	712.90	1,895	27	82	10,000	5,961.20	8,181
6	61	10,000	942.80	2,407	28	83	10,000	6,164.60	8,304
7	62	10,000	1,175.50	2,886	29	84	10,000	6,361.40	8,419
8	63	10,000	1,409.90	3,333	30	85	10,000	6,550.70	8,526
9	64	10,000	1,646.50	3,751	31	86	10,000	6,731.00	8,625
10	65	10,000	1,884.90	4,143	32	87	10,000	6,901.10	8,715
11	66	10,000	2,125.70	4,512	33	88	10,000	7,060.40	8,798
12	67	10,000	2,367.30	4,858	34	89	10,000	7,208.30	8,872
13	68	10,000	2,610.60	5,183	35	90	10,000	7,344.70	8,939
14	69	10,000	2,856.70	5,492	36	91	10,000	7,471.70	9,000
15	70	10,000	3,104.80	5,783	37	92	10,000	7,591.60	9,057
16	71	10,000	3,353.10	6,057	38	93	10,000	7,704.70	9,109
17	72	10,000	3,601.90	6,316	39	94	10,000	7,810.60	9,158
18	73	10,000	3,851.50	6,561	40	95	10,000	7,908.40	9,201
19	74	10,000	4,101.00	6,792	41	96	10,000	7,999.80	9,242
20	75	10,000	4,348.40	7,009	42	97	10,000	8,087.40	9,280
21	76	10,000	4,594.30	7,213	43	98	10,000	8,170.40	9,315
22	77	10,000	4,837.70	7,406	44	99	10,000	8,247.70	9,348

<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>
45	100	\$ 10,000	\$ 8,317.10	\$ 9,377
46	101	10,000	8,380.10	9,404
47	102	10,000	8,441.80	9,429
48	103	10,000	8,502.10	9,454
49	104	10,000	8,560.90	9,477
50	105	10,000	8,618.00	9,500
51	106	10,000	8,673.80	9,522
52	107	10,000	8,728.20	9,544
53	108	10,000	8,781.00	9,564
54	109	10,000	8,832.30	9,584
55	110	10,000	8,882.10	9,604
56	111	10,000	8,930.30	9,622
57	112	10,000	8,976.90	9,640
58	113	10,000	9,021.90	9,657
59	114	10,000	9,065.30	9,673
60	115	10,000	9,107.20	9,689
61	116	10,000	9,147.40	9,703
62	117	10,000	9,186.40	9,718
63	118	10,000	9,226.00	9,732
64	119	10,000	9,291.00	9,756
65	120	10,000	10,000.00	10,000

## **DEFINITIONS**

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### **ATTAINED AGE**

The issue age of the insured plus the number of completed policy years.

### **EVIDENCE OF INSURABILITY**

Proof of the good health of the insured that is satisfactory to us.

### **INDEBTEDNESS**

Unpaid policy loans and unpaid policy loan interest, if any.

### **INSURED**

The individual named as the insured in the policy schedule.

### **ISSUE AGE**

Age on the insured's last birthday on or preceding the issue date.

### **ISSUE DATE**

The date from which policy anniversaries, policy years and policy months are determined.

### **MATURITY DATE**

The final date on which any proceeds are payable under this policy if the insured is still alive.

### **POLICY ANNIVERSARY**

The same day and month as the issue date for each succeeding year this policy remains in force.

### **POLICY SCHEDULE**

Page 3 of this policy.

### **PREMIUM PERIOD**

The number of years for which premiums are payable.

### **PROCEEDS**

The amount we are obligated to pay under the terms of this policy.

### **RIDER**

A rider is an attachment to this policy which provides additional benefits.

### **TABLE OF GUARANTEED POLICY VALUES**

Page 4 of this policy.

### **WE, OUR, US**

Investors Heritage Life Insurance Company.

### **WRITTEN REQUEST**

A notification or request received from the owner in a form satisfactory to us. Written requests are recorded at our home office. We will not be responsible for the validity of any written request.

### **YOU, YOURS**

The owner of this policy. The owner is designated in the application unless later changed by written notice to us.

## GENERAL PROVISIONS

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### CONTRACT

The entire contract between you and us consists of this policy, any riders or endorsements, and the written application, a copy of which is attached at issue or delivery. All statements between you and us in the application, in the absence of fraud, are representations and not warranties. No statement shall be used in defense of a claim under this policy unless it is contained in a written application that is attached to the policy when issued or delivered.

### AUTHORITY TO CHANGE

Only our officers may change the terms of this policy. Any change must be made in writing.

### INCONTESTABILITY

We will not contest the validity of this policy after it has been in force during the lifetime of the insured for a period of two (2) years from the issue date as shown in the policy schedule, except for non-payment of premium.

A reinstatement of this policy will be incontestable after it has been in force during the lifetime of the insured for two (2) years from the effective date of reinstatement. Contest of a reinstatement may be made only with respect to material misrepresentations made in the application for reinstatement.

No statement made by the owner or by the insured related to the insured's insurability may be used in a contest or to reduce benefits unless (a) it is contained in a written instrument signed by the owner or the insured, and (b) the statement on which the contest is based is material to the risk accepted by us, and (c) a copy of such instrument has been given to the owner, the insured, or the beneficiary.

### SUICIDE

If the insured commits suicide, while sane or insane, within two (2) years from the issue date, the proceeds under this policy will be an amount equal to the premiums paid.

### MISSTATEMENT OF AGE OR SEX

If the age or sex of the insured is misstated, any amount of proceeds payable will be adjusted to that amount which the premiums paid would have purchased at the true age and sex of the insured.

### NON-PARTICIPATING

This policy will not share in our surplus earnings. No dividends will be paid.

### TERMINATION

This policy will terminate and all coverage will cease on the earliest of the following dates:

1. The date we receive your written request to surrender this policy;
2. The date on which the grace period ends if a premium is then in default and this policy has no cash value;
3. The date of death of the insured;
4. If indebtedness equals or exceeds the cash value, the date that falls thirty (30) days after notice of termination has been mailed to your last known address and to any assignee of record; or
5. The maturity date shown on the policy schedule.

## **OWNERSHIP AND BENEFICIARY PROVISIONS**

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### **OWNER**

The owner of this policy is the person or party designated to exercise the rights and receive the benefits of ownership. The insured is the owner unless otherwise stated in the application or later changed.

Subject to the terms of any beneficiary designation or assignment, the owner may, during the lifetime of the insured:

1. Assign or surrender this policy;
2. Obtain a policy loan;
3. With our consent, make a change in this policy;
4. Transfer the ownership of this policy; and
5. Exercise other rights and receive other benefits as defined in this policy.

If the owner has not named a successor owner, at the death of the owner, the insured becomes the owner of this policy unless the insured is a minor or otherwise legally incompetent, in which case the owner will be the legally appointed guardian of the insured.

### **BENEFICIARY**

The beneficiary is as shown in the application. The beneficiary will receive the amount of proceeds payable at the death of the insured subject to any assignment made by you. The interest of a beneficiary terminates if the beneficiary dies before the insured. If no beneficiary survives at the death of the insured, payment may be made to you or to your estate or successors.

If more than one beneficiary survives at the death of the insured, proceeds will be allocated according to written instructions from the owner of this policy received by us prior to the death of the insured. If no allocation of proceeds between beneficiaries is specified, proceeds will be divided equally among all surviving beneficiaries.

### **CHANGE OF OWNER OR BENEFICIARY**

You may change the designations of owner and beneficiary while the insured is alive. Any change is subject to the consent of an irrevocable beneficiary. Written request of change must be filed at our home office. Unless otherwise specified by you, the new designation will then take effect as of the date you signed the notice. Such a change does not affect any payment made or other action taken by us before we received the notice.

### **ASSIGNMENT**

You may assign this policy by written request. We are not responsible for the validity or effect of any assignment of this policy. No assignment will bind us until it is received at our home office. Unless otherwise specified, any assignment will take effect on the date the notice of assignment is signed by you, subject to any payments made or actions taken by us prior to receipt of the assignment.

## **INSURANCE PROVISIONS**

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### **DEATH BENEFIT**

The death benefit payable under this policy is equal to:

1. The face amount as shown in the policy schedule; plus
2. The amount of insurance on the life of the insured provided by riders; less
3. Any policy loan balance.

### **PROCEEDS AT DEATH**

The amount of proceeds payable at death of the insured while this policy is in force will be the death benefit described above adjusted for any misstatement of age or sex.

### **INTEREST ON PROCEEDS**

Interest on proceeds will be paid from the date of death of the insured to the date of payment. Interest will accrue at a rate which is the greater of (a) the rate declared by us for proceeds left on deposit, or (b) the rate required by law.

Additional interest will accrue at an annual rate of ten (10) percent from thirty-one (31) days after the latest of the following to the date of payment:

1. The date we receive due proof of death;
2. The date we receive sufficient information to determine the amount of payment and the appropriate payee legally entitled to the proceeds; and
3. The date that any legal impediments to payment of proceeds that depend on the action of parties other than us are resolved and sufficient evidence of the same is provided to us. Legal impediments include, but are not limited to (a) the establishment of guardianships and conservatorships, or (b) the appointment and qualification of trustees, executors and administrators, or (c) the submission of information required to satisfy a state and federal reporting requirement.

### **PAYMENT OF PROCEEDS**

To claim the proceeds, due proof of death must be furnished. Due proof of death will consist of a certified copy of the death certificate of the insured, or other lawful evidence providing equivalent information, and proof of the claimant's interest in the proceeds.

### **POLICY VALUE PROVISIONS**

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#### **CASH SURRENDER VALUE**

The cash surrender value at the end of any policy year is equal to the cash value as shown in the policy schedule, less any indebtedness. The cash surrender value at any other point in time will be calculated with allowance for lapse of time from the last preceding policy anniversary.

#### **POLICY VALUE OPTIONS**

If you discontinue premium payments after this policy has a cash value, you may select one of the following policy value options subject to any conditions and limitations that apply:

1. **Cash Surrender.** You may surrender this policy for its cash surrender value. If you surrender this policy it is no longer eligible for reinstatement.
2. **Paid-up insurance.** You may apply the cash surrender value to purchase a fully paid-up life policy for a reduced amount of insurance. The amount of paid-up insurance will be that amount which the cash surrender value will purchase when applied as a net single premium at the attained age of the insured on the due date of the first unpaid premium. Reduced paid-up insurance has a cash value. The cash value of reduced paid-up insurance is equal to the net single premium at the attained age of the insured for the amount of reduced paid-up insurance in effect at the date of determination.

#### **EXERCISING THE CASH SURRENDER POLICY OPTION**

You may surrender this policy by returning it to our home office and filing a written request in a form acceptable to us. The date of surrender will be the date you signed the request provided the insured was then living. The amount that will be paid is the cash surrender value. With written permission from the Commissioner of the state in which this policy was delivered, the payment of the cash surrender value may be deferred for a period up to six (6) months after the request is received at our home office.

If surrender is requested within thirty (30) days after a policy anniversary, the cash surrender value will not be less than the cash surrender value on the policy anniversary. This policy will terminate as of the date of surrender.

#### **AUTOMATIC OPTION**

You may elect a policy value option within sixty (60) days of the due date of the first unpaid premium by sending us a written request at our home office. If no election has been made by the end of the sixty (60) day period, the paid-up insurance option will apply automatically. The effective date of this automatic option is the due date of the first unpaid premium.

### **BASIS OF POLICY VALUES**

Cash value calculations are based on the Commissioners 2001 Standard Ordinary Mortality Table, Male or Female, Non-Tobacco or Tobacco, Age Last Birthday, with interest as shown in the policy schedule. Policy benefits are not less than the minimum values required on the issue date by the NAIC Standard Nonforfeiture Law for Life Insurance as adopted by the state in which this policy was issued. A detailed statement of the method of computing policy values and benefits has been filed with the insurance department of the state in which this policy was delivered. Any cash values and paid-up nonforfeiture benefits available under this policy are not less than the minimum values and benefits required by or pursuant to the NAIC Standard Nonforfeiture Law for Life Insurance, model #808.

### **LOAN PROVISIONS**

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#### **POLICY LOAN**

We will make a loan to you upon the sole security and assignment of this policy. You may obtain a loan at any time while this policy is in force. The amount of the loan may not exceed the loan value, as defined below. We may defer making a policy loan up to six (6) months after written request is received at our home office unless the loan is used to pay a premium to us.

You may repay the loan in full or in part while your policy is in force prior to the death of the insured. Any payments received will be credited as loan repayments only if so designated.

#### **LOAN VALUE**

The loan value is equal to the cash surrender value on the date of the loan. The amount advanced as a policy loan may not exceed (a) the loan value, less (b) the amount of any existing loan, less (c) loan interest to the end of the current policy year. Unless it is paid in cash at the date of the loan, any existing policy loan, along with interest to the date of the loan, will be added to and become a part of the new policy loan.

#### **LOAN INTEREST**

Policy loan interest accrues from the date of the loan. It is payable in arrears on each policy anniversary and on the date the loan is settled. If interest is not paid when due, it will be added to the loan and will bear interest at the policy loan interest rate.

The maximum annual interest rate for loans is stated in the policy schedule. Interest is compounded annually.

#### **INDEBTEDNESS**

Indebtedness means all outstanding policy loans on this policy including interest accrued and accruing from day to day. Indebtedness may be repaid in full or in part while the insured is alive. If not repaid, it will be deducted in one sum from the proceeds of this policy.

If indebtedness exceeds the cash surrender value, this policy will terminate thirty (30) days after notice of termination has been mailed to your last known address and to any assignee of record.

### **PREMIUM PROVISIONS**

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#### **PREMIUM PAYMENTS**

The initial premium shown in the policy schedule is due on the policy date. There is no insurance coverage in effect until the initial premium is paid while the insured is alive.

Additional premiums are payable in advance at our home office. Each premium, including the initial premium, may be paid to our authorized agent who will provide a receipt. The receipt must be signed by the agent who receives the payment on our behalf.

### **PREMIUM DUE DATE**

Each premium, after the initial premium, is due on or before the end of the period covered by the preceding premium. Any premium not paid on or before its premium due date is in default.

### **GRACE PERIOD**

A grace period of thirty-one (31) days is allowed for payment without interest of any premium falling due after the policy date. During the grace period this policy will stay in force. If a premium in default has not been paid by the end of the grace period, this policy will terminate as of the premium due date of the unpaid premium. If the insured dies during the grace period, the premium required to keep this policy in force to the end of the policy month in which death occurs will be deducted from the proceeds. This thirty-one (31) day grace period does not apply to the initial premium payment.

### **MODES OF PREMIUM PAYMENT**

Premiums may be paid monthly, quarterly, semi-annually, or annually. Payment of premiums is subject to our current minimum premium requirements and permitted methods of payment. You may change your method of premium payment with our consent.

### **AMOUNTS OF PREMIUM**

The amount of premium due on any premium due date is equal to the total annual premium in effect on that date multiplied by the modal premium factor. The total annual premium is the sum of the annual premiums for this policy and for any benefits attached by rider. The total annual premium and the modal premium factors for each allowable premium mode are shown in the policy schedule.

### **REFUND OF UNEARNED PREMIUMS**

Any premiums paid for coverage beyond the end of the premium month in which you surrender or terminate this policy will be returned to you.

