

SERFF Tracking Number: BANN-126704246 State: Arkansas  
 Filing Company: Banner Life Insurance Company State Tracking Number: 46116  
 Company Tracking Number:  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: Life Step UL  
 Project Name/Number: Life Step UL/U2010 AR

## Filing at a Glance

Company: Banner Life Insurance Company  
 Product Name: Life Step UL  
 TOI: L09I Individual Life - Flexible Premium  
 Adjustable Life  
 Sub-TOI: L09I.001 Single Life  
 Filing Type: Form

SERFF Tr Num: BANN-126704246 State: Arkansas  
 SERFF Status: Closed-Approved- State Tr Num: 46116  
 Closed  
 Co Tr Num: State Status: Approved-Closed  
 Reviewer(s): Linda Bird  
 Author: Ada Miller Disposition Date: 08/29/2011  
 Date Submitted: 07/02/2010 Disposition Status: Approved-  
 Closed  
 Implementation Date:

Implementation Date Requested: On Approval  
 State Filing Description:

## General Information

Project Name: Life Step UL  
 Project Number: U2010 AR  
 Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Authorized  
 Date Approved in Domicile: 06/29/2010  
 Domicile Status Comments: Maryland, our state  
 of domicile, is part of the IIPRC.  
 Market Type: Individual  
 Individual Market Type:  
 Filing Status Changed: 08/29/2011  
 State Status Changed: 07/07/2010  
 Created By: Ada Miller  
 Corresponding Filing Tracking Number:

Explanation for Combination/Other:  
 Submission Type: New Submission  
 Overall Rate Impact:

Deemer Date:  
 Submitted By: Ada Miller  
 Filing Description:

The above-referenced policy is being submitted for your review and approval. This is a universal life policy form that utilizes the 2001 CSO Mortality Tables. A minimum guaranteed interest rate of 3% is applicable to account values for the policy.

This form will be available to males and females, under preferred plus non-tobacco, preferred non-tobacco, standard plus, standard non-tobacco, standard tobacco, and preferred tobacco risk classifications, on an age nearest birthday basis. There is a \$50,000 minimum policy size.

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Form U2010 AR contains the following features:

Issue ages 20 through 85

Maturity at age 121

Monthly policy fee of \$5 and 7% premium load

Surrender charges apply during the first 9 years

A coverage guarantee applies which provides a secondary guarantee of coverage conditional on the sum of the values in the coverage guarantee sub-accounts

A secondary cash value applies which provides additional cash value above the basic surrender value

Upon approval, U2010 AR will not replace any other policy forms. This will be marketed to individual lives through a brokerage distribution system. Life Application form LIA (10/08) & LU-1267 (10/08), previously approved on 10/17/08, will be used for this policy. The implementation date for this product is June 30, 2010.

We have enclosed required certifications, as this is an illustrated policy.

To the best of our knowledge, information and belief, this form complies with the rules and regulations of your department.

## Company and Contact

### Filing Contact Information

Nancy January, Vice President, Product Development  
njanuary@lgame.com  
1701 Research Boulevard  
Rockville, MD 20850  
301-279-4868 [Phone]  
301-294-6964 [FAX]

### Filing Company Information

Banner Life Insurance Company  
1701 Research Boulevard  
Rockville, MD 20850  
(301) 279-4809 ext. [Phone]  
-----  
CoCode: 94250  
Group Code: 872  
Group Name:  
FEIN Number: 52-1236145  
State of Domicile: Maryland  
Company Type: Life Insurance  
State ID Number:

## Filing Fees

Fee Required? Yes  
Fee Amount: \$125.00

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Retaliatory? Yes  
Fee Explanation: 1 form x \$125  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Banner Life Insurance Company	\$125.00	07/02/2010	37718975

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	08/29/2011	08/29/2011
Approved-Closed	Linda Bird	07/16/2010	07/16/2010
Approved-Closed	Linda Bird	07/07/2010	07/07/2010

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	07/06/2010	07/06/2010	Ada Miller	07/07/2010	07/07/2010

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Sample Annual Statement	Ada Miller	08/29/2011	08/29/2011
Form	Flexible Premium Adjustable Life Insurance	Ada Miller	07/15/2010	07/15/2010

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Supporting Document	Illustration Certification		Yes
Supporting Document	Actuarial Memorandum		No
Supporting Document	Life and Health Guaranty Notice		Yes
Supporting Document	Certification		Yes
Supporting Document	Sample Annual Statement		Yes
Form ( <i>revised</i> )	Flexible Premium Adjustable Life Insurance		Yes
Form	Flexible Premium Adjustable Life Insurance	Replaced	Yes



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## Disposition

Disposition Date: 07/07/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 07/06/2010  
Submitted Date 07/06/2010  
Respond By Date 08/06/2010

Dear Nancy January,

This will acknowledge receipt of the captioned filing.