## **REINSTATEMENT PROVISIONS**

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### **REINSTATEMENT**

If this policy terminated because indebtedness exceeded the cash surrender value, it may be reinstated within five (5) years after termination if:

1. This policy was not surrendered for its cash surrender value; and
2. You submit a written request and application during the lifetime of the insured; and
3. You provide evidence of insurability satisfactory to us; and
4. You pay all premiums in default together with interest at the rate of 6% per year, compounded annually, from the premium due date of each premium in default to the date of reinstatement; and
5. You pay or reinstate any indebtedness which existed at the date of termination to the date of reinstatement at the policy loan interest rate stated in the policy schedule.

The date of reinstatement will be the latest of (a) the date we approve your application for reinstatement, or (b) the date we receive all past amounts due.

## **SETTLEMENT PROVISIONS**

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### **POLICY PROCEEDS**

Proceeds payable under this policy may be paid in a single sum or left with us for payment under any settlement option we then provide. The amount applied under an option must be at least \$5,000.

### **ELECTION OF OPTIONS**

With the consent of any irrevocable beneficiary, you may elect or revoke a settlement option at any time before the proceeds are payable. If no settlement option election is in effect at the time the proceeds become payable, the payee may make an election. Written notice of election or revocation must be filed at our home office in a form acceptable to us. The notice will then take effect as of the date you or the payee signed the notice. An election does not affect any payment made or other action taken by us before the notice is received. A payee who is not a natural person may elect a settlement option only with our consent. An assignee cannot elect a settlement option. Change of owner or beneficiary automatically revokes any election in effect.

### **EFFECTIVE DATE**

The first payment under options 1, 2, and 4 is payable on the effective date of the option. The effective date is (a) the date of the death of the insured, or (2) any later date agreeable with us.

### **DEATH OF PAYEE**

Unless otherwise specified, at the death of the last payee a final payment will be made to the estate of the payee. For options 1 and 2 the final payment will be the commuted value of the remaining unpaid installments certain. Such value will be computed based on the rate of interest used in the calculation of payments. For options 3 and 4 the final payment will be the unpaid proceeds with any unpaid interest to the date of death of the payee.

### **SETTLEMENT OPTION INTEREST RATE**

The guaranteed interest rate for options 1, 2, 3, and 4 is 3% per year, compounded annually. Additional interest may be declared by us from time to time.

### **OPTION 1**

Proceeds will be paid for a fixed period. The amount of each payment is determined from the option 1 table on the following page.

### **OPTION 2**

Proceeds will be paid in equal installments throughout the certain period. After the certain period, payments will continue to be made throughout the lifetime of the payee. The amount and certain period of the payments are determined from the option 2 table on the following page. Satisfactory proof of the age and sex of the payee is required. We may require evidence that the payee is living on the due date of any payment.

### **OPTION 3**

Interest on the proceeds will be paid in the manner agreed upon when the option is elected.

### **OPTION 4**

Proceeds will be paid in fixed installments at regular intervals until the proceeds, together with interest on the unpaid balance, are exhausted.

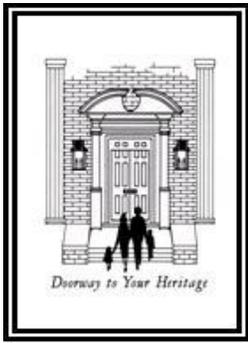
### **OPTION 5**

Proceeds will be used to purchase any single premium annuity we offer at the time proceeds are applied. The annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the cash surrender value to purchase a single consideration immediate annuity contract at purchase rates offered by us at the time to the same class of annuitants whether the annuity benefits are payable in fixed or variable amounts or both.

OPTION 1 TABLE							
Monthly payments for a fixed number of years for each \$1,000 of proceeds							
Number of years	Monthly payment	Number of years	Monthly payment	Number of years	Monthly payment	Number of years	Monthly payment
1	84.48	6	15.16	11	8.88	16	6.55
2	42.87	7	13.18	12	8.26	17	6.25
3	29.01	8	11.70	13	7.73	18	5.98
4	22.08	9	10.55	14	7.28	19	5.75
5	17.92	10	9.63	15	6.89	20	5.53
The amount of monthly payment for other periods will be furnished on request.							

OPTION 2 TABLE											
Monthly payments are shown for each \$1,000 of proceeds. Age is the age last birthday of the payee when the first installment is payable.											
Number of Years Certain											
None						10 years					
Age	Male	Female	Age	Male	Female	Age	Male	Female	Age	Male	Female
46	3.83	3.61	66	5.85	5.31	46	3.81	3.61	66	5.64	5.20
47	3.88	3.66	67	6.03	5.47	47	3.86	3.65	67	5.79	5.34
48	3.94	3.71	68	6.23	5.63	48	3.92	3.70	68	5.94	5.48
49	4.01	3.76	69	6.44	5.81	49	3.98	3.75	69	6.10	5.63
50	4.07	3.82	70	6.66	6.00	50	4.04	3.81	70	6.26	5.79
51	4.14	3.88	71	6.90	6.20	51	4.11	3.86	71	6.43	5.96
52	4.21	3.94	72	7.15	6.43	52	4.18	3.92	72	6.60	6.13
53	4.29	4.01	73	7.42	6.67	53	4.25	3.99	73	6.78	6.32
54	4.37	4.08	74	7.70	6.93	54	4.33	4.05	74	6.96	6.51
55	4.46	4.15	75	8.01	7.21	55	4.41	4.12	75	7.15	6.71
56	4.55	4.22	76	8.34	7.51	56	4.49	4.20	76	7.33	6.91
57	4.64	4.31	77	8.69	7.84	57	4.58	4.27	77	7.52	7.12
58	4.75	4.39	78	9.07	8.20	58	4.68	4.36	78	7.71	7.33
59	4.85	4.48	79	9.47	8.58	59	4.78	4.44	79	7.89	7.54
60	4.97	4.58	80	9.90	9.00	60	4.88	4.53	80	8.07	7.76
61	5.09	4.68	81	10.36	9.45	61	4.99	4.63	81	8.25	7.97
62	5.23	4.79	82	10.85	9.94	62	5.11	4.73	82	8.42	8.17
63	5.37	4.91	83	11.37	10.47	63	5.23	4.84	83	8.59	8.37
64	5.52	5.04	84	11.92	11.04	64	5.36	4.96	84	8.74	8.56
65	5.68	5.17	85	12.52	11.66	65	5.50	5.08	85	8.89	8.73

Values were calculated using the Annuity 2000 Mortality Table, Male or Female, and 3.0% interest per year. Satisfactory proof of the age and sex of the payee is required. The amount of monthly payments for other ages and certain periods will be furnished on request.



# **INVESTORS HERITAGE**

*Life Insurance Company*

TO OBTAIN INFORMATION, MAKE A CLAIM, OR MAKE A COMPLAINT

Call us toll-free:

**1.800.422.2011**

Or write to us:

**INVESTORS HERITAGE LIFE INSURANCE COMPANY  
PO BOX 717  
FRANKFORT KY 40602-0717**

Or email us:

**[ihlic@investorsheritage.com](mailto:ihlic@investorsheritage.com)**

## **WHOLE LIFE INSURANCE POLICY**

Proceeds payable at death of insured and prior to the maturity date;  
Cash surrender value payable on the maturity date;  
Premiums payable for amount and period stated in policy schedule;  
Non-participating - no dividends.

# INVESTORS HERITAGE

*Life Insurance Company*

200 CAPITAL AVENUE  
PO BOX 717  
FRANKFORT, KY 40602-0717  
PHONE 1.800.422.2011

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We will pay the proceeds of this policy to the beneficiary upon receipt of due proof of death of the insured while this policy is in force.

We will pay the cash surrender value of this policy to you upon its surrender.

This policy is a legal contract between you and us. It is issued in consideration of the application and the payment of the initial premium on or before the date of policy delivery. Subsequent premiums are payable as provided in the policy.

**THIS POLICY HAS A LIMITED GRADED DEATH BENEFIT - PLEASE READ YOUR POLICY CAREFULLY!**

Signed at our home office at 200 Capital Avenue, Frankfort, Kentucky 40601.



Jane S. Jackson  
Secretary



Harry Lee Waterfield II  
President

## 30 DAY EXAMINATION PERIOD

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You may return this policy within 30 days after receiving it by mailing it to us, taking it to the agent through whom it was purchased, or by taking it to any other agent of Investors Heritage Life Insurance Company. It will then be void as of the date of issue. Any premium paid will be returned.

**Surrender of this policy may result in a substantial penalty because the cash value may be less than the premiums paid.**

## GRADED BENEFIT WHOLE LIFE INSURANCE POLICY

Limited benefit for death from natural causes in the first two policy years;  
Ultimate face amount payable for death from all causes in the third policy year and beyond;  
Proceeds payable at death of insured and prior to the maturity date;  
Cash surrender value payable on the maturity date;  
Premiums payable for amount and period stated in policy schedule;  
Non-participating - no dividends.

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**POLICY SCHEDULE  
WHOLE LIFE INSURANCE**

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**POLICY NUMBER:** ..... 997778

**INSURED:** ..... John Doe

**OWNER:** ..... John Doe

**ULTIMATE FACE AMOUNT:** ..... \$ 10,000

If death occurs as the result of an accident at any time while this policy is in force, the ultimate face amount will be payable.

**DATE OF ISSUE:** ..... December 21, 2010

**ISSUE AGE:** ..... 55

**SEX:** ..... Male

**RISK CLASSIFICATION:** ..... Non-Tobacco

**ANNUAL PREMIUM:** ..... \$ 572.50

**INITIAL PREMIUM:** ..... \$ 572.50

**PREMIUM PAYMENT PERIOD:** ..... To Age 120

**MATURITY DATE:** ..... December 21, 2075

**BENEFICIARY:** ..... As stated in the application unless changed by you.

The owner and beneficiary are subject to change as described in this policy.

Guaranteed cash values are based on the 2001 CSO Mortality Table, Male or Female, Non-Tobacco or Tobacco, Age Last Birthday, and 5.00% interest per year, compounded annually.

The maximum policy loan interest rate is 8.0% per year, payable in arrears, compounded annually.

**BENEFIT SCHEDULE**

INSURED	BENEFIT	ISSUE AGE	FACE AMOUNT	PREMIUM PERIOD	BENEFIT PERIOD	ANNUAL PREMIUM
JOHN DOE	Whole Life Insurance	55	\$ 10,000	To Age 120	Whole Life	\$ 500.00
	Accidental Death Benefit Rider	55	\$ 10,000	Whole Life	Whole Life	\$ 22.50
	Accelerated Death Benefit Rider	55	\$ 10,000	Whole Life	Whole Life	\$ 0.00
	Policy Fee					\$ 50.00
	Total Annual Premium					

The initial premium mode for this policy is monthly preauthorized transfer.

PREMIUM MODE	MODAL PREMIUM FACTOR	MODAL PREMIUM
Monthly preauthorized transfer	0.0835	\$ 47.80
Quarterly (direct and preauthorized transfer)	0.2600	\$ 148.85
Semi-annually (direct and preauthorized transfer)	0.5150	\$ 294.84
Annual (direct and preauthorized transfer)	1.0000	\$ 572.50

The policy fee included in the above premium is \$50.00 per year.

**TABLE OF GUARANTEED POLICY VALUES**  
**DEATH BENEFITS SHOWN AS OF BEGINNING OF POLICY YEAR**  
**CASH VALUES SHOWN AS OF END OF POLICY YEAR**  
**VALUES ASSUME NO POLICY LOANS**

**ISSUE AGE 55**

<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>	<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>
1	56	\$ 3,000	\$ 0.00	\$ 0	23	78	\$ 10,000	\$ 4,930.10	\$ 7,361
2	57	7,000	70.70	201	24	79	10,000	5,165.90	7,540
3	58	10,000	272.60	744	25	80	10,000	5,396.00	7,708
4	59	10,000	480.00	1,264	26	81	10,000	5,619.30	7,863
5	60	10,000	692.50	1,759	27	82	10,000	5,835.50	8,008
6	61	10,000	909.10	2,229	28	83	10,000	6,045.20	8,143
7	62	10,000	1,128.80	2,674	29	84	10,000	6,248.20	8,269
8	63	10,000	1,350.70	3,094	30	85	10,000	6,443.30	8,386
9	64	10,000	1,574.40	3,490	31	86	10,000	6,629.20	8,495
10	65	10,000	1,800.20	3,864	32	87	10,000	6,804.70	8,594
11	66	10,000	2,028.50	4,220	33	88	10,000	6,968.90	8,684
12	67	10,000	2,260.00	4,558	34	89	10,000	7,121.40	8,765
13	68	10,000	2,495.00	4,881	35	90	10,000	7,262.10	8,839
14	69	10,000	2,734.00	5,191	36	91	10,000	7,393.00	8,906
15	70	10,000	2,976.60	5,487	37	92	10,000	7,516.70	8,968
16	71	10,000	3,221.80	5,769	38	93	10,000	7,633.30	9,025
17	72	10,000	3,467.80	6,036	39	94	10,000	7,742.40	9,078
18	73	10,000	3,712.80	6,288	40	95	10,000	7,843.30	9,126
19	74	10,000	3,957.50	6,526	41	96	10,000	7,937.60	9,170
20	75	10,000	4,202.00	6,752	42	97	10,000	8,027.90	9,212
21	76	10,000	4,446.30	6,967	43	98	10,000	8,113.50	9,251
22	77	10,000	4,689.60	7,170	44	99	10,000	8,193.20	9,287

<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>
45	100	\$ 10,000	\$ 8,264.70	\$ 9,318
46	101	10,000	8,329.60	9,347
47	102	10,000	8,393.30	9,375
48	103	10,000	8,455.50	9,402
49	104	10,000	8,516.10	9,428
50	105	10,000	8,575.00	9,453
51	106	10,000	8,632.50	9,477
52	107	10,000	8,688.60	9,501
53	108	10,000	8,743.10	9,523
54	109	10,000	8,796.00	9,545
55	110	10,000	8,847.30	9,566
56	111	10,000	8,897.00	9,586
57	112	10,000	8,945.10	9,606
58	113	10,000	8,991.50	9,624
59	114	10,000	9,036.20	9,642
60	115	10,000	9,079.40	9,659
61	116	10,000	9,120.90	9,675
62	117	10,000	9,161.10	9,691
63	118	10,000	9,201.90	9,707
64	119	10,000	9,268.90	9,733
65	120	10,000	10,000.00	10,000

## **DEFINITIONS**

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### **ATTAINED AGE**

The issue age of the insured plus the number of completed policy years.

### **EVIDENCE OF INSURABILITY**

Proof of the good health of the insured that is satisfactory to us.

### **INDEBTEDNESS**

Unpaid policy loans and unpaid policy loan interest, if any.

### **INSURED**

The individual named as the insured in the policy schedule.

### **ISSUE AGE**

Age on the insured's last birthday on or preceding the issue date.

### **ISSUE DATE**

The date from which policy anniversaries, policy years and policy months are determined.

### **MATURITY DATE**

The final date on which any proceeds are payable under this policy if the insured is still alive.

### **POLICY ANNIVERSARY**

The same day and month as the issue date for each succeeding year this policy remains in force.

### **POLICY SCHEDULE**

Page 3 of this policy.

### **PREMIUM PERIOD**

The number of years for which premiums are payable.

### **PROCEEDS**

The amount we are obligated to pay under the terms of this policy.

### **RIDER**

A rider is an attachment to this policy which provides additional benefits.

### **TABLE OF GUARANTEED POLICY VALUES**

Page 4 of this policy.

### **WE, OUR, US**

Investors Heritage Life Insurance Company.

### **WRITTEN REQUEST**

A notification or request received from the owner in a form satisfactory to us. Written requests are recorded at our home office. We will not be responsible for the validity of any written request.

### **YOU, YOURS**

The owner of this policy. The owner is designated in the application unless later changed by written notice to us.

## **GENERAL PROVISIONS**

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### **CONTRACT**

The entire contract between you and us consists of this policy, any riders or endorsements, and the written application, a copy of which is attached at issue or delivery. All statements between you and us in the application, in the absence of fraud, are representations and not warranties. No statement shall be used in defense of a claim under this policy unless it is contained in a written application that is attached to the policy when issued or delivered.

### **AUTHORITY TO CHANGE**

Only our officers may change the terms of this policy. Any change must be made in writing.

### **INCONTESTABILITY**

We will not contest the validity of this policy after it has been in force during the lifetime of the insured for a period of two (2) years from the issue date as shown in the policy schedule, except for non-payment of premium.

A reinstatement of this policy will be incontestable after it has been in force during the lifetime of the insured for two (2) years from the effective date of reinstatement. Contest of a reinstatement may be made only with respect to material misrepresentations made in the application for reinstatement.

No statement made by the owner or by the insured related to the insured's insurability may be used in a contest or to reduce benefits unless (a) it is contained in a written instrument signed by the owner or the insured, and (b) the statement on which the contest is based is material to the risk accepted by us, and (c) a copy of such instrument has been given to the owner, the insured, or the beneficiary.

### **SUICIDE**

If the insured commits suicide, while sane or insane, within two (2) years from the issue date, the proceeds under this policy will be an amount equal to the premiums paid.

### **MISSTATEMENT OF AGE OR SEX**

If the age or sex of the insured is misstated, any amount of proceeds payable will be adjusted to that amount which the premiums paid would have purchased at the true age and sex of the insured.

### **NON-PARTICIPATING**

This policy will not share in our surplus earnings. No dividends will be paid.

### **TERMINATION**

This policy will terminate and all coverage will cease on the earliest of the following dates:

1. The date we receive your written request to surrender this policy;
2. The date on which the grace period ends if a premium is then in default and this policy has no cash value;
3. The date of death of the insured;
4. If indebtedness equals or exceeds the cash value, the date that falls thirty (30) days after notice of termination has been mailed to your last known address and to any assignee of record; or
5. The maturity date shown on the policy schedule.

## **OWNERSHIP AND BENEFICIARY PROVISIONS**

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### **OWNER**

The owner of this policy is the person or party designated to exercise the rights and receive the benefits of ownership. The insured is the owner unless otherwise stated in the application or later changed.

Subject to the terms of any beneficiary designation or assignment, the owner may, during the lifetime of the insured:

1. Assign or surrender this policy;
2. Obtain a policy loan;
3. With our consent, make a change in this policy;
4. Transfer the ownership of this policy; and
5. Exercise other rights and receive other benefits as defined in this policy.

If the owner has not named a successor owner, at the death of the owner, the insured becomes the owner of this policy unless the insured is a minor or otherwise legally incompetent, in which case the owner will be the legally appointed guardian of the insured.

### **BENEFICIARY**

The beneficiary is as shown in the application. The beneficiary will receive the amount of proceeds payable at the death of the insured subject to any assignment made by you. The interest of a beneficiary terminates if the beneficiary dies before the insured. If no beneficiary survives at the death of the insured, payment may be made to you or to your estate or successors.

If more than one beneficiary survives at the death of the insured, proceeds will be allocated according to written instructions from the owner of this policy received by us prior to the death of the insured. If no allocation of proceeds between beneficiaries is specified, proceeds will be divided equally among all surviving beneficiaries.

### **CHANGE OF OWNER OR BENEFICIARY**

You may change the designations of owner and beneficiary while the insured is alive. Any change is subject to the consent of an irrevocable beneficiary. Written request of change must be filed at our home office. Unless otherwise specified by you, the new designation will then take effect as of the date you signed the notice. Such a change does not affect any payment made or other action taken by us before we received the notice.

### **ASSIGNMENT**

You may assign this policy by written request. We are not responsible for the validity or effect of any assignment of this policy. No assignment will bind us until it is received at our home office. Unless otherwise specified, any assignment will take effect on the date the notice of assignment is signed by you, subject to any payments made or actions taken by us prior to receipt of the assignment.

## **INSURANCE PROVISIONS**

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### **DEATH DUE TO ACCIDENTAL CAUSES**

The full ultimate face amount will be paid for death at any time due to accidental causes.

### **DEATH DUE TO NATURAL CAUSES**

A limited death benefit will be paid for death from natural causes in the first two policy years. The limited death benefit is shown in the policy schedule. The ultimate death benefit will be paid for death from all causes in the third and later policy years.

### **DEFINITION OF ACCIDENTAL DEATH**

Accidental death is defined such that:

1. The death of the insured resulted from accidental bodily injury that was the direct cause of death, independent of disease, bodily infirmity, or any other cause; and
2. The death of the insured occurred within 180 days of the date of injury.

Accidental death includes, but is not limited to, death that occurs as a result of:

1. The involuntary or unintentional ingestion, absorption or inhalation of a poison, narcotic, sedative, medicine, infectious organism, gas or fume; and
2. Accidental ptomaine (food) poisoning and bacterial infection resulting from accidental injury; and
3. An adverse reaction to a legally obtained medicine or drug, if taken as directed, whether or not prescribed by a physician.

Accidental death does not include death that occurs as a result of:

1. Death caused or contributed to by disease or infirmity of mind or body; or
2. Medical or surgical treatment, except when required as the result of an accident; or
3. An infection not occurring as a direct result or consequence of the accidental bodily injury; or
4. Death caused or contributed to by any attempt at suicide, or intentionally self-inflicted injury, while sane or insane; or
5. Death caused or contributed to by active participation in a riot, insurrection or terrorist activity; or
6. Death occurring while the proposed insured is incarcerated; or
7. Death caused or contributed to by committing or attempting to commit a felony; or
8. Death caused or materially contributed to by participation in an illegal occupation or activity; or
9. Death caused or materially contributed to by voluntary intake or use by any means of: (a) Any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions, or; (b) Poison, gas or fumes, unless a direct result of an occupational accident; or
10. Death caused or contributed to by intoxication as defined by the jurisdiction where the accident occurred.

### **AMOUNT OF PROCEEDS**

The proceeds payable under this policy is equal to:

1. The death benefit as described above; plus
2. The amount of insurance on the life of the insured provided by riders; less
3. Any policy loan balance.

### **PROCEEDS AT DEATH**

The amount of proceeds payable at death of the insured while this policy is in force will be the death benefit described above adjusted for any misstatement of age or sex.

### **INTEREST ON PROCEEDS**

Interest on proceeds will be paid from the date of death of the insured to the date of payment. Interest will accrue at a rate which is the greater of (a) the rate declared by us for proceeds left on deposit, or (b) the rate required by law.

Additional interest will accrue at an annual rate of ten (10) percent from thirty-one (31) days after the latest of the following to the date of payment:

1. The date we receive due proof of death;
2. The date we receive sufficient information to determine the amount of payment and the appropriate payee legally entitled to the proceeds; and
3. The date that any legal impediments to payment of proceeds that depend on the action of parties other than us are resolved and sufficient evidence of the same is provided to us. Legal impediments include, but are not limited to (a) the establishment of guardianships and conservatorships, or (b) the appointment and qualification of trustees, executors and administrators, or (c) the submission of information required to satisfy a state and federal reporting requirement.

### **PAYMENT OF PROCEEDS**

To claim the proceeds, due proof of death must be furnished. Due proof of death will consist of a certified copy of the death certificate of the insured, or other lawful evidence providing equivalent information, and proof of the claimant's interest in the proceeds.

### **POLICY VALUE PROVISIONS**

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#### **CASH SURRENDER VALUE**

The cash surrender value at the end of any policy year is equal to the cash value as shown in the policy schedule, less any indebtedness. The cash surrender value at any other point in time will be calculated with allowance for lapse of time from the last preceding policy anniversary.

#### **POLICY VALUE OPTIONS**

If you discontinue premium payments after this policy has a cash value, you may select one of the following policy values options subject to any conditions and limitations that apply.

1. **Cash Surrender.** You may surrender this policy for its cash surrender value. If you surrender this policy it is no longer eligible for reinstatement.
2. **Paid-up insurance.** You may apply the cash surrender value to purchase a fully paid-up life policy for a reduced amount of insurance. The amount of paid-up insurance will be that amount which the cash surrender value will purchase when applied as a net single premium at the attained age of the insured on the due date of the first unpaid premium. Reduced paid-up insurance has a cash value. The cash value of reduced paid-up insurance is equal to the net single premium at the attained age of the insured for the amount of reduced paid up insurance in effect at the date of determination.

#### **EXERCISING THE CASH SURRENDER POLICY OPTION**

You may surrender this policy by returning it to our home office and filing a written request in a form acceptable to us. The date of surrender will be the date you signed the request provided the insured was then living. The amount that will be paid is the cash surrender value. With written permission from the Commissioner of the state in which this policy was delivered, the payment of the cash surrender value may be deferred for a period up to six (6) months after the request is received at our home office.

If surrender is requested within thirty (30) days after a policy anniversary, the cash surrender value will not be less than the cash surrender value on the policy anniversary. This policy will terminate as of the date of surrender.

#### **AUTOMATIC OPTION**

You may elect a policy value option within sixty (60) days of the due date of the first unpaid premium by sending us a written request at our home office. If no election has been made by the end of the sixty (60) day period, the paid-up insurance option will apply automatically. The effective date of this automatic option is the due date of the first unpaid premium.

#### **BASIS OF POLICY VALUES**

Cash value calculations are based on the Commissioners 2001 Standard Ordinary Mortality Table, Male or Female, Non-Tobacco or Tobacco, Age Last Birthday, with interest as shown in the policy schedule. Policy benefits are not less than the minimum values required on the issue date by the NAIC Standard Nonforfeiture Law for Life Insurance as adopted by the state in which this policy was issued. A detailed statement of the method of computing policy values and benefits has been filed with the insurance department of the state in which this policy was delivered. Any cash values and paid-up nonforfeiture benefits available under this policy are not less than the minimum values and benefits required by or pursuant to the NAIC Standard Nonforfeiture Law for Life Insurance, model #808.

## **LOAN PROVISIONS**

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### **POLICY LOAN**

We will make a loan to you upon the sole security and assignment of this policy. You may obtain a loan at any time while this policy is in force. The amount of the loan may not exceed the loan value, as defined below. We may defer making a policy loan up to six (6) months after written request is received at our home office unless the loan is used to pay a premium to us.

You may repay the loan in full or in part while your policy is in force prior to the death of the insured. Any payments received will be credited as loan repayments only if so designated.

### **LOAN VALUE**

The loan value is equal to the cash surrender value on the date of the loan. The amount advanced as a policy loan may not exceed (a) the loan value, less (b) the amount of any existing loan, less (c) loan interest to the end of the current policy year. Unless it is paid in cash at the date of the loan, any existing policy loan, along with interest to the date of the loan, will be added to and become a part of the new policy loan.

### **LOAN INTEREST**

Policy loan interest accrues from the date of the loan. It is payable in arrears on each policy anniversary and on the date the loan is settled. If interest is not paid when due, it will be added to the loan and will bear interest at the policy loan interest rate.

The maximum annual interest rate for loans is stated in the policy schedule. Interest is compounded annually.

### **INDEBTEDNESS**

Indebtedness means all outstanding policy loans on this policy including interest accrued and accruing from day to day. Indebtedness may be repaid in full or in part while the insured is alive. If not repaid, it will be deducted in one sum from the proceeds of this policy.

If indebtedness exceeds the cash surrender value, this policy will terminate thirty (30) days after notice of termination has been mailed to your last known address and to any assignee of record.

## **PREMIUM PROVISIONS**

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### **PREMIUM PAYMENTS**

The initial premium shown in the policy schedule is due on the policy date. There is no insurance coverage in effect until the initial premium is paid while the insured is alive.

Additional premiums are payable in advance at our home office. Each premium, including the initial premium, may be paid to our authorized agent who will provide a receipt. The receipt must be signed by the agent who receives the payment on our behalf.

### **PREMIUM DUE DATE**

Each premium, after the initial premium, is due on or before the end of the period covered by the preceding premium. Any premium not paid on or before its premium due date is in default.

### **GRACE PERIOD**

A grace period of thirty-one (31) days is allowed for payment without interest of any premium falling due after the policy date. During the grace period this policy will stay in force. If a premium in default has not been paid by the end of the grace period, this policy will terminate as of the premium due date of the unpaid premium. If the insured dies during the grace period, the premium required to keep this policy in force to the end of the policy month in which death occurs will be deducted from the proceeds. This thirty-one (31) day grace period does not apply to the initial premium payment.

### **MODES OF PREMIUM PAYMENT**

Premiums may be paid monthly, quarterly, semi-annually, or annually. Payment of premiums is subject to our current minimum premium requirements and permitted methods of payment. You may change your method of premium payment with our consent.

### **AMOUNTS OF PREMIUM**

The amount of premium due on any premium due date is equal to the total annual premium in effect on that date multiplied by the modal premium factor. The total annual premium is the sum of the annual premiums for this policy and for any benefits attached by rider. The total annual premium and the modal premium factors for each allowable premium mode are shown in the policy schedule.

### **REFUND OF UNEARNED PREMIUMS**

Any premiums paid for coverage beyond the end of the premium month in which you surrender or terminate this policy will be returned to you.

### **REINSTATEMENT PROVISIONS**

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#### **REINSTATEMENT**

If this policy terminated because indebtedness exceeded the cash surrender value, it may be reinstated within five (5) years after termination if:

1. This policy was not surrendered for its cash surrender value; and
2. You submit a written request and application during the lifetime of the insured; and
3. You provide evidence of insurability satisfactory to us; and
4. You pay all premiums in default together with interest at the rate of 6% per year, compounded annually, from the premium due date of each premium in default to the date of reinstatement; and
5. You pay or reinstate any indebtedness which existed at the date of termination to the date of reinstatement at the policy loan interest rate stated in the policy schedule.

The date of reinstatement will be the latest of (a) the date we approve your application for reinstatement, or (b) the date we receive all past amounts due.

### **SETTLEMENT PROVISIONS**

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#### **POLICY PROCEEDS**

Proceeds payable under this policy may be paid in a single sum or left with us for payment under any settlement option we then provide. The amount applied under an option must be at least \$5,000.

#### **ELECTION OF OPTIONS**

With the consent of any irrevocable beneficiary, you may elect or revoke a settlement option at any time before the proceeds are payable. If no settlement option election is in effect at the time the proceeds become payable, the payee may make an election. Written notice of election or revocation must be filed at our home office in a form acceptable to us. The notice will then take effect as of the date you or the payee signed the notice. An election does not affect any payment made or other action taken by us before the notice is received. A payee who is not a natural person may elect a settlement option only with our consent. An assignee cannot elect a settlement option. Change of owner or beneficiary automatically revokes any election in effect.