### Objection 1

Comment: Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue. Please review your issue procedures and assure us that you are in compliance with Ark. Code Ann. 23-79-138.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

Filings of "universal life" type contracts are subject to Regulation 34. Please assure us that you are in compliance with Regulation 34. If cost of insurance may be changed by the company subject to a maximum and/or accumulation rates may be changed by the company subject to a minimum, then the contract must comply with Bulletin 11-83.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

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## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 07/07/2010  
Submitted Date 07/07/2010

Dear Linda Bird,

### Comments:

Thank you for your initial review of this filing.

### Response 1

Comments: We have attached the information requested.

#### Related Objection 1

Comment:

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue. Please review your issue procedures and assure us that you are in compliance with Ark. Code Ann. 23-79-138.

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Filings of "universal life" type contracts are subject to Regulation 34. Please assure us that you are in compliance with Regulation 34. If cost of insurance may be changed by the company subject to a maximum and/or accumulation rates may be changed by the company subject to a minimum, then the contract must comply with Bulletin 11-83.

### Changed Items:

#### Supporting Document Schedule Item Changes

Satisfied -Name: Life and Health Guaranty Notice

Comment: Life and Health Guaranty Notice is attached.

Satisfied -Name: Certification



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**Amendment Letter**

Submitted Date: 08/29/2011

**Comments:**

Thank you for re-opening the filing so that we could include a sample of the Annual Statement with it.

**Changed Items:**

**Supporting Document Schedule Item Changes:**

**User Added -Name: Sample Annual Statement**

Comment: Sample Annual Statement attached

SampleAnnualStatement.pdf

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**Note To Filer**

**Created By:**

Linda Bird on 08/26/2011 03:24 PM

**Last Edited By:**

Linda Bird

**Submitted On:**

08/26/2011 03:24 PM

**Subject:**

Please re-open filing

**Comments:**

Filing has been re-opened.

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Product Name: Life Step UL  
Project Name/Number: Life Step UL/U2010 AR

**Note To Reviewer**

**Created By:**

Ada Miller on 08/26/2011 12:53 PM

**Last Edited By:**

Ada Miller

**Submitted On:**

08/26/2011 12:53 PM

**Subject:**

Please Re-Open Filing

**Comments:**

Please re-open so that we can add a sample Annual Statement to this filing.

Thanks,  
ada

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**Amendment Letter**

Submitted Date: 07/15/2010

**Comments:**

Thank you for re-opening this closed filing approved 7/7/10. We have made a revision to the Available Loan Value section in the wording to avoid any potential problems. We have not sold this product anywhere yet and would like to keep the originally filed form number U2010 AR.

Thank you again for your understanding and further review of this section for approval.

**Changed Items:**

**Form Schedule Item Changes:**

**Form Schedule Item Changes:**

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
U2010 AR	Policy/Contr act/Fraternal Certificate	Flexible Premium Adjustable Life Insurance	Initial				85.400	U2010 AR.pdf

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Adjustable Life  
*Product Name:* Life Step UL  
*Project Name/Number:* Life Step UL/U2010 AR

**Note To Filer**

**Created By:**

Linda Bird on 07/15/2010 09:50 AM

**Last Edited By:**

Linda Bird

**Submitted On:**

07/15/2010 09:50 AM

**Subject:**

Request to Re-Open Approved Filing

**Comments:**

Filing has been re-opened in order for the Availabe Loan Value language to be revised.

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**Note To Reviewer**

**Created By:**

Ada Miller on 07/15/2010 08:58 AM

**Last Edited By:**

Ada Miller

**Submitted On:**

07/15/2010 08:58 AM

**Subject:**

Request to Re-Open Approved Filing

**Comments:**

We'd like to request to re-open this filing. There is a possibility of potential problems with the Available Loan Value language so it has been revised. We would like to re-submit the form for review of this section and final re-approval. This product has not been sold anywhere as yet.

Thanks,  
ada

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## Form Schedule

**Lead Form Number: U2010**

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	U2010 AR	Policy/Cont Flexible Premium ract/Fratern Adjustable Life al Insurance Certificate	Initial		85.400	U2010 AR.pdf



1701 Research Boulevard  
Rockville, MD 20850  
800-638-8428

**Please Read This Notice Carefully - This policy is a legal contract between the policy owner and Banner Life Insurance Company. Within 30 days after this policy is received, it may be returned to the agent through whom it was purchased or to our home office. We will then refund any premium paid and the policy will be deemed void from the beginning.**

In this policy, Banner Life Insurance Company will be referred to as "we", "our" or "us". The policy owner will be referred to as "you", "your" or "yours."

If we receive due proof of death that the insured died while this policy was in force and before the maturity date, we will pay to the beneficiary the proceeds of this policy, subject to the provisions of this policy. This death benefit is described in the insurance coverage provisions.

We will pay to you any cash surrender value on the maturity date if the insured is then living and this policy is in force.

Payment of these benefits and continuation of coverage prior to the maturity date are subject to the provisions of this policy; payment of premiums in addition to scheduled premiums may be required to maintain this coverage as described in the grace period provision of this policy.