**EFFECTIVE DATE**

The first payment under options 1, 2, and 4 is payable on the effective date of the option. The effective date is (a) the date of the death of the insured, or (2) any later date agreeable with us.

**DEATH OF PAYEE**

Unless otherwise specified, at the death of the last payee a final payment will be made to the estate of the payee. For options 1 and 2 the final payment will be the commuted value of the remaining unpaid installments certain. Such value will be computed based on the rate of interest used in the calculation of payments. For options 3 and 4 the final payment will be the unpaid proceeds with any unpaid interest to the date of death of the payee.

**SETTLEMENT OPTION INTEREST RATE**

The guaranteed interest rate for options 1, 2, 3, and 4 is 3% per year, compounded annually. Additional interest may be declared by us from time to time.

**OPTION 1**

Proceeds will be paid for a fixed period. The amount of each payment is determined from the option 1 table on the following page.

**OPTION 2**

Proceeds will be paid in equal installments throughout the certain period. After the certain period, payments will continue to be made throughout the lifetime of the payee. The amount and certain period of the payments are determined from the option 2 table on the following page. Satisfactory proof of the age and sex of the payee is required. We may require evidence that the payee is living on the due date of any payment.

**OPTION 3**

Interest on the proceeds will be paid in the manner agreed upon when the option is elected.

**OPTION 4**

Proceeds will be paid in fixed installments at regular intervals until the proceeds, together with interest on the unpaid balance, are exhausted.

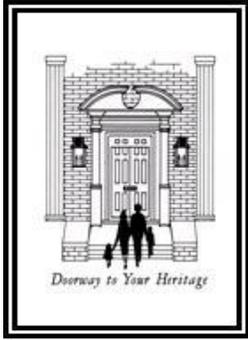
**OPTION 5**

Proceeds will be used to purchase any single premium annuity we offer at the time proceeds are applied. The annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the cash surrender value to purchase a single consideration immediate annuity contract at purchase rates offered by us at the time to the same class of annuitants whether the annuity benefits are payable in fixed or variable amounts or both.

OPTION 1 TABLE							
Monthly payments for a fixed number of years for each \$1,000 of proceeds							
Number of years	Monthly payment	Number of years	Monthly payment	Number of years	Monthly payment	Number of years	Monthly payment
1	84.48	6	15.16	11	8.88	16	6.55
2	42.87	7	13.18	12	8.26	17	6.25
3	29.01	8	11.70	13	7.73	18	5.98
4	22.08	9	10.55	14	7.28	19	5.75
5	17.92	10	9.63	15	6.89	20	5.53
The amount of monthly payment for other periods will be furnished on request.							

OPTION 2 TABLE											
Monthly payments are shown for each \$1,000 of proceeds. Age is the age last birthday of the payee when the first installment is payable.											
Number of Years Certain											
None						10 years					
Age	Male	Female	Age	Male	Female	Age	Male	Female	Age	Male	Female
46	3.83	3.61	66	5.85	5.31	46	3.81	3.61	66	5.64	5.20
47	3.88	3.66	67	6.03	5.47	47	3.86	3.65	67	5.79	5.34
48	3.94	3.71	68	6.23	5.63	48	3.92	3.70	68	5.94	5.48
49	4.01	3.76	69	6.44	5.81	49	3.98	3.75	69	6.10	5.63
50	4.07	3.82	70	6.66	6.00	50	4.04	3.81	70	6.26	5.79
51	4.14	3.88	71	6.90	6.20	51	4.11	3.86	71	6.43	5.96
52	4.21	3.94	72	7.15	6.43	52	4.18	3.92	72	6.60	6.13
53	4.29	4.01	73	7.42	6.67	53	4.25	3.99	73	6.78	6.32
54	4.37	4.08	74	7.70	6.93	54	4.33	4.05	74	6.96	6.51
55	4.46	4.15	75	8.01	7.21	55	4.41	4.12	75	7.15	6.71
56	4.55	4.22	76	8.34	7.51	56	4.49	4.20	76	7.33	6.91
57	4.64	4.31	77	8.69	7.84	57	4.58	4.27	77	7.52	7.12
58	4.75	4.39	78	9.07	8.20	58	4.68	4.36	78	7.71	7.33
59	4.85	4.48	79	9.47	8.58	59	4.78	4.44	79	7.89	7.54
60	4.97	4.58	80	9.90	9.00	60	4.88	4.53	80	8.07	7.76
61	5.09	4.68	81	10.36	9.45	61	4.99	4.63	81	8.25	7.97
62	5.23	4.79	82	10.85	9.94	62	5.11	4.73	82	8.42	8.17
63	5.37	4.91	83	11.37	10.47	63	5.23	4.84	83	8.59	8.37
64	5.52	5.04	84	11.92	11.04	64	5.36	4.96	84	8.74	8.56
65	5.68	5.17	85	12.52	11.66	65	5.50	5.08	85	8.89	8.73

Values were calculated using the Annuity 2000 Mortality Table, Male or Female, and 3.0% interest per year. Satisfactory proof of the age and sex of the payee is required. The amount of monthly payments for other ages and certain periods will be furnished on request.



# **INVESTORS HERITAGE**

*Life Insurance Company*

TO OBTAIN INFORMATION, MAKE A CLAIM, OR MAKE A COMPLAINT

Call us toll-free:

**1.800.422.2011**

Or write to us:

**INVESTORS HERITAGE LIFE INSURANCE COMPANY  
PO BOX 717  
FRANKFORT KY 40602-0717**

Or email us:

**ihlic@investorsheritage.com**

## **GRADED BENEFIT WHOLE LIFE INSURANCE POLICY**

Limited benefit for death from natural causes in the first two policy years;  
Ultimate face amount payable for death from all causes in the third policy year and beyond;  
Proceeds payable at death of insured and prior to the maturity date;  
Cash surrender value payable on the maturity date;  
Premiums payable for amount and period stated in policy schedule;  
Non-participating - no dividends.

## **INVESTORS HERITAGE LIFE INSURANCE COMPANY ACCELERATED DEATH BENEFIT RIDER**

**NOTICE:** Death benefits and cash surrender values will be reduced upon payment of an accelerated benefit. The accelerated benefits offered under this rider may or may not qualify for favorable tax treatment under the Internal Revenue Code of 1986. Whether such benefits qualify depends on factors such as your life expectancy at the time benefits are accelerated or whether you use the benefits to pay for necessary long-term care expenses, such as nursing home care. If the acceleration of benefits qualifies for favorable tax treatment, the benefits will be excluded from your income and not subject to federal taxation. However, accelerated benefit payments may be taxable by your state. Tax laws relating to accelerated benefits are complex. You should consult a qualified tax advisor for specific information. Receipt of an accelerated benefit payment may adversely affect your, your spouse's or your family's eligibility for medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance or other public assistance programs. You should consult with a qualified advisor and with social services agencies regarding how receipt of such payment may affect eligibility for such programs.

### **GENERAL PROVISIONS**

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This rider is made part of this policy. It is subject to all applicable terms of the policy as well as the terms of this rider. Rider provisions apply in lieu of any policy provisions to the contrary. The consideration is the application.

### **RIDER EFFECTIVE DATE**

The effective date of this rider is the effective date of the policy to which it is attached, unless otherwise stated.

### **OWNER**

The owner of this rider is the owner of the policy to which this rider is attached, unless otherwise provided. The owner of this rider may exercise all the rights under this rider during the lifetime of the insured by making written request to us. All the rights of the owner are subject to the rights of any assignee or any irrevocable beneficiary we have on record.

### **NON-PARTICIPATING**

This rider will not share in our surplus earnings. No dividends will be paid.

### **CASH VALUES**

This rider does not provide cash or loan values.

### **TERMINATION**

Benefits under this rider will terminate on the earliest of the following dates:

1. The date we receive your request to surrender the policy;
2. The date you request cancellation of this rider, in writing;
3. The date the policy to which this rider is attached enters a nonforfeiture status;
4. The date of termination of the policy to which this rider is attached.

Termination of this rider shall not prejudice the payment of benefits for any qualifying event that occurred while this rider was in force.

### **DEFINITIONS**

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#### **ACCELERATED BENEFIT**

A benefit that may be requested by the owner if the insured is terminally ill. Terminal illness is defined below.

**ACCELERATED PERCENTAGE**

The accelerated percentage is equal to the requested accelerated benefit divided by the face amount immediately prior to the request.

**ACCELERATION DATE**

The date the accelerated benefits are paid.

**ADJUSTED CASH VALUE**

The cash value, adjusted for any accelerated benefits paid.

**ADJUSTED FACE AMOUNT**

The face amount, adjusted for any accelerated benefits paid.

**PHYSICIAN**

A licensed medical doctor performing within the scope of his/her current license. This person cannot be you, the insured, a beneficiary, or a family member of any of these individuals.

**REGISTERED NURSE OR RN**

A licensed professional nurse, performing within the scope of his/her current license. This person cannot be you, the insured, a beneficiary, or a family member of any of these individuals.

**TERMINAL ILLNESS**

A disease or illness that is expected to result in the death of the insured within twenty-four (24) months. We will require satisfactory proof that the insured is terminally ill. This proof will include, but is not limited to, a physician's statement.

**ACCELERATED BENEFIT PROVISIONS**

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**MAXIMUM ACCELERATED DEATH BENEFIT**

The sum of all accelerated benefits payments may not exceed the lesser of \$25,000 or 80% of the face amount, subject to the additional requirement that the remaining death benefit be no less than \$2,000.

**TERMINAL ILLNESS BENEFIT**

If the insured is diagnosed as being terminally ill, you may request the acceleration of an amount not to exceed that described by the maximum accelerated death benefit.

**ACCELERATED BENEFIT PAYMENT AMOUNT**

The accelerated benefit payment amount will be equal to the sum of:

1. The accelerated amount requested subject to the maximum amount allowed;
2. Any premium paid on the accelerated amount beyond the end of the policy month in which payment is made;
3. Any loan interest paid for the time beyond the acceleration date on loan amounts reduced on payment.

Less the sum of:

1. An interest charge for twelve (12) months at an interest rate declared by the Board of Directors;
2. The applicable percentage times the outstanding loan balance;
3. Any premium due and unpaid during the grace period of the policy that applies to the period before the date of acceleration;
4. An administrative expense charge, not to exceed \$100.

If the insured dies after an accelerated benefit has been elected but before any such benefits are received, the election shall be cancelled and the death benefit will be paid as stated in the policy.

**INTEREST CHARGE**

The interest rate used to calculate the interest charge will not exceed the greater of:

1. The current yield on 90-day treasury bills on the acceleration date; and
2. The maximum statutory adjustable policy loan interest rate effective on the acceleration date.

**POLICY ADJUSTMENTS AFTER PAYMENT OF AN ACCELERATED BENEFIT**

Policy Values will be adjusted as follows:

1. The adjusted face amount will be equal to the face amount immediately prior to the accelerated benefit date reduced by the accelerated percentage.
2. The adjusted cash value will be equal to the cash value immediately prior to the accelerated benefit payment reduced by the accelerated percentage.
3. Any premium payable in the future on the adjusted face amount will be equal to the premium immediately prior to the accelerated benefit date reduced by the accelerated percentage.
4. Indebtedness will be reduced by the accelerated percentage.

A statement of the accelerated benefit payable and the resulting adjusted policy values will be sent to you prior to the payment of any accelerated benefit. Updated policy pages will be sent to you after the payment of any accelerated benefit.

**CONDITIONS FOR PAYMENT OF AN ACCELERATED BENEFIT**

Before an accelerated benefit is paid we must receive, in writing, on a form acceptable to us:

1. A properly completed proof of eligibility claim form. If we do not provide the proof of eligibility claim form to you within 15 days after you request it, it is considered that you complied with the claim requirements if you submit written proof covering the occurrence, and the character and extent of the occurrence for which the claim is made.
2. A physician's certification that the insured has a terminal illness.
3. The consent of any irrevocable beneficiary or assignee of record.

We reserve the right to a second or third medical opinion, at our expense, to confirm benefit eligibility. The second medical opinion may include a physical examination by a physician designated by us. In the case of conflicting opinions, eligibility for benefits shall be determined by a third medical opinion that is provided by a physician that is mutually acceptable to the insured and the company.

Payment of an accelerated benefit is due immediately upon receipt of due written proof of eligibility. Accelerated benefit payments will be paid as a lump sum, or upon request, in equal monthly installments for a fixed period. The annual guaranteed interest rate for computing any monthly payment is 3.0%. If the insured dies prior to the termination of the monthly payments, the present value of the remaining payments will be paid in a lump sum to the beneficiary.

Interest will accrue prior to payment of any accelerated benefit amount as described in the policy. Payment will be made to the owner or the owner's estate, unless the accelerated benefit has been otherwise assigned or designated by the owner.

Signed at our home office: 200 Capital Avenue, Frankfort, Kentucky 40601.



Jane S. Jackson  
Secretary



Harry Lee Waterfield II  
President

**INVESTORS HERITAGE LIFE INSURANCE COMPANY  
ACCIDENTAL DEATH INSURANCE RIDER**

**PLEASE READ THIS RIDER CAREFULLY. THE WAITING PERIODS IN THE SUICIDE AND INCONTESTABILITY PROVISIONS MAY BE DIFFERENT FROM THOSE IN THE POLICY AND BEGIN ON THE EFFECTIVE DATE OF THIS RIDER.**

**GENERAL PROVISIONS**

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This rider is made part of this policy. It is subject to all applicable terms of the policy as well as the terms of this rider. Rider provisions apply in lieu of any policy provisions to the contrary. The consideration is the application.

**RIDER EFFECTIVE DATE**

The effective date of this rider is the effective date of the policy to which it is attached, unless otherwise stated.

**PREMIUMS**

The premiums for this rider are shown in the policy schedule. Premiums are not due for this rider after this rider has terminated. If we accept a premium after termination, it does not mean we are liable for benefits under this rider or that we waive the termination. We will refund any premium so accepted.

**INCONTESTABILITY**

We will not contest the validity of this rider after it has been in force during the lifetime of the insured for a period of two (2) years from the issue date as shown in the policy schedule, except for non-payment of premium.

A reinstatement of this rider will be incontestable after it has been in force during the lifetime of the insured for two (2) years from the effective date of reinstatement. Contest of a reinstatement may be made only with respect to material misrepresentations made in the application for reinstatement.

No statement made by the owner or by the insured related to the insured's insurability may be used in a contest or to reduce benefits unless (a) it is contained in a written instrument signed by the owner or the insured, and (b) the statement on which the contest is based is material to the risk accepted by us, and (c) a copy of such instrument has been given to the owner, the insured, or the beneficiary.

**MISSTATEMENT OF AGE OR SEX**

If the age or sex of the insured is misstated, any amount of proceeds payable will be adjusted to that amount which the premiums paid would have purchased at the insured's true age and sex.

Any underpayments already made by us together with interest at the rate of 6% per annum, compounded annually, from the date of each underpayment will be paid immediately. Any overpayments made by us together with interest at the rate of 6% per annum, compounded annually, shall be charged against benefits falling due after the date of adjustment.

**SUICIDE**

If the insured commits suicide, while sane or insane, within two (2) years from the issue date, the proceeds under the policy will be an amount equal to the premiums paid.

**NON-PARTICIPATING**

This rider will not share in our surplus earnings. No dividends will be paid.

**CASH VALUES**

This rider does not provide cash or loan values.

### **OWNER**

The owner of this rider is the owner of the policy to which this rider is attached, unless otherwise provided. The owner of this rider may exercise all the rights under this rider during the lifetime of the insured by making written request to us. All the rights of the owner are subject to the rights of any assignee or any irrevocable beneficiary we have on record.

### **BENEFICIARY**

Any benefit payable under this rider will be paid to the beneficiary name in the application, unless otherwise provided.

### **TERMINATION**

Benefits under this rider will terminate on the earliest of the following dates:

1. The date we receive your request to surrender this rider;
2. The date of death of the insured;
3. The date you request cancellation of this rider, in writing;
4. The policy anniversary on which the attained age of the insured is seventy (70);
5. The date on which the grace period ends if any premium for the policy or this rider is not paid.

Termination shall not prejudice the payment of benefits for any accident that occurred while this rider was in force.

### **BENEFIT PROVISIONS**

---

#### **BENEFIT**

The benefit payable for a loss due to accidental causes is the accidental death benefit, as shown in the policy schedule.

#### **ACCIDENTAL DEATH**

Accidental death means death that:

1. Resulted from accidental bodily injury sustained by the insured which is direct result of an accident, independent of disease or bodily or mental illness or infirmity or any other cause; and
2. Occurred within 180 days of the injury; and
3. Occurred prior to the termination of this rider; and
4. Did not result from any of the exclusions listed in this rider.

Accidental death includes death caused by accidental ptomaine (food) poisoning and bacterial infection resulting from accidental injury.

#### **PROOF OF LOSS**

Any accidental death benefit payable under this rider will be paid when we receive proof of death from accidental causes. All claims must be submitted within ninety (90) days of such death, unless it can be shown that proof was given as soon as reasonably possible. Failure to give such notice and proof within one (1) year after death will not invalidate or diminish a claim if it can be shown that such notice and proof were given as soon as reasonably possible.

#### **LUMP SUM**

We will pay the accidental death benefit in a lump sum, unless otherwise agreed.

**EXCEPTIONS - RISKS NOT COVERED**

We will not pay for any loss caused directly or indirectly, wholly or partly, by:

1. Death caused or contributed to by any attempt at suicide, or intentionally self-inflicted injury, while sane or insane; or
  2. Diseases, bodily or mental infirmity, or medical or surgical treatment for any of these; or
  3. An infection not occurring as a direct result or consequence of accidental bodily injury; or
  4. Death caused or contributed to by travel in or descent from an aircraft, except when a passenger on a regularly scheduled flight; or
  5. Death caused or contributed to by active participation in a riot, insurrection or terrorist activity; or
  6. Death occurring while the insured is incarcerated; or
  7. Death caused or contributed to by committing or attempting to commit a felony; or
  8. Death caused or materially contributed to by participation in an illegal occupation or activity; or
  9. Death caused or materially contributed to by voluntary intake or use by any means of any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions or poison, gas or fumes, unless a direct result of an occupational accident; or
  10. Death caused or contributed to by intoxication as defined by the jurisdiction where the accident occurred.
- 

Signed at our home office at 200 Capital Avenue, Frankfort, Kentucky.



Jane S. Jackson  
Secretary



Harry Lee Waterfield II  
President

**APPLICATION FOR  
INDIVIDUAL LIFE INSURANCE**

**INVESTORS HERITAGE** *Life Insurance Company*

PO Box 717 • Frankfort, KY 40602-0717 • Phone: 800.422.2011 • Fax: 502.875.7084

E-mail: ihlic@ihlic.com • www.investorsheritage.com

**PRINT USING BLACK INK. ALL SECTIONS MUST BE COMPLETED.**

1. PROPOSED INSURED											
Name (First, Middle Initial, Last)											
Birth Date	Month	Day	Year	State/Country of Birth	<input type="checkbox"/> Male <input type="checkbox"/> Female	Height:	ft.	in.	Weight:	lbs.	
Primary Mailing Address				City		State		Zip Code			
Social Security Number					E-mail Address						
Phone Number Including Area Code			<input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile		Phone Number Including Area Code			<input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile		Best Time To Call <input type="checkbox"/> AM <input type="checkbox"/> PM	Time Zone
Physician's Name						Phone Number Including Area Code					
2. BENEFICIARY INFORMATION											
Primary Beneficiary Name (First, Middle Initial, Last)				Social Security Number		% Benefit if not equal		Relationship to Proposed Insured			
Contingent Beneficiary Name (First, Middle Initial, Last)				Social Security Number		% Benefit if not equal		Relationship to Proposed Insured			
3. OWNER (If other than Proposed Insured)											
Name (First, Middle Initial, Last)							Birth Date	Month	Day	Year	
Social Security Number			Relationship to Proposed Insured			Phone Number Including Area Code		<input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile			
Mailing Address			City		State		Zip Code		E-mail Address		
4. SECONDARY ADDRESSEE											
Name (First, Middle Initial, Last)						Phone Number Including Area Code		<input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile			
Mailing Address			City		State		Zip Code				
5. GENERAL INFORMATION											
1. Have you used tobacco products or products containing nicotine in the past 12 months? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
2. Are you currently receiving disability payments? If "Yes", indicate reason: .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
3. Have you ever plead guilty to or been convicted of a felony? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
4. Within the past 24 months, have you received three or more citations for moving traffic violations or been convicted of driving under the influence of alcohol or drugs? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
6A. HEALTH INFORMATION											
1. Do you need assistance performing any activities of daily living such as eating, bathing, dressing, or toileting or are you currently hospitalized or confined to a wheelchair, bed, or nursing facility? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
2. Have you been diagnosed by a member of the medical profession or tested positive for Acquired Immune Deficiency Syndrome (AIDS Virus) or Human Immunodeficiency Virus (HIV)? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
3. Have you been diagnosed by a member of the medical profession as having a terminal illness or a life expectancy of 12 months or less, Alzheimer's Disease or dementia, or congestive heart failure (CHF), or have you had a heart, lung, or liver transplant or has one been recommended to you? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
4. Are you currently receiving kidney dialysis or using oxygen to assist in breathing, or have you been advised by a member of the medical profession to have any medical test (except those tests related to the Human Immunodeficiency Virus (AIDS virus)), hospital or nursing facility confinement, or psychiatric or home health care and not done so? .....								<input type="checkbox"/> YES	<input type="checkbox"/> NO		
If all health questions 1-4 are answered "NO", proceed to Section 6B on the next page. If you answered any question "YES", you do not qualify for coverage.											

**6B. HEALTH INFORMATION**

1. During the past 24 months, have you had, been treated or diagnosed by a member of the medical profession or taken prescription medications for alcohol or drug abuse, internal cancer, Leukemia, or Melanoma (excluding basal/squamous cell skin cancers)? .....  YES  NO
2. During the past 12 months have you been diagnosed by a member of the medical profession as having a brain tumor, heart attack, stroke, transient ischemic attack (TIA), or have you been treated for or been advised by a member of the medical profession to have brain, heart or circulatory surgery? .....  YES  NO
3. During the past 24 months have you been treated by a member of the medical profession for insulin shock, diabetic coma, amputation caused by disease, or have you taken insulin shots prior to age 40? .....  YES  NO

**6C. HEALTH INFORMATION**

1. During the past 12 months, have you been admitted to or confined in a hospital two or more times? .....  YES  NO
2. During the past 24 months, have you been diagnosed with, been treated for, or had a member of the medical profession recommend treatment (including office visits, medications, or surgery) for :
  - a. Parkinson's disease, seizures, depression or neurological disorders? .....  YES  NO
  - b. Stroke, transient ischemic attack (TIA), heart attack, angina, irregular heartbeat, or any procedure to improve circulation to the heart or brain? .....  YES  NO
  - c. Liver disease, renal insufficiency, kidney transplant, or kidney failure?.....  YES  NO
  - d. Diabetes with uncontrolled blood pressure, diabetes requiring more than 60 units of insulin daily, or any complication of diabetes including amputation, numbness, eye or kidney disorder, coma or insulin shock, or uncontrolled blood sugars? .....  YES  NO
  - e. Emphysema, chronic bronchitis, chronic asthma, Chronic Obstructive Pulmonary Disease (COPD) or black lung? ....  YES  NO
3. During the past 36 months have you had a member of the medical profession diagnose, treat, prescribe medication, or recommend treatment (including office visits, inpatient treatment, medications, or surgery) for alcohol or drug abuse, internal cancer, Leukemia or melanoma?.....  YES  NO

**7. POLICY INFORMATION**

Plan of Insurance	ADB Rider <input type="checkbox"/> Yes <input type="checkbox"/> No	Premium Payment Frequency	Face Amount of Insurance \$ _____
<input type="checkbox"/> Full	Premium Payment Period	<input type="checkbox"/> Annually <input type="checkbox"/> Quarterly	Premium Amount \$ _____
<input type="checkbox"/> Graded	<input type="checkbox"/> 5 Years <input type="checkbox"/> 10 Years	<input type="checkbox"/> Monthly PAT <input type="checkbox"/> Semi-Annually	
<input type="checkbox"/> Reduced	<input type="checkbox"/> 20 Years <input type="checkbox"/> Whole Life	<input type="checkbox"/> Special Payment Option	

- Does the Proposed Insured have any existing life insurance or annuity contracts in force? .....  YES  NO
- Will the Proposed Insured replace or change any life insurance or annuity contract in force because of this application? .....  YES  NO
- If "Yes" to either question, complete replacement form as appropriate to state in which application is signed.

**8. REQUEST FOR PREAUTHORIZED TRANSFER**

I hereby request and authorize Investors Heritage Life Insurance Company, Frankfort, Kentucky ("Investors Heritage") to make preauthorized transfers from my bank account by way of draft, check, or electronic transfer for the payment of premiums for this policy. This authorization shall be subject to the following conditions:

1. The preauthorized transfer shall occur on or after the premium due dates unless otherwise specified;
2. Investors Heritage shall not incur any liability on any transfer returned by the bank;
3. Amounts not honored by the bank after initial deposit shall constitute non-payment of premium and coverage shall lapse subject to all provisions of each policy;
4. This authorization may be revoked by either party upon 30 days advance written notice, and Investors Heritage may immediately revoke this request if any preauthorized transfer is dishonored by the bank when presented.

Frequency of Transfer Renewal premiums will be debited on MONTHLY mode unless a different mode is marked.

ANNUALLY  SEMI-ANNUALLY  QUARTERLY  MONTHLY Draft Date Requested \_\_\_\_\_

Date \_\_\_\_\_ Depositor's Printed Name as it appears on bank records \_\_\_\_\_ Depositor's Signature \_\_\_\_\_

Name of Bank \_\_\_\_\_ Bank Branch or Address \_\_\_\_\_

Complete the following OR submit a voided check.

Account Type:  Checking  Savings

Account Number

Routing Number

**9. PREMIUM PAYOR (If different than owner)**

Name (First, Middle Initial, Last)	Social Security Number	Phone # with Area Code <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile
Mailing Address	City State Zip	Relationship to Proposed Insured

10. AGREEMENT & AUTHORIZATION

I have read the completed application. I am not currently taking and I am not under the influence of any medications or drugs that would affect my ability to fully understand and to fully and accurately complete this application. I agree that this application will be the basis for, and will become part of, the policy that is issued. The above representations are true to the best of my knowledge and belief. I agree the policy shall not be in effect until it has been issued by Investors Heritage Life Insurance Company ("the Company") and the initial premium has been paid. I understand that the information on this application will be relied upon to determine insurability and that incorrect information may result in coverage being voided, subject to the policy's incontestability provision. I understand that the agent has no authority to approve the application, change the policy or waive any policy provisions. I understand no insurance will be effective until the date stated in the policy and all eligibility requirements are met. I understand that the USA Patriot Act requires all financial institutions, including insurance companies, to verify the identity of their customers. I am providing my name, address, date of birth and taxpayer identification number to allow verification of identity. I understand the verification process may include the use of third-party sources to verify the information provided. I am not being paid cash and have not been promised services as an inducement to enter into this application for life insurance. The purpose of this insurance application is not to sell or assign it to any type of viatical settlement, senior settlement, or life settlement company. I acknowledge receipt of a copy of the Information Practices Notice, MIB Pre-Notice and Fair Credit Reporting Act Notice.

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

I authorize any physician, medical practitioner, hospital, medical care facility, the Veteran's Administration, insurance company, MIB, Inc., pharmacy manager, pharmacy, insurance laboratory, a consumer reporting agency, my employer or any other person or organization that has any record of information about me to give Investors Heritage Life Insurance Company, its reinsurers or its authorized representatives, information about my health, other insurance coverage, employment, age, general character, finances, participation in hazardous activities, medical care or advice about any physical or mental condition, including information about drugs, alcoholism, or other information Investors Heritage Life Insurance Company requires to determine insurability or eligibility of benefits. I further authorize the sources listed above, except MIB, Inc., to give such information to a consumer reporting agency acting on behalf of Investors Heritage Life Insurance Company. This authorization may be revoked; however, it may not be revoked during the contestability period of the policy or to the extent the company has taken action in reliance on this authorization. Notice or revocation may be sent, in writing, to the Company at its administrative office address. I agree that a copy of this authorization is as valid as the original and I can obtain a copy on request. This authorization is valid for 30 months from the date signed.

11. SIGNATURES OF PROPOSED INSURED / OWNER

X) \_\_\_\_\_ X) \_\_\_\_\_  
Signature of Proposed Insured Signature of Owner if other than Proposed Insured

Signed at \_\_\_\_\_ On \_\_\_\_\_  
(City, State) (Month, Day, Year)

12. AGENT'S STATEMENT AND SIGNATURE

To the best of my knowledge and belief the Proposed Insured and / or Owner  does  does not have any existing life insurance or annuity coverage and the life insurance applied for  will  will not replace any existing life insurance or annuity coverage.

I certify that I have verified the personal information of the applicant(s) by viewing a state issued driver's license, state issued I.D. card, military I.D. card, Permanent U.S. Resident Card (Green Card), passport or other government issued picture I.D. card.

I certify that the Owner, Proposed Insured or any person or entity is not being paid cash or promised services as an inducement to enter into this insurance transaction and that this insurance transaction will not be sold or assigned for any type of viatical settlement, senior settlement, life settlement or any other secondary market.

Purpose of Insurance \_\_\_\_\_

I further certify that all questions on the application were asked and any information recorded by me on this application is true and accurate to the best of my knowledge and that I witnessed the signing of the application by the Owner and Proposed Insured who appeared to me to be lucid and able to fully understand all of the questions on this application.

Mail policy to:  Policyowner  Agent

This application signed and dated at \_\_\_\_\_  
City State

X) \_\_\_\_\_  
Licensed Agent's Signature Date

\_\_\_\_\_  
Agent's Printed Name Agent's Code Number Agent's Phone Number

X) \_\_\_\_\_  
Second Licensed Agent's Signature Date

\_\_\_\_\_  
Agent's Printed Name Agent's Code Number Agent's Phone Number

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INVESTORS HERITAGE LIFE INSURANCE COMPANY  
PO Box 717  
Frankfort, KY 40602-0717  
800.422.2011

CONDITIONAL INSURANCE RECEIPT

This Conditional Receipt provides a limited amount of life insurance coverage, for a limited period of time, subject to the terms of this receipt. This Conditional Receipt may not be given if the age of any proposed insured is under 15 days or over 70 years of age.