This policy is issued in consideration of the application and of the payment of the first premium as provided herein. A copy of the application is attached and is made a part of the policy.

If you require further assistance, the Maryland Insurance Administration's toll-free number is 800-492-6116.

Signed for Banner Life Insurance Company at our home office in Rockville, Maryland, on the policy date.

Secretary

President

### Flexible Premium Adjustable Life Insurance

**Adjustable death benefit is payable upon the death of the insured prior to the maturity date**

**Flexible premiums are payable during the insured's lifetime until the maturity date**

**Cash surrender value, if any, payable at maturity**

**Plan, benefits, classification and period for which premiums are payable as stated in the policy schedule**

**This policy is non-participating and no dividends are payable**

TABLE OF CONTENTS

Amount of Proceeds..... 13

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Beneficiary Provisions..... 13

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Insurance Coverage Provisions..... 12

Nonforfeiture Provisions..... 7

Ownership..... 5

Payment of Proceeds..... 14

Payment Options..... 14

Policy Loans..... 8

Premiums..... 5

**Concluded With:**

**Riders, benefits, amendments, and endorsements, if any; and copy of applications**

**PLEASE READ YOUR POLICY CAREFULLY**

**POLICY SCHEDULE**

Policy Number: 010000000

---

Insured:	JOHN DOE	Planned Annual Premium:	\$1,000.00
Issue Age/Sex	35 Male	Issue Date:	MAR 1, 2008
Owner:	JOHN DOE	Policy Date:	MAR 1, 2008
Premiums Payable	TO AGE 121	Maturity Date:	MAR 1, 2094

---

SCHEDULE OF BENEFITS

<u>FORM NUMBER</u>	<u>TYPE OF COVERAGE</u>	<u>AMOUNT</u>	<u>ANNUAL PREMIUM</u>	<u>RATING CLASSIFICATION</u>
U2010 AR	FLEXIBLE PREMIUM ADJUSTABLE LIFE	\$100,000.00	\$1,000.00	STANDARD NON-TOBACCO RATED TABLE 4.200%

---

**Note:**  
Due to the flexible nature of this Flexible Premium Adjustable Life policy, it is possible that coverage will terminate before the maturity date. This can occur if no premiums are paid after payment of the initial premium or if subsequent premiums are too infrequent or insufficient to provide continued coverage to the maturity date.

**POLICY SCHEDULE**  
**Policy Schedule (Continued)**

Policy Number: 010000000

---

**INSURANCE COVERAGE INFORMATION:**

Initial Specified Amount:	\$ 100,000.00
Current Specified Amount:	\$ 100,000.00
Minimum Specified Amount:	\$ 100,000.00

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**EXPENSE CHARGES:**

Monthly Policy Fee:	\$ 5.00
Premium Expense Charge:	7%
Monthly Administrative Charge:	\$ 24.00

---

**RATES:**

Minimum Guaranteed Interest Rate:	3%
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**Policy Schedule (Continued)**

Policy Number: 010000000

---

Table of Full Surrender Charges

POLICY YEAR	SURRENDER CHARGE
1	\$ 1870.00
2	\$ 1736.00
3	\$ 1603.00
4	\$ 1469.00
5	\$ 1336.00
6	\$ 1069.00
7	\$ 801.00
8	\$ 534.00
9	\$ 267.00
10	AND THEREAFTER

**Policy Schedule (Continued)**

Policy Number: 010000000

-----  
 GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000  
 RATING CLASSIFICATION: MALE STANDARD NON-TOBACCO RATED TABLE 4 200%  
 -----

POLICY YEAR	ATTAINED AGE	MAXIMUM RATE	POLICY YEAR	ATTAINED AGE	MAXIMUM RATE
1	35	0.181667	44	78	9.075000
2	36	0.191667	45	79	10.145000
3	37	0.200000	46	80	11.311667
4	38	0.215000	47	81	12.640000
5	39	0.228333	48	82	14.023333
6	40	0.243333	49	83	15.515000
7	41	0.263333	50	84	17.166667
8	42	0.288333	51	85	19.011667
9	43	0.316667	52	86	21.056667
10	44	0.350000	53	87	23.290000
11	45	0.388333	54	88	25.683333
12	46	0.425000	55	89	28.208333
13	47	0.465000	56	90	30.843333
14	48	0.488333	57	91	33.321667
15	49	0.515000	58	92	35.905000
16	50	0.553333	59	93	38.630000
17	51	0.598333	60	94	41.508333
18	52	0.660000	61	95	44.531667
19	53	0.726667	62	96	47.298333
20	54	0.811667	63	97	50.248333
21	55	0.916667	64	98	53.396667
22	56	1.023333	65	99	56.756667
23	57	1.138333	66	100	60.350000
24	58	1.236667	67	101	63.201667
25	59	1.350000	68	102	66.240000
26	60	1.486667	69	103	69.473333
27	61	1.653333	70	104	72.913333
28	62	1.856667	71	105	76.521667
29	63	2.085000	72	106	80.358333
30	64	2.325000	73	107	83.333333
31	65	2.578333	74	108	83.333333
32	66	2.835000	75	109	83.333333
33	67	3.095000	76	110	83.333333
34	68	3.375000	77	111	83.333333
35	69	3.665000	78	112	83.333333
36	70	4.016667	79	113	83.333333
37	71	4.410000	80	114	83.333333
38	72	4.926667	81	115	83.333333
39	73	5.471667	82	116	83.333333
40	74	6.045000	83	117	83.333333
41	75	6.671667	84	118	83.333333
42	76	7.355000	85	119	83.333333
43	77	8.148333	86	120	83.333333
				121 and later	0.000000