AMOUNT LIMITATION

The maximum amount of life insurance, including accidental death, which will become effective under this receipt will be the smaller of the face amount of insurance applied for or \$30,000. This includes any pending and in force insurance.

CONDITIONS

1. A minimum advance payment equal to one month's premium for the insurance applied for must be made.
2. Any check given in payment must be honored when first presented to the bank.
3. All medical examinations and tests required by the Company's initial underwriting requirements must be completed and received at our Home Office during the lifetime of any individual proposed for insurance, and prior to the Company's termination of the application, but in any case within sixty (60) days from the completion of the application.
4. If any person proposed for insurance dies by suicide or if the application contains any material misrepresentations, then the Company's liability under this receipt is limited to a refund of the premium paid.
5. Each person proposed for insurance must be a risk insurable on the application date in accordance with the Company's rules, limits and standards for the plan and the amount applied for without modification either as to plan, amount, riders, supplemental agreements and/or the rate of premium paid.

NOTICE OF INFORMATION PRACTICES

*THIS NOTICE MUST BE GIVEN TO PROPOSED INSURED*

INFORMATION INSURANCE PRACTICES

We will rely primarily on the information you give to us. We may also get information from other sources, such as doctors, or other medical professionals who have treated you. In some cases, we may ask a consumer reporting agency to gather information and send us an investigative consumer report as explained in the Fair Credit Reporting Act below. You may ask to be interviewed as part of the preparation of any such report.

MEDICAL INFORMATION BUREAU

Information regarding your insurability will be treated as confidential. Investors Heritage Life Insurance Company, or its reinsurers may, however, make a brief report thereon to MIB, formerly known as Medical Information Bureau, a not-for-profit membership organization of insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information in its file.

Upon receipt of a request from you, MIB will arrange disclosure of any information in your file. Please contact MIB at 866-692-6901 (TTY 866-346-3642). If you question the accuracy of information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill Park, Suite 400, Braintree, Massachusetts 02184-8734.

Investors Heritage Life Insurance Company, or its reinsurers, may also release information in its file to other insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted. Information for consumers about MIB may be obtained on its website at [www.mib.com](http://www.mib.com).

FAIR CREDIT REPORTING ACT  
INVESTIGATIVE CONSUMER REPORTS

In compliance with the Fair Credit Reporting Act, you are hereby notified that an investigative report may be made. Information may be obtained through personal interviews with neighbors, friends, associates or other persons with whom you are acquainted. This inquiry includes information as to the character, general reputation, personal characteristics, and mode of living (except as may be related to sexual orientation) of any person proposed for insurance. You have the right to make a written request to Investors Heritage Life Insurance within a reasonable period of time for a complete and accurate disclosure of additional information concerning the nature and scope of the investigation. Upon your written request, you will be informed whether or not an investigation was made by us. If so, you will receive the name and address of the consumer reporting agency involved. You may receive and inspect a copy of the Investigative Consumer Report by contacting the consumer reporting agency.

**INVESTORS HERITAGE LIFE INSURANCE COMPANY**

**CONDITIONAL INSURANCE RECEIPT (continued from front)**

**BEGINNING DATE.** If all conditions in this receipt have been fulfilled exactly, coverage under the policy applied for, subject to the Amount Limitations, may begin on the later of:

1. The date of completion of the application;
2. The date of completion of all medical examinations, tests and other evidence required by the Company; or
3. The policy date, if any, requested in the application.

**TERMINATION DATE.** Coverage under this receipt, if it has begun, will terminate automatically on the earliest of (1) sixty days from the date of this receipt; or (2) the date the insurance takes effect under the applied for policy.

If the policy is not issued exactly as applied for, it will become effective when it is delivered to and accepted by the applicant. Upon delivery and acceptance, the first full premium must be paid. If the application is declined or not approved within sixty (60) days of its completion, no insurance will have been in force. Any premium paid will be returned. No agent of our Company has the authority to change or modify any of the provisions of this receipt.

**ALL PREMIUM CHECKS MUST BE PAYABLE TO THE COMPANY. DO NOT MAKE CHECK PAYABLE TO THE AGENT OR LEAVE THE PAYEE BLANK. THIS RECEIPT IS NOT VALID UNLESS SIGNED BY A LICENSED AGENT OF INVESTORS HERITAGE LIFE INSURANCE COMPANY.**

Amount Received: \$ \_\_\_\_\_ From: \_\_\_\_\_ Date: \_\_\_\_\_  
month day year

Agent's Signature \_\_\_\_\_ Agent's Address \_\_\_\_\_

Agent's Phone Number \_\_\_\_\_

**NOTICE OF INFORMATION PRACTICES (continued from front)**

**PERSONAL HISTORY INTERVIEW**

We will conduct a personal history interview. This is a phone call placed from our underwriting office. Its purpose is to make sure that the information regarding the insured on the application is correct. Our interviewers are trained to conduct their calls in a friendly, professional manner. The nature of the information discussed is always treated as personal and confidential and will only be used to help determine your eligibility for insurance.

**CONTESTABILITY**

You are strongly urged to review the completed application for accuracy. A claim may be denied if the application contains false statements or misrepresentations or fails to disclose material facts. In such a case, the policy could be void and coverage could be lost or denied.

**YOUR RIGHTS TO ACCESS AND CORRECTION**

You can obtain access to personal information about you contained in our policy files by sending us a written request. You may also request any necessary corrections, amendments or deletion of any information in our files which you believe to be inaccurate or irrelevant.

**FRAUD NOTICE**

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

**INVESTORS HERITAGE LIFE INSURANCE COMPANY**



*Doorway to Your Heritage*

INVESTORS HERITAGE LIFE INSURANCE COMPANY  
200 Capital Avenue Post Office Box 717  
Frankfort, KY 40602-0717  
Phone: 800.422.2011 Fax: 502.875.7084  
Email: [ihlic@ihlic.com](mailto:ihlic@ihlic.com) Web: [www.investorsheritage.com](http://www.investorsheritage.com)

SERFF Tracking Number: IHLI-126952001 State: Arkansas  
Filing Company: Investors Heritage Life Insurance Company State Tracking Number: 48448  
Company Tracking Number: ICC11-FEWL 2011  
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
Product Name: IHLIC-FE 2011  
Project Name/Number: FEWL-2011-AR/

## Supporting Document Schedules

**Item Status:** **Status Date:**

**Satisfied - Item:** Flesch Certification

**Comments:**

Certifications attached.

**Attachments:**

Readability Certification.pdf

AR Compliance Certification.pdf

Reg 19 Certification.pdf

**Item Status:** **Status Date:**

**Satisfied - Item:** Disclosure Forms

**Comments:**

The attached Disclosure Forms are for informational purposes only.

**Attachments:**

ICC11-FEABR-DISC 1-2011.pdf

ICC11-FEABR-CLDISC 1-2011.pdf

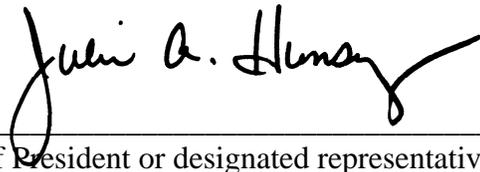
**READABILITY CERTIFICATION**

**INVESTORS HERITAGE LIFE INSURANCE COMPANY**  
**SERFF Tracking Number IHLI-126952001**  
**NAIC Number 64904**

I have reviewed or supervised the preparation of the forms listed below and certify that the forms comply with the applicable readability requirements of the state of Arkansas.

Form Number	Description	Flesch Score
ICC11-FEWL-AR (1-2011)	Whole Life Insurance Policy	50.2
ICC11-FEGB-AR (1-2011)	Graded Benefit Whole Life Policy	50.5
ICC11-FERB-AR (1-2011)	Reduced Benefit Whole Life Policy	50.8
ICC11-FEABR-AR (1-2011)	Accelerated Death Benefit Rider	50.9
ICC11-FEADB-AR (1-2011)	Accidental Death Benefit Rider	50
ICC11-FEAPP-AR (1-2011)	Application for Whole Life Insurance	51.2

April 8, 2011  
Date



\_\_\_\_\_  
Signature of President or designated representative

Julie Hunsinger, FSA, MAAA  
Name of Person signing above

Vice President & Chief Actuary  
Title of person signing above



# INVESTORS HERITAGE *Life Insurance Company*

PO Box 717 Frankfort KY 40602-0717

1-800-422-2011

investorsheritage@ihlic.com

## Certificates of Compliance

Re: ICC11-FEWL-AR (1-2011)  
ICC11-FEGB-AR (1-2011)  
ICC11-FERB-AR (1-2011)  
ICC11-FEABR-AR (1-2011)  
ICC11-FEADB-AR (1-2011)  
ICC11-AR-FEAPP (1-2011)

I hereby certify that the submitted forms listed above meet all applicable Arkansas requirements including the requirements of Rule and Regulation 19 and the requirements of Rule and Regulation 49.

I also hereby certify that the submitted forms listed above meet with the applicable readability requirements of the Arkansas Code.

I also certify that the Consumer Information Notice as required by ACA 23-79-138 is attached to every policy at policy issue.

Julie A. Hunsinger, FSA, MAAA  
Vice President & Chief Actuary

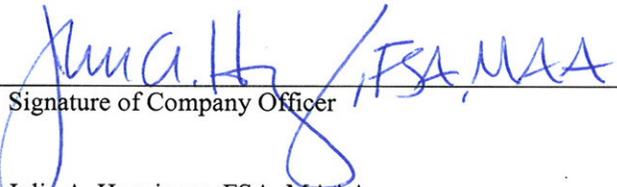
April 8, 2011

## Certificate of Compliance with Arkansas Rule and Regulation 19

Insurer: Investors Heritage Life Insurance Company

Form Number(s): ICC11-FEWL-AR (1-2011)  
ICC11-FEGB-AR (1-2011)  
ICC11-FERB-AR (1-2011)  
ICC11-FEABR-AR (1-2011)  
ICC11-FEADB-AR (1-2011)  
ICC11-AR-FEAPP (1-2011)

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

  
\_\_\_\_\_  
Signature of Company Officer

Julie A. Hunsinger, FSA, MAAA

\_\_\_\_\_  
Name

Vice President & Chief Actuary

\_\_\_\_\_  
Title

April 8, 2011

\_\_\_\_\_  
Date

**Investors Heritage Life Insurance Company**  
**ACCELERATED DEATH BENEFIT PAYMENT RIDER DISCLOSURE**

**NOTICE:** Death benefits and cash surrender values will be reduced upon payment of an accelerated benefit. The accelerated benefits offered under this rider may or may not qualify for favorable tax treatment under the Internal Revenue Code of 1986. Whether such benefits qualify depends on factors such as your life expectancy at the time benefits are accelerated or whether you use the benefits to pay for necessary long-term care expenses, such as nursing home care. If the acceleration of benefits qualifies for favorable tax treatment, the benefits will be excluded from your income and not subject to federal taxation. However, accelerated benefit payments may be taxable by your state. Tax laws relating to accelerated benefits are complex. You should consult a qualified tax advisor for specific information. Receipt of an accelerated benefit payment may adversely affect your, your spouse's or your family's eligibility for medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance or other public assistance programs. You should consult with a qualified advisor and with social services agencies regarding how receipt of such payment may affect eligibility for such programs.

**PREMIUMS**

There is no premium charge for the accelerated death benefit rider.

**EFFECT ON POLICY VALUES**

After payment of the accelerated death benefit, the death benefit of the policy will be reduced by the amount of accelerated death benefit. Any premium payments, cash values, and other obligations and benefits under this policy, excluding that for riders, will be reduced proportionately.

**AMENDED POLICY SCHEDULE**

An amended policy schedule will be sent to you upon payment of this benefit. The schedule will show the reduced death benefit, cash value and premium amounts.

**MAXIMUM ACCELERATED DEATH BENEFIT**

The sum of all accelerated benefit payments may not exceed the smaller of \$25,000 or 80% of the face amount. This is subject to the additional requirement that the remaining death benefit be no less than \$2,000.

**CONDITION OF PAYMENT**

We will pay an amount up to the maximum accelerated death benefit if we receive proof that the insured has been diagnosed with a terminal illness.

**DEFINITION OF TERMINAL ILLNESS**

Terminal illness is considered a disease or illness that is expected to result in the death of the insured within twenty-four (24) months. We will require certification of the terminal illness by a physician.

**CERTIFICATION OF PHYSICIAN**

The certification by a physician must include documentation supported by clinical, radiological, histological, or laboratory evidence of the condition.

**PHYSICIAN OF OUR CHOICE**

We may require an additional examination by a physician of our choice, and at our expense. If there is a conflict of medical opinion as to the life expectancy of the insured, a third medical opinion that is provided by a physician that is mutually acceptable to the insured and the company will govern.

I have received a copy of this disclosure.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Agent

\_\_\_\_\_  
Date

# Investors Heritage Life Insurance Company

## STATEMENT DEMONSTRATING THE EFFECT OF AN ACCELERATED DEATH BENEFIT PAYMENT

Policy Number: < 999888 >      Insured: < John Doe >

You have requested payment under the Accelerated Death Benefit Rider attached to the above policy. This disclosure is to help you decide whether or not payment of this benefit is right for you.

**NOTICE: Death benefits and cash surrender values will be reduced upon payment of an accelerated benefit. The accelerated benefits offered under this rider may or may not qualify for favorable tax treatment under the Internal Revenue Code of 1986. Whether such benefits qualify depends on factors such as your life expectancy at the time benefits are accelerated or whether you use the benefits to pay for necessary long-term care expenses, such as nursing home care. If the acceleration of benefits qualifies for favorable tax treatment, the benefits will be excluded from your income and not subject to federal taxation. However, accelerated benefit payments may be taxable by your state. Tax laws relating to accelerated benefits are complex. You should consult a qualified tax advisor for specific information. Receipt of an accelerated benefit payment may adversely affect your, your spouse's or your family's eligibility for medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance or other public assistance programs. You should consult with a qualified advisor and with social services agencies regarding how receipt of such payment may affect eligibility for such programs.**

The accelerated percentage you requested is < 50% >  
 The face amount of your policy just prior to the accelerated benefit date is < \$10,000 >  
 You requested an acceleration date of < May 1, 2021 >

After payment of an accelerated benefit, policy values will be adjusted as follows:

	<u>Immediately prior to accelerated benefit date</u>	<u>After payment of accelerated benefit</u>
Face amount	\$10,000.00	\$5,000.00
Cash Value	\$3,106.00	\$1,553.00
Annual Premium	\$440.00	\$220.00
Indebtedness	\$0.00	\$0.00

The accelerated benefit payment will be equal to:

The Accelerated amount		\$5,000.00
Plus premium paid for periods beyond the acceleration date	+	\$0.00
Plus loan interest paid for periods beyond the acceleration date	+	\$0.00
Less An interest charge for twelve (12) months	-	\$145.63
Less the applicable percentage of the outstanding loan balance	-	\$0.00
Less an administrative expense charge	-	\$100.00
-----		-----
Total accelerated benefit payment		\$4,754.37

The interest charge is computed using an annual interest rate of 3.00% >

\_\_\_\_\_  
 Signature of Policy Owner Date

SERFF Tracking Number: IHLI-126952001 State: Arkansas  
 Filing Company: Investors Heritage Life Insurance Company State Tracking Number: 48448  
 Company Tracking Number: ICC11-FEWL 2011  
 TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
 Product Name: IHLIC-FE 2011  
 Project Name/Number: FEWL-2011-AR/

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/08/2011	Form	Final Expense Reduced Benefit	04/13/2011	ICC11-FERB-AR (1-2011).pdf (Superseded)

# INVESTORS HERITAGE

*Life Insurance Company*

200 CAPITAL AVENUE  
PO BOX 717  
FRANKFORT, KY 40602-0717  
PHONE 1.800.422.2011

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We will pay the proceeds of this policy to the beneficiary upon receipt of due proof of death of the insured while this policy is in force.