**Policy Schedule (Continued)**

Policy Number: 010000000  
Rating Classification: Male Standard Nontobacco

**Death Benefit Factor Table**

Policy Year	Death Benefit Factor	Policy Year	Death Benefit Factor
1	4.9874	46	1.3475
2	4.8155	47	1.3242
3	4.6497	48	1.3025
4	4.4896	49	1.2821
5	4.3355	50	1.2630
6	4.1869	51	1.2450
7	4.0438	52	1.2283
8	3.9061	53	1.2129
9	3.7739	54	1.1986
10	3.6470	55	1.1854
11	3.5253	56	1.1732
12	3.4088	57	1.1619
13	3.2969	58	1.1509
14	3.1894	59	1.1401
15	3.0855	60	1.1290
16	2.9850	61	1.1173
17	2.8882	62	1.1042
18	2.7950	63	1.0883
19	2.7057	64	1.0679
20	2.6200	65	1.0400
21	2.5381	66	1.0100
22	2.4601	67	1.0100
23	2.3856	68	1.0100
24	2.3144	69	1.0100
25	2.2460	70	1.0100
26	2.1802	71	1.0100
27	2.1173	72	1.0100
28	2.0572	73	1.0100
29	2.0001	74	1.0100
30	1.9459	75	1.0100
31	1.8944	76	1.0100
32	1.8454	77	1.0100
33	1.7985	78	1.0100
34	1.7535	79	1.0100
35	1.7103	80	1.0100
36	1.6687	81	1.0100
37	1.6289	82	1.0100
38	1.5907	83	1.0100
39	1.5546	84	1.0100
40	1.5204	85	1.0100
41	1.4877	86	1.0100
42	1.4567	87 and later	1.0100
43	1.4270		
44	1.3989		
45	1.3724		

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco

**Coverage Guarantee Factors**

**Coverage Guarantee Monthly Administrative Fee**

Subaccounts 1, 2 and 3: per month as follows:

Year	Amount	Year	Amount	Year	Amount
001	\$36.00	011	\$43.00	021	\$86.00
002	\$37.40	012	\$47.30	022	\$86.00
003	\$38.80	013	\$51.60	023	\$86.00
004	\$40.20	014	\$55.90	024	\$86.00
005	\$41.60	015	\$60.20	025	\$86.00
006	\$43.00	016	\$64.50	026	\$86.00
007	\$43.00	017	\$68.80	027	\$86.00
008	\$43.00	018	\$73.10	028	\$86.00
009	\$43.00	019	\$77.40	029	\$86.00
010	\$43.00	020	\$81.70	030	\$86.00
				031+	\$0.00

**Coverage Guarantee Expense Charge**

Subaccounts 1, 2 and 3: \$7.50 per month all years

**Coverage Guarantee Premium Expense Fee**

Subaccounts 1,2 and 3: 7%

**Coverage Guarantee Interest Rates (annual)**

Subaccounts 1, 2 and 3:

Years 1-30

10% for amounts less than or equal to Targeted Coverage Guarantee Amounts

3.25% for amounts in excess of Targeted Coverage Guarantee Amounts

Years 31+

12% for amounts less than or equal to Targeted Coverage Guarantee Amounts

3.25% for amounts in excess of Targeted Coverage Guarantee Amounts

**Targeted Coverage Guarantee Amounts per \$1,000 of Specified Amount**

Year	Amount	Year	Amount	Year	Amount
1	6.31	31	42.11	61	435.68
2	8.31	32	49.60	62	448.44
3	10.71	33	57.59	63	460.95
4	13.13	34	66.12	64	473.10
5	15.59	35	75.24	65	484.75
6	18.08	36	84.95	66	495.71
7	20.63	37	95.25	67	506.64
8	23.39	38	106.05	68	517.50
9	26.40	39	117.38	69	528.21
10	29.66	40	129.29	70	538.68
11	33.21	41	141.80	71	548.85
12	37.00	42	154.93	72	558.58
13	40.56	43	168.63	73	567.70
14	43.85	44	182.81	74	575.94
15	46.85	45	197.39	75	583.00
16	49.53	46	212.34	76	589.59
17	51.86	47	227.54	77	594.80
18	53.80	48	243.03	78	597.61
19	55.30	49	258.79	79	597.02
20	56.30	50	274.73	80	591.58
21	56.74	51	290.72	81	579.14
22	56.57	52	306.62	82	556.48
23	56.23	53	322.31	83	518.66
24	55.67	54	337.68	84	458.10
25	54.88	55	352.66	85	362.91
26	53.81	56	367.19	86	214.21
27	52.30	57	381.51		
28	50.35	58	395.59		
29	47.86	59	409.37		
30	44.72	60	422.76		