We will pay the cash surrender value of this policy to you upon its surrender.

This policy is a legal contract between you and us. It is issued in consideration of the application and the payment of the initial premium on or before the date of policy delivery. Subsequent premiums are payable as provided in the policy.

**THIS POLICY HAS A LIMITED GRADED DEATH BENEFIT - PLEASE READ YOUR POLICY CAREFULLY!**

Signed at our home office at 200 Capital Avenue, Frankfort, Kentucky 40601.



Jane S. Jackson  
Secretary



Harry Lee Waterfield II  
President

## 30 DAY EXAMINATION PERIOD

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You may return this policy within 30 days after receiving it by mailing it to us, taking it to the agent through whom it was purchased, or by taking it to any other agent of Investors Heritage Life Insurance Company. It will then be void as of the date of issue. Any premium paid will be returned.

Surrender of this policy may result in a substantial penalty because the cash value may be less than the premiums paid.

## REDUCED BENEFIT WHOLE LIFE INSURANCE POLICY

Limited benefit for death from natural causes in the first two policy years;  
Ultimate face amount payable for death from all causes in the third policy year and beyond;  
Proceeds payable at death of insured and prior to the maturity date;  
Cash surrender value payable on the maturity date;  
Premiums payable for amount and period stated in policy schedule;  
Non-participating - no dividends.

ICC11-FERB-AR (1-2011)

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**POLICY SCHEDULE  
WHOLE LIFE INSURANCE**

**POLICY NUMBER:** ..... 999201  
**INSURED:** ..... John Doe  
**OWNER:** ..... John Doe  
**ULTIMATE FACE AMOUNT:** ..... \$ 10,000

If death occurs as the result of an accident at any time while this policy is in force, the ultimate face amount will be payable.

**DATE OF ISSUE:** ..... January 5, 2011  
**ISSUE AGE:** ..... 55  
**SEX:** ..... Male  
**RISK CLASSIFICATION:** ..... Basic  
**ANNUAL PREMIUM:** ..... \$ 710.00  
**INITIAL PREMIUM:** ..... \$ 710.00  
**PREMIUM PAYMENT PERIOD:** ..... To Age 120  
**MATURITY DATE:** ..... January 5, 2076  
**BENEFICIARY:** ..... As stated in the application unless changed by you.

The owner and beneficiary are subject to change as described in this policy.

Guaranteed cash values are based on the 2001 CSO Mortality Table, Male or Female, Non-Tobacco or Tobacco, Age Last Birthday, and 5.00% interest per year, compounded annually.

The maximum policy loan interest rate is 8.0% per year, payable in arrears, compounded annually.

PREMIUM MODE	MODAL PREMIUM FACTOR	MODAL PREMIUM
Monthly preauthorized transfer	0.0835	\$ 59.29
Quarterly (direct and preauthorized transfer)	0.2600	\$ 184.60
Semi-annually (direct and preauthorized transfer)	0.5150	\$ 365.65
Annual (direct and preauthorized transfer)	1.0000	\$ 710.00

**TABLE OF DEATH BENEFITS IN THE FIRST TWO POLICY YEARS**

<b>Policy Month of Death</b>	<b>Death Benefit for Accidental Causes</b>	<b>Death Benefit for Non-Accidental Causes</b>	<b>Policy Month of Death</b>	<b>Death Benefit for Accidental Causes</b>	<b>Death Benefit for Non-Accidental Causes</b>
1	\$ 10,000	59.60	13	\$ 10,000	813.50
2	\$ 10,000	119.80	14	\$ 10,000	879.60
3	\$ 10,000	180.30	15	\$ 10,000	946.30
4	\$ 10,000	241.40	16	\$ 10,000	1,013.50
5	\$ 10,000	303.00	17	\$ 10,000	1,081.20
6	\$ 10,000	365.00	18	\$ 10,000	1,149.40
7	\$ 10,000	427.60	19	\$ 10,000	1,218.20
8	\$ 10,000	490.60	20	\$ 10,000	1,287.60
9	\$ 10,000	554.20	21	\$ 10,000	1,357.50
10	\$ 10,000	618.20	22	\$ 10,000	1,428.00
11	\$ 10,000	682.80	23	\$ 10,000	1,499.00
12	\$ 10,000	747.90	24	\$ 10,000	1,570.60

If death occurs as the result of an accident at any time while this policy is in force, the ultimate face amount will be payable.

The ultimate face amount is payable for all causes of death in policy years three and beyond.

**TABLE OF GUARANTEED POLICY VALUES**  
**DEATH BENEFITS SHOWN AS OF BEGINNING OF POLICY YEAR**  
**CASH VALUES SHOWN AS OF END OF POLICY YEAR**  
**VALUES ASSUME NO POLICY LOANS**

**ISSUE AGE 55**

<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>	<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>
1	56	\$ 59	\$ 0.00	\$ 0	23	78	\$ 10,000	\$ 4,958.90	\$ 7,362
2	57	813	138.20	383	24	79	10,000	5,192.10	7,539
3	58	10,000	340.70	910	25	80	10,000	5,419.60	7,704
4	59	10,000	548.50	1,414	26	81	10,000	5,640.30	7,859
5	60	10,000	761.30	1,895	27	82	10,000	5,853.80	8,002
6	61	10,000	977.90	2,351	28	83	10,000	6,061.20	8,136
7	62	10,000	1,197.20	2,784	29	84	10,000	6,262.00	8,261
8	63	10,000	1,418.00	3,191	30	85	10,000	6,455.10	8,378
9	64	10,000	1,640.30	3,575	31	86	10,000	6,639.00	8,486
10	65	10,000	1,864.20	3,939	32	87	10,000	6,812.50	8,584
11	66	10,000	2,090.20	4,284	33	88	10,000	6,974.80	8,674
12	67	10,000	2,319.10	4,613	34	89	10,000	7,125.40	8,755
13	68	10,000	2,551.30	4,928	35	90	10,000	7,264.30	8,828
14	69	10,000	2,787.20	5,229	36	91	10,000	7,393.50	8,895
15	70	10,000	3,026.80	5,518	37	92	10,000	7,515.70	8,957
16	71	10,000	3,269.20	5,794	38	93	10,000	7,631.00	9,014
17	72	10,000	3,512.30	6,056	39	94	10,000	7,739.00	9,066
18	73	10,000	3,754.60	6,303	40	95	10,000	7,838.90	9,114
19	74	10,000	3,996.60	6,538	41	96	10,000	7,932.30	9,159
20	75	10,000	4,238.60	6,760	42	97	10,000	8,021.70	9,200
21	76	10,000	4,480.40	6,972	43	98	10,000	8,106.60	9,239
22	77	10,000	4,721.00	7,172	44	99	10,000	8,185.70	9,276

<b>Policy Year</b>	<b>Attained Age</b>	<b>Guar. Death Benefit</b>	<b>Basic Cash Value</b>	<b>Paid-up Insurance</b>
45	100	\$ 10,000	\$ 8,256.70	\$ 9,308
46	101	10,000	8,321.10	9,336
47	102	10,000	8,384.40	9,364
48	103	10,000	8,446.40	9,391
49	104	10,000	8,507.10	9,418
50	105	10,000	8,566.40	9,443
51	106	10,000	8,624.30	9,468
52	107	10,000	8,680.60	9,492
53	108	10,000	8,735.40	9,515
54	109	10,000	8,788.70	9,537
55	110	10,000	8,840.30	9,558
56	111	10,000	8,890.30	9,579
57	112	10,000	8,938.60	9,599
58	113	10,000	8,985.30	9,618
59	114	10,000	9,030.30	9,636
60	115	10,000	9,073.70	9,653
61	116	10,000	9,115.50	9,670
62	117	10,000	9,155.90	9,686
63	118	10,000	9,197.00	9,702
64	119	10,000	9,264.40	9,728
65	120	10,000	10,000.00	10,000

## **DEFINITIONS**

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### **ATTAINED AGE**

The issue age of the insured plus the number of completed policy years.

### **EVIDENCE OF INSURABILITY**

Proof of the good health of the insured that is satisfactory to us.

### **INDEBTEDNESS**

Unpaid policy loans and unpaid policy loan interest, if any.

### **INSURED**

The individual named as the insured in the policy schedule.

### **ISSUE AGE**

Age on the insured's last birthday on or preceding the issue date.

### **ISSUE DATE**

The date from which policy anniversaries, policy years and policy months are determined.

### **MATURITY DATE**

The final date on which any proceeds are payable under this policy if the insured is still alive.

### **POLICY ANNIVERSARY**

The same day and month as the issue date for each succeeding year this policy remains in force.

### **POLICY SCHEDULE**

Page 3 of this policy.

### **PREMIUM PERIOD**

The number of years for which premiums are payable.

### **PROCEEDS**

The amount we are obligated to pay under the terms of this policy.

### **RIDER**

A rider is an attachment to this policy which provides additional benefits.

### **TABLE OF GUARANTEED POLICY VALUES**

Page 5 of this policy.

### **WE, OUR, US**

Investors Heritage Life Insurance Company.

### **WRITTEN REQUEST**

A notification or request received from the owner in a form satisfactory to us. Written requests are recorded at our home office. We will not be responsible for the validity of any written request.

### **YOU, YOURS**

The owner of this policy. The owner is designated in the application unless later changed by written notice to us.

## GENERAL PROVISIONS

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### CONTRACT

The entire contract between you and us consists of this policy, any riders or endorsements, and the written application, a copy of which is attached at issue or delivery. All statements between you and us in the application, in the absence of fraud, are representations and not warranties. No statement shall be used in defense of a claim under this policy unless it is contained in a written application that is attached to the policy when issued or delivered.

### AUTHORITY TO CHANGE

Only our officers may change the terms of this policy. Any change must be made in writing.

### INCONTESTABILITY

We will not contest the validity of this policy after it has been in force during the lifetime of the insured for a period of two (2) years from the issue date as shown in the policy schedule, except for non-payment of premium.

A reinstatement of this policy will be incontestable after it has been in force during the lifetime of the insured for two (2) years from the effective date of reinstatement. Contest of a reinstatement may be made only with respect to material misrepresentations made in the application for reinstatement.

No statement made by the owner or by the insured related to the insured's insurability may be used in a contest or to reduce benefits unless (a) it is contained in a written instrument signed by the owner or the insured, and (b) the statement on which the contest is based is material to the risk accepted by us, and (c) a copy of such instrument has been given to the owner, the insured, or the beneficiary.

### SUICIDE

If the insured commits suicide, while sane or insane, within two (2) years from the issue date, the proceeds under this policy will be an amount equal to the premiums paid.

### MISSTATEMENT OF AGE OR SEX

If the age or sex of the insured is misstated, any amount of proceeds payable will be adjusted to that amount which the premiums paid would have purchased at the true age and sex of the insured.

### NON-PARTICIPATING

This policy will not share in our surplus earnings. No dividends will be paid.

### TERMINATION

This policy will terminate and all coverage will cease on the earliest of the following dates:

1. The date we receive your written request to surrender this policy;
2. The date on which the grace period ends if a premium is then in default and this policy has no cash value;
3. The date of death of the insured;
4. If indebtedness equals or exceeds the cash value, the date that falls thirty (30) days after notice of termination has been mailed to your last known address and to any assignee of record; or
5. The maturity date shown on the policy schedule.

## **OWNERSHIP AND BENEFICIARY PROVISIONS**

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### **OWNER**

The owner of this policy is the person or party designated to exercise the rights and receive the benefits of ownership. The insured is the owner unless otherwise stated in the application or later changed.

Subject to the terms of any beneficiary designation or assignment, the owner may, during the lifetime of the insured:

1. Assign or surrender this policy;
2. Obtain a policy loan;
3. With our consent, make a change in this policy;
4. Transfer the ownership of this policy; and
5. Exercise other rights and receive other benefits as defined in this policy.

If the owner has not named a successor owner, at the death of the owner, the insured becomes the owner of this policy unless the insured is a minor or otherwise legally incompetent, in which case the owner will be the legally appointed guardian of the insured.

### **BENEFICIARY**

The beneficiary is as shown in the application. The beneficiary will receive the amount of proceeds payable at the death of the insured subject to any assignment made by you. The interest of a beneficiary terminates if the beneficiary dies before the insured. If no beneficiary survives at the death of the insured, payment may be made to you or to your estate or successors.

If more than one beneficiary survives at the death of the insured, proceeds will be allocated according to written instructions from the owner of this policy received by us prior to the death of the insured. If no allocation of proceeds between beneficiaries is specified, proceeds will be divided equally among all surviving beneficiaries.

### **CHANGE OF OWNER OR BENEFICIARY**

You may change the designations of owner and beneficiary while the insured is alive. Any change is subject to the consent of an irrevocable beneficiary. Written request of change must be filed at our home office. Unless otherwise specified by you, the new designation will then take effect as of the date you signed the notice. Such a change does not affect any payment made or other action taken by us before we received the notice.

### **ASSIGNMENT**

You may assign this policy by written request. We are not responsible for the validity or effect of any assignment of this policy. No assignment will bind us until it is received at our home office. Unless otherwise specified, any assignment will take effect on the date the notice of assignment is signed by you, subject to any payments made or actions taken by us prior to receipt of the assignment.

## **INSURANCE PROVISIONS**

---

### **DEATH DUE TO ACCIDENTAL CAUSES**

The full ultimate face amount will be paid for death at any time due to accidental causes.

### **DEATH DUE TO NATURAL CAUSES**

A limited death benefit will be paid for death from natural causes in the first two policy years. The limited death benefit is shown in the policy schedule. The ultimate death benefit will be paid for death from all causes in the third and later policy years.

### **DEFINITION OF ACCIDENTAL DEATH**

Accidental death is defined such that:

1. The death of the insured resulted from accidental bodily injury that was the direct cause of death, independent of disease, bodily infirmity, or any other cause; and
2. The death of the insured occurred within 180 days of the date of injury.

Accidental death includes, but is not limited to, death that occurs as a result of:

1. The involuntary or unintentional ingestion, absorption or inhalation of a poison, narcotic, sedative, medicine, infectious organism, gas or fume; and
2. Accidental ptomaine (food) poisoning and bacterial infection resulting from accidental injury; and
3. An adverse reaction to a legally obtained medicine or drug, if taken as directed, whether or not prescribed by a physician.