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco rated table 4 200%

Table A

Coverage Guarantee Monthly Cost of insurance rates  
Per \$1,000

Attained Age	Rate	Attained Age	Rate
35	0.09667	80	3.17140
36	0.02991	81	3.54382
37	0.03598	82	3.93166
38	0.04205	83	4.34987
39	0.04719	84	4.81294
40	0.05327	85	5.33021
41	0.05888	86	5.90356
42	0.06448	87	6.52971
43	0.07103	88	7.20072
44	0.07897	89	7.90864
45	0.08925	90	8.64740
46	0.10140	91	9.34224
47	0.11495	92	10.06652
48	0.12850	93	10.83051
49	0.14112	94	11.63750
50	0.15327	95	12.48514
51	0.16682	96	13.26081
52	0.18224	97	14.08789
53	0.20046	98	14.97058
54	0.22055	99	15.91260
55	0.24439	100	16.92005
56	0.27102	101	17.71956
57	0.30046	102	18.57140
58	0.33083	103	19.47792
59	0.36261	104	20.44237
60	0.41681	105	21.45402
61	0.46354	106	22.52969
62	0.52055	107	23.67312
63	0.58456	108	24.88850
64	0.65185	109	26.17958
65	0.72288	110	27.55010
66	0.79484	111	29.00567
67	0.86773	112	30.55048
68	0.94623	113	32.19108
69	1.02754	114	33.93122
70	1.12613	115	35.77789
71	1.23641	116	37.73671
72	1.38127	117	39.81422
73	1.53407	118	42.01836
74	1.69481	119	44.35473
75	1.87050	120	46.72756
76	2.06209		
77	2.28451		
78	2.54432		
79	2.84431		

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco Rated Table 4 200%

Table B

Coverage Guarantee Monthly Cost of insurance rates  
Per \$1,000

attained age	Policy Year	Rate	attained age	Policy Year	Rate
35	1	0.09667	80	46	12.23500
36	2	0.12000	81	47	13.60500
37	3	0.14333	82	48	15.02000
38	4	0.16833	83	49	16.53167
39	5	0.19167	84	50	18.20000
40	6	0.21500	85	51	20.05167
41	7	0.23833	86	52	22.09833
42	8	0.26167	87	53	24.31333
43	9	0.28833	88	54	26.67000
44	10	0.32000	89	55	29.13667
45	11	0.36333	90	56	31.68833
46	12	0.41167	91	57	34.05000
47	13	0.46833	92	58	36.49167
48	14	0.52333	93	59	39.04667
49	15	0.57833	94	60	41.73167
50	16	0.62667	95	61	44.53167
51	17	0.68167	96	62	47.29833
52	18	0.74000	97	63	50.24833
53	19	0.81667	98	64	53.39667
54	20	0.89833	99	65	56.75667
55	21	0.99000	100	66	60.35000
56	22	1.09500	101	67	63.20167
57	23	1.20667	102	68	66.24000
58	24	1.32000	103	69	69.47333
59	25	1.44667	104	70	72.91333
60	26	1.64167	105	71	76.52167
61	27	1.82500	106	72	80.35833
62	28	2.05167	107	73	83.33333
63	29	2.30500	108	74	83.33333
64	30	2.57167	109	75	83.33333
65	31	2.85167	110	76	83.33333
66	32	3.13667	111	77	83.33333
67	33	3.42500	112	78	83.33333
68	34	3.73667	113	79	83.33333
69	35	4.05500	114	80	83.33333
70	36	4.44500	115	81	83.33333
71	37	4.88000	116	82	83.33333
72	38	5.45500	117	83	83.33333
73	39	6.05833	118	84	83.33333
74	40	6.69500	119	85	83.33333
75	41	7.38833	120	86	83.33333
76	42	8.10667	121 and later		0.00000
77	43	8.94000			
78	44	9.91000			
79	45	11.02500			