Accidental death does not include death that occurs as a result of:

1. Death caused or contributed to by disease or infirmity of mind or body; or
2. Medical or surgical treatment, except when required as the result of an accident; or
3. An infection not occurring as a direct result or consequence of the accidental bodily injury; or
4. Death caused or contributed to by any attempt at suicide, or intentionally self-inflicted injury, while sane or insane; or
5. Death caused or contributed to by active participation in a riot, insurrection or terrorist activity; or
6. Death occurring while the proposed insured is incarcerated; or
7. Death caused or contributed to by committing or attempting to commit a felony; or
8. Death caused or materially contributed to by participation in an illegal occupation or activity; or
9. Death caused or materially contributed to by voluntary intake or use by any means of: (a) Any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions, or; (b) Poison, gas or fumes, unless a direct result of an occupational accident; or
10. Death caused or contributed to by intoxication as defined by the jurisdiction where the accident occurred.

### **AMOUNT OF PROCEEDS**

The proceeds payable under this policy is equal to:

1. The death benefit as described above; plus
2. The amount of insurance on the life of the insured provided by riders; less
3. Any policy loan balance.

### **PROCEEDS AT DEATH**

The amount of proceeds payable at death of the insured while this policy is in force will be the death benefit described above adjusted for any misstatement of age or sex.

### **INTEREST ON PROCEEDS**

Interest on proceeds will be paid from the date of death of the insured to the date of payment. Interest will accrue at a rate which is the greater of (a) the rate declared by us for proceeds left on deposit, or (b) the rate required by law.

Additional interest will accrue at an annual rate of ten (10) percent from thirty-one (31) days after the latest of the following to the date of payment:

1. The date we receive due proof of death;
2. The date we receive sufficient information to determine the amount of payment and the appropriate payee legally entitled to the proceeds; and
3. The date that any legal impediments to payment of proceeds that depend on the action of parties other than us are resolved and sufficient evidence of the same is provided to us. Legal impediments include, but are not limited to (a) the establishment of guardianships and conservatorships, or (b) the appointment and qualification of trustees, executors and administrators, or (c) the submission of information required to satisfy a state and federal reporting requirement.

### **PAYMENT OF PROCEEDS**

To claim the proceeds, due proof of death must be furnished. Due proof of death will consist of a certified copy of the death certificate of the insured, or other lawful evidence providing equivalent information, and proof of the claimant's interest in the proceeds.

### **POLICY VALUE PROVISIONS**

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#### **CASH SURRENDER VALUE**

The cash surrender value at the end of any policy year is equal to the cash value as shown in the policy schedule, less any indebtedness. The cash surrender value at any other point in time will be calculated with allowance for lapse of time from the last preceding policy anniversary.

#### **POLICY VALUE OPTIONS**

If you discontinue premium payments after this policy has a cash value, you may select one of the following policy values options subject to any conditions and limitations that apply.

1. **Cash Surrender.** You may surrender this policy for its cash surrender value. If you surrender this policy it is no longer eligible for reinstatement.
2. **Paid-up insurance.** You may apply the cash surrender value to purchase a fully paid-up life policy for a reduced amount of insurance. The amount of paid-up insurance will be that amount which the cash surrender value will purchase when applied as a net single premium at the attained age of the insured on the due date of the first unpaid premium. Reduced paid-up insurance has a cash value. The cash value of reduced paid-up insurance is equal to the net single premium at the attained age of the insured for the amount of reduced paid up insurance in effect at the date of determination.

#### **EXERCISING THE CASH SURRENDER POLICY OPTION**

You may surrender this policy by returning it to our home office and filing a written request in a form acceptable to us. The date of surrender will be the date you signed the request provided the insured was then living. The amount that will be paid is the cash surrender value. With written permission from the Commissioner of the state in which this policy was delivered, the payment of the cash surrender value may be deferred for a period up to six (6) months after the request is received at our home office.

If surrender is requested within thirty (30) days after a policy anniversary, the cash surrender value will not be less than the cash surrender value on the policy anniversary. This policy will terminate as of the date of surrender.

#### **AUTOMATIC OPTION**

You may elect a policy value option within sixty (60) days of the due date of the first unpaid premium by sending us a written request at our home office. If no election has been made by the end of the sixty (60) day period, the paid-up insurance option will apply automatically. The effective date of this automatic option is the due date of the first unpaid premium.

#### **BASIS OF POLICY VALUES**

Cash value calculations are based on the Commissioners 2001 Standard Ordinary Mortality Table, Male or Female, Non-Tobacco or Tobacco, Age Last Birthday, with interest as shown in the policy schedule. Policy benefits are not less than the minimum values required on the issue date by the NAIC Standard Nonforfeiture Law for Life Insurance as adopted by the state in which this policy was issued. A detailed statement of the method of computing policy values and benefits has been filed with the insurance department of the state in which this policy was delivered.

## **LOAN PROVISIONS**

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### **POLICY LOAN**

We will make a loan to you upon the sole security and assignment of this policy. You may obtain a loan at any time while this policy is in force. The amount of the loan may not exceed the loan value, as defined below. We may defer making a policy loan up to six (6) months after written request is received at our home office unless the loan is used to pay a premium to us.

You may repay the loan in full or in part while your policy is in force prior to the death of the insured. Any payments received will be credited as loan repayments only if so designated.

### **LOAN VALUE**

The loan value is equal to the cash surrender value on the date of the loan. The amount advanced as a policy loan may not exceed (a) the loan value, less (b) the amount of any existing loan, less (c) loan interest to the end of the current policy year. Unless it is paid in cash at the date of the loan, any existing policy loan, along with interest to the date of the loan, will be added to and become a part of the new policy loan.

### **LOAN INTEREST**

Policy loan interest accrues from the date of the loan. It is payable in arrears on each policy anniversary and on the date the loan is settled. If interest is not paid when due, it will be added to the loan and will bear interest at the policy loan interest rate.

The maximum annual interest rate for loans is stated in the policy schedule. Interest is compounded annually.

### **INDEBTEDNESS**

Indebtedness means all outstanding policy loans on this policy including interest accrued and accruing from day to day. Indebtedness may be repaid in full or in part while the insured is alive. If not repaid, it will be deducted in one sum from the proceeds of this policy.

If indebtedness exceeds the cash surrender value, this policy will terminate thirty (30) days after notice of termination has been mailed to your last known address and to any assignee of record.

## **PREMIUM PROVISIONS**

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### **PREMIUM PAYMENTS**

The initial premium shown in the policy schedule is due on the policy date. There is no insurance coverage in effect until the initial premium is paid while the insured is alive.

Additional premiums are payable in advance at our home office. Each premium, including the initial premium, may be paid to our authorized agent who will provide a receipt. The receipt must be signed by the agent who receives the payment on our behalf.

### **PREMIUM DUE DATE**

Each premium, after the initial premium, is due on or before the end of the period covered by the preceding premium. Any premium not paid on or before its premium due date is in default.

### **GRACE PERIOD**

A grace period of thirty-one (31) days is allowed for payment without interest of any premium falling due after the policy date. During the grace period this policy will stay in force. If a premium in default has not been paid by the end of the grace period, this policy will terminate as of the premium due date of the unpaid premium. If the insured dies during the grace period, the premium required to keep this policy in force to the end of the policy month in which death occurs will be deducted from the proceeds. This thirty-one (31) day grace period does not apply to the initial premium payment.

### **MODES OF PREMIUM PAYMENT**

Premiums may be paid monthly, quarterly, semi-annually, or annually. Payment of premiums is subject to our current minimum premium requirements and permitted methods of payment. You may change your method of premium payment with our consent.

### **AMOUNTS OF PREMIUM**

The amount of premium due on any premium due date is equal to the total annual premium in effect on that date multiplied by the modal premium factor. The total annual premium is the sum of the annual premiums for this policy and for any benefits attached by rider. The total annual premium and the modal premium factors for each allowable premium mode are shown in the policy schedule.

### **REFUND OF UNEARNED PREMIUMS**

Any premiums paid for coverage beyond the end of the premium month in which you surrender or terminate this policy will be returned to you.

### **REINSTATEMENT PROVISIONS**

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#### **REINSTATEMENT**

If this policy terminated because indebtedness exceeded the cash surrender value, it may be reinstated within five (5) years after termination if:

1. This policy was not surrendered for its cash surrender value; and
2. You submit a written request and application during the lifetime of the insured; and
3. You provide evidence of insurability satisfactory to us; and
4. You pay all premiums in default together with interest at the rate of 6% per year, compounded annually, from the premium due date of each premium in default to the date of reinstatement; and
5. You pay or reinstate any indebtedness which existed at the date of termination to the date of reinstatement at the policy loan interest rate stated in the policy schedule.

The date of reinstatement will be the latest of (a) the date we approve your application for reinstatement, or (b) the date we receive all past amounts due.

### **SETTLEMENT PROVISIONS**

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#### **POLICY PROCEEDS**

Proceeds payable under this policy may be paid in a single sum or left with us for payment under any settlement option we then provide. The amount applied under an option must be at least \$5,000.

#### **ELECTION OF OPTIONS**

With the consent of any irrevocable beneficiary, you may elect or revoke a settlement option at any time before the proceeds are payable. If no settlement option election is in effect at the time the proceeds become payable, the payee may make an election. Written notice of election or revocation must be filed at our home office in a form acceptable to us. The notice will then take effect as of the date you or the payee signed the notice. An election does not affect any payment made or other action taken by us before the notice is received. A payee who is not a natural person may elect a settlement option only with our consent. An assignee cannot elect a settlement option. Change of owner or beneficiary automatically revokes any election in effect.

**EFFECTIVE DATE**

The first payment under options 1, 2, and 4 is payable on the effective date of the option. The effective date is (a) the date of the death of the insured, or (2) any later date agreeable to us.

**DEATH OF PAYEE**

Unless otherwise specified, at the death of the last payee a final payment will be made to the estate of the payee. For options 1 and 2 the final payment will be the commuted value of the remaining unpaid installments certain. Such value will be computed based on the rate of interest used in the calculation of payments. For options 3 and 4 the final payment will be the unpaid proceeds with any unpaid interest to the date of death of the payee.

**SETTLEMENT OPTION INTEREST RATE**

The guaranteed interest rate for options 1, 2, 3, and 4 is 3% per year, compounded annually. Additional interest may be declared by us from time to time.

**OPTION 1**

Proceeds will be paid for a fixed period. The amount of each payment is determined from the option 1 table on the following page.

**OPTION 2**

Proceeds will be paid in equal installments throughout the certain period. After the certain period, payments will continue to be made throughout the lifetime of the payee. The amount and certain period of the payments are determined from the option 2 table on the following page. Satisfactory proof of the age and sex of the payee is required. We may require evidence that the payee is living on the due date of any payment.

**OPTION 3**

Interest on the proceeds will be paid in the manner agreed upon when the option is elected.

**OPTION 4**

Proceeds will be paid in fixed installments at regular intervals until the proceeds, together with interest on the unpaid balance, are exhausted.

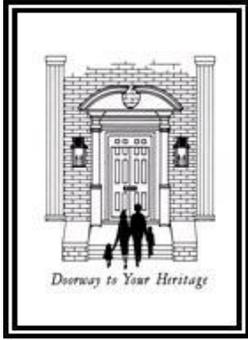
**OPTION 5**

Proceeds will be used to purchase any single premium annuity we offer at the time proceeds are applied. The annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the cash surrender value to purchase a single consideration immediate annuity contract at purchase rates offered by us at the time to the same class of annuitants whether the annuity benefits are payable in fixed or variable amounts or both.

OPTION 1 TABLE							
Monthly payments for a fixed number of years for each \$1,000 of proceeds							
Number of years	Monthly payment	Number of years	Monthly payment	Number of years	Monthly payment	Number of years	Monthly payment
1	84.48	6	15.16	11	8.88	16	6.55
2	42.87	7	13.18	12	8.26	17	6.25
3	29.01	8	11.70	13	7.73	18	5.98
4	22.08	9	10.55	14	7.28	19	5.75
5	17.92	10	9.63	15	6.89	20	5.53
The amount of monthly payment for other periods will be furnished on request.							

OPTION 2 TABLE											
Monthly payments are shown for each \$1,000 of proceeds. Age is the age last birthday of the payee when the first installment is payable.											
Number of Years Certain											
None						10 years					
Age	Male	Female	Age	Male	Female	Age	Male	Female	Age	Male	Female
46	3.83	3.61	66	5.85	5.31	46	3.81	3.61	66	5.64	5.20
47	3.88	3.66	67	6.03	5.47	47	3.86	3.65	67	5.79	5.34
48	3.94	3.71	68	6.23	5.63	48	3.92	3.70	68	5.94	5.48
49	4.01	3.76	69	6.44	5.81	49	3.98	3.75	69	6.10	5.63
50	4.07	3.82	70	6.66	6.00	50	4.04	3.81	70	6.26	5.79
51	4.14	3.88	71	6.90	6.20	51	4.11	3.86	71	6.43	5.96
52	4.21	3.94	72	7.15	6.43	52	4.18	3.92	72	6.60	6.13
53	4.29	4.01	73	7.42	6.67	53	4.25	3.99	73	6.78	6.32
54	4.37	4.08	74	7.70	6.93	54	4.33	4.05	74	6.96	6.51
55	4.46	4.15	75	8.01	7.21	55	4.41	4.12	75	7.15	6.71
56	4.55	4.22	76	8.34	7.51	56	4.49	4.20	76	7.33	6.91
57	4.64	4.31	77	8.69	7.84	57	4.58	4.27	77	7.52	7.12
58	4.75	4.39	78	9.07	8.20	58	4.68	4.36	78	7.71	7.33
59	4.85	4.48	79	9.47	8.58	59	4.78	4.44	79	7.89	7.54
60	4.97	4.58	80	9.90	9.00	60	4.88	4.53	80	8.07	7.76
61	5.09	4.68	81	10.36	9.45	61	4.99	4.63	81	8.25	7.97
62	5.23	4.79	82	10.85	9.94	62	5.11	4.73	82	8.42	8.17
63	5.37	4.91	83	11.37	10.47	63	5.23	4.84	83	8.59	8.37
64	5.52	5.04	84	11.92	11.04	64	5.36	4.96	84	8.74	8.56
65	5.68	5.17	85	12.52	11.66	65	5.50	5.08	85	8.89	8.73

Values were calculated using the Annuity 2000 Mortality Table, Male or Female, and 3.0% interest per year. Satisfactory proof of the age and sex of the payee is required. The amount of monthly payments for other ages and certain periods will be furnished on request.



# **INVESTORS HERITAGE**

*Life Insurance Company*

TO OBTAIN INFORMATION, MAKE A CLAIM, OR MAKE A COMPLAINT

Call us toll-free:

**1.800.422.2011**

Or write to us:

**INVESTORS HERITAGE LIFE INSURANCE COMPANY  
PO BOX 717  
FRANKFORT KY 40602-0717**

Or email us:

**[ihlic@investorsheritage.com](mailto:ihlic@investorsheritage.com)**

## **REDUCED BENEFIT WHOLE LIFE INSURANCE POLICY**

Limited benefit for death from natural causes in the first two policy years;  
Ultimate face amount payable for death from all causes in the third policy year and beyond;  
Proceeds payable at death of insured and prior to the maturity date;  
Cash surrender value payable on the maturity date;  
Premiums payable for amount and period stated in policy schedule;  
Non-participating - no dividends.