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco

Guaranteed Cash Value Factor per \$1,000 of Specified Amount

End of Year Attained Age	Guaranteed Cash Value Factor	End of Year Attained Age	Guaranteed Cash Value Factor
35	0.0000	80	224.3086
36	0.0000	81	238.6265
37	0.0000	82	253.1347
38	0.0000	83	267.8409
39	0.0000	84	282.7139
40	0.0000	85	297.4493
41	0.0000	86	312.3431
42	0.0000	87	327.2166
43	0.0000	88	342.4911
44	0.0000	89	357.8091
45	0.0000	90	373.1838
46	0.0000	91	389.1617
47	0.0000	92	405.2976
48	0.0000	93	422.1023
49	0.0000	94	439.1226
50	0.0000	95	456.9405
51	0.0000	96	474.9652
52	0.0000	97	493.6807
53	0.0000	98	513.0947
54	0.1948	99	533.2185
55	4.0221	100	554.0777
56	8.1091	101	575.7175
57	12.4195	102	598.0274
58	16.9728	103	620.8621
59	21.8032	104	644.0297
60	26.9199	105	667.2592
61	32.3349	106	690.1601
62	38.1548	107	711.6390
63	44.3329	108	729.8525
64	50.9382	109	741.4507
65	58.0128	110	739.8066
66	65.5276	111	738.8383
67	73.5130	112	738.9423
68	82.2299	113	740.7384
69	91.5163	114	745.1917
70	101.3906	115	753.7985
71	111.5608	116	768.8717
72	122.2072	117	793.9720
73	133.2973	118	834.5629
74	144.8544	119	898.9969
75	157.0064	120	1000.0000
76	169.4906	121 and later	1000.00
77	182.4953		
78	196.0337		
79	210.0444		

Above factors are end of the policy year factors.

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco

Coverage Guarantee Surrender Limit per \$1,000 of Specified Amount

End of Year Attained Age	Coverage Guarantee Surrender Limit	End of Year Attained Age	Coverage Guarantee Surrender Limit
35	1.960459	80	205.209917
36	4.359437	81	220.172133
37	6.783814	82	235.393394
38	9.236321	83	250.903360
39	11.725810	84	266.671619
40	14.250446	85	282.608534
41	16.993672	86	298.586187
42	19.977749	87	314.467516
43	23.221298	88	330.125923
44	26.742076	89	345.461784
45	30.554021	90	360.401139
46	34.131761	91	374.909334
47	37.443902	92	389.204422
48	40.464122	93	403.257900
49	43.169156	94	417.003009
50	45.530500	95	430.355645
51	47.505285	96	443.259790
52	49.043636	97	455.995891
53	50.084950	98	468.475026
54	50.567875	99	480.583247
55	50.413669	100	492.175050
56	50.084721	101	503.125382
57	49.546408	102	514.050370
58	48.771558	103	524.891858
59	47.727447	104	535.579643
60	46.251584	105	546.027819
61	44.343408	106	556.162199
62	41.895477	107	565.844699
63	38.807816	108	574.891001
64	34.991738	109	582.786972
65	42.037094	110	588.168361
66	49.381946	111	591.214329
67	56.910067	112	590.964241
68	64.941199	113	586.011457
69	73.514109	114	574.279275
70	82.682675	115	552.648846
71	92.433620	116	516.379132
72	102.775781	117	458.159053
73	113.614220	118	366.546391
74	124.988362	119	223.376835
75	136.943079	120	0.0001
76	149.496810	121 and later	0.000000
77	162.665087		
78	176.395529		
79	190.606590		

Above factors are end of the policy year factors.

## **DEFINITIONS**

### **Insured:**

The person whose life is insured, as named in the schedule page.

### **Home Office and Administrative Office**

Our home office and administrative office is located at 1701 Research Boulevard, Rockville, Maryland 20850.

### **Policy Date, Month, Year, and Anniversary**

The policy date is stated in the policy schedule. Each policy month begins on the same day of each month as the policy date. The first day of each policy month is a monthly anniversary. Each policy year begins on the same day and month as the policy date. A policy anniversary occurs on the first day of each policy year after the first policy year.

### **Issue Date**

The Issue Date is the date we complete the processing of an approved application, and issue this life insurance policy. The Issue Date is shown on the Policy Schedule.

### **Attained Age**

Attained age means the insured's age on the birthday nearest to the last policy Anniversary.

### **Written Notice/Recording Thereof**

Written notice means a notification or request received from the owner in a form approved by us. Written notices are recorded at our administrative office. We will not be responsible for the validity of any written notice.

### **Riders and Benefits**

Riders and benefits are attachments to the policy which provide additional coverages and benefits.

### **Maturity Date**

The maturity date is shown in the policy schedule.

On the maturity date, this policy will be terminated and you will receive any remaining cash surrender value.

It is possible that the policy will terminate prior to the maturity date if:

1. the total premiums paid are not sufficient to continue coverage to the maturity date as described in the Grace Period provision;
2. a policy loan is made; or
3. changes are made in the Specified Amount or plan as originally issued.

### **Extended Maturity Date**

The policy owner can elect to extend the maturity date beyond age 121. This new maturity date is defined to be the extended maturity date. The death benefit will be continued as the amount in effect at age 121 and there will be no further monthly deductions from the account value.

The policy may not qualify as life insurance under federal tax law after the insured reaches age 121 and may be subject to adverse tax consequences. A tax advisor should be consulted before the owner chooses to continue the policy after age 121.

New policy loans and loan repayments shall be permitted. Interest will continue to accrue on and be added to any outstanding loan balance.

## **OWNERSHIP**

### **Owner**

The owner of this policy is shown in the policy schedule, unless changed at a later date. During the insured's lifetime, only the owner may exercise all the rights as to changes in the policy. Changes shall take effect on the date written notice was signed and received at our administrative office. If the insured is not the owner and the insured survives the owner, then the owner's estate will become the owner unless a contingent owner has been named.

### **Control of Policy**

During the insured's lifetime and subject to the terms of any beneficiary designation or assignment, the owner may:

1. assign or surrender this policy;
2. obtain a policy loan;
3. make a change in this policy with our consent;
4. transfer the ownership of this policy; and
5. exercise other rights and receive other benefits as defined in this policy.

### **Assignment of Policy**

This policy may be assigned. We will not be responsible for the validity of an assignment. We will not be liable for any payments made or actions taken before written notice of any assignment is received by us. Changes shall take effect on the date written notice was signed and received at our administrative offices. Payments to any assignee will only be made in a lump sum.

## **PREMIUMS**

### **Payment of Premiums**

The first premium must be paid before any insurance becomes effective. The due date of the first premium is the policy date. Premiums are payable in advance to us. Premiums after the first premium are payable at our administrative office or at any designated premium receipt facility. A premium receipt will be furnished upon request. In no event may premiums be paid beyond the maturity date.

### **Planned Premiums**

The amount of any planned premium may be increased or decreased. Notices for planned premiums will be sent to the Owner or payor as designated by the owner. The owner may change the frequency of premium notices to any frequency we offer as of the next scheduled premium due date.

### **Unscheduled Premiums**

Additional premium payments may be made at any time prior to the maturity date. We reserve the right to limit or refund premiums that would otherwise result in an increase in the death benefit. There are no minimum dollar amounts of premium that must be paid. Also there are no maximum dollar amounts that can be paid other than a premium which will result in an increase in death benefit.

### **Net Premium**

A net premium is a percentage of the premium paid. This percentage is equal to 100% minus the premium expense charge shown in the policy schedule.

### **Grace Period**

This policy provides for a grace period of 61 days to pay sufficient premiums to prevent policy termination. Except as provided in the Coverage Guarantee Provision, this policy will enter the grace period if the Base Surrender Value is less than the monthly deduction. We will send notification of grace period and the minimum premium due to the owner's last known address and to any assignee of record at least 30 days prior to the date the policy is to terminate. If the premium due on such monthly anniversary is not paid within the grace period, all coverage under this policy will terminate without value at the end of the grace period. If a death claim occurs during the grace period, overdue monthly deductions will be deducted from the proceeds.

## **GUARANTEED VALUES**

### **Account Value**

On each monthly anniversary, the account value will equal (1) plus (2) plus (3) minus (4) where:

- (1) is the account value on the preceding monthly anniversary;
- (2) is one month's interest on item (1);
- (3) is any net premium received since the preceding monthly anniversary, plus interest from the day such premium is received at our administrative office until the end of the policy month in which such premium was received; and
- (4) is the monthly deduction described below for the policy month following the monthly anniversary;

On any day other than a monthly anniversary, the account value will be calculated on a basis consistent with that prescribed above.

The account value on the policy date will be the first net premium paid less the monthly deduction for the month following the policy date.

### **Monthly Deduction**

The monthly deduction for a policy month will equal (1) plus (2) plus (3) plus (4) where:

- (1) is the cost of insurance described below;
- (2) is the cost for the policy month of additional coverage provided by riders and benefits;
- (3) is the monthly policy fee shown in the policy schedule; and
- (4) is the monthly administrative charge described below.

### **Interest Rate**

The guaranteed interest rate used in the calculation of the account value is listed on the specifications page. Interest in excess of the guaranteed rate may be used in the calculation of the account value at such increased rate and in such manner as determined by us. The interest rate applied to account value equal to outstanding policy loans may be different from the rate applied to the remaining account value. However, such rate will never be less than the guaranteed interest rate.

### **Monthly Administrative Charge**

The monthly administrative charge is shown in the policy schedule. Upon any increase or decrease in specified amount, the monthly administrative charge will be revised proportionately.

### **Cost of Insurance**

The cost of insurance is determined on a monthly basis. The cost is (1) multiplied by the result of (2) minus (3) where:

- (1) is the monthly cost of insurance rate described below;
- (2) is the death benefit at the beginning of the policy month, divided by 1 plus the monthly equivalent of the guaranteed interest rate; and
- (3) is the account value at the beginning of the policy month, prior to the deduction of item (1) of the monthly deduction provision for the following month.

If there has been an increase in specified amount, then the account value will be allocated proportionately among the original specified amount and each increase in specified amount.

### **Cost of Insurance Rate**

The monthly cost of insurance rates are based on the insured's attained age, sex, and rating classification. The rating classification is shown in the policy schedule.

The cost of insurance rates are based on our expectations as to future experience. However, the cost of insurance rates for the insured's rating classification will not be greater than the guaranteed maximum rates shown in the policy schedule. The guaranteed maximum rates are based on the 2001 Commissioners' Standard Ordinary Mortality Table (male/female, smoker distinct) age nearest birthday. If there is an increase in specified amount, the rating classification for such increase will be shown in the policy schedule. If the rating classification for the increase is different from previous rating classifications, additional policy schedule pages will be issued with the applicable guaranteed maximum cost of insurance rates for that rating classification.

We may use lower, non-guaranteed monthly cost of insurance rates than those shown in the policy schedule at our sole option and discretion. Any change in the cost of insurance rates will apply to all persons of the same class. Such changes are determined and re-determined prospectively, at our sole action and discretion. We will not recoup any prior losses nor distribute past gains by means of such changes in cost of insurance rates.

### **Basis of Computations**

Minimum cash surrender values are based on 3% interest per year, compounded yearly, and the 2001 Commissioners' Standard Ordinary Mortality Table (male/female, smoker distinct), age nearest birthday. A detailed statement of the method of computation of cash surrender values under this policy has been filed with the state in which this policy is delivered. Cash surrender values under this policy are never less than the minimum values required by the state in which this policy is delivered.

### **NONFORFEITURE PROVISIONS**

#### **Continuation of Insurance**

Subject to the provisions of this policy, this policy will remain in effect until premiums paid plus credited interest is insufficient to continue coverage. The policy will then terminate as described in the Termination provision.

#### **Surrender**

The owner may surrender this policy and receive the cash surrender value during the insured's lifetime. Surrender terminates this insurance. We may postpone payment for as long as six months from the effective date of surrender. We reserve the right to require the return of the policy.

#### **Cash Surrender Value**

The cash surrender value will be greater of (1) or (2) where:

(1) is the Base Surrender Value which is equal to (a) minus (b) minus (c) where:

- (a) is the account value on the date of surrender;
- (b) is any policy indebtedness; and
- (c) is the surrender charge described below.

(2) is the Guaranteed Cash Value which is equal to (a) minus (b) where:

- (a) is (i) times (ii) times (iii) where
  - (i) is the guaranteed cash value factor as shown in policy schedule page 3H
  - (ii) is the specified amount times .001; and
  - (iii) is minimum of 1 and the Coverage Guarantee Amount divided by the quantity (specified amount times Coverage Guarantee Surrender Limit divided by 1000). The Coverage Guarantee Surrender Limit factors are shown on policy schedule page 3I.
- (b) is any policy indebtedness.

If surrender is requested within 30 days after a policy anniversary, the cash surrender value will not be less than the cash surrender value on such anniversary, less any policy loans made on or after such anniversary.

The surrender will be paid in cash or under an annuity payment option.

**Surrender Charge**

The surrender charge applicable for the initial specified amount is shown in the policy schedule.

An additional surrender charge may be applicable after any increases in specified amount. If applicable, the additional surrender charge will be added to any remaining surrender charge to determine the total surrender charge. We will send you a new policy schedule showing the total surrender charge for applicable policy years after an increase in specified amount.

**POLICY LOANS**

While this policy is in force, the owner may obtain all or part of the available loan value by written notice. This policy, assigned to us, is the only security needed. We may postpone making a loan for as long as six months from the date the notice is received at our administrative office. However, a policy loan used to pay a premium on any policy issued by us will not be postponed.

**Loan Value**

The loan value will be the greater of (1) or (2) where:

- (1) is the Base Surrender Value; or
- (2) the Guaranteed Cash Value.

These values are described in the nonforfeiture provisions.

**Available Loan Value**

The available loan value will be the loan value less any loan interest on existing policy loans in advance to the next policy anniversary.

**Interest on Policy Loans**

Interest on policy loans will be payable in advance from the date of the loan to the next policy anniversary at the annual interest rate of 7.4%. Interest is payable in advance at the beginning of each policy year. If interest is not paid when due, it will be added to the policy loan and bear interest at the same rate.

**Repayment of Policy Loans**

A policy loan may be repaid in full, or in part at a minimum of \$50.00, at any time while this policy is in force. Failure to pay back the policy loan will not terminate this policy unless the policy indebtedness equals or exceeds the loan value described above, minus the monthly deduction for the following month.

If this happens, the policy will terminate. The policy will not lapse until at least 30 days' after notice has been mailed to the last known address of the insured or policy owner and any assignee of record.

**COVERAGE GUARANTEE PROVISION**

The Coverage Guarantee Provision prevents your policy from lapsing even if your Base Surrender Value is not sufficient to cover your monthly deductions. If the Coverage Guarantee Amount less policy loan indebtedness is greater than or equal to zero, the policy will not enter the Grace Period.

However, if there is a policy loan on the policy, the policy will lapse if the Cash Surrender Value is less than or equal to zero.

The Coverage Guarantee Amount is calculated in a similar manner as the policy account value, but using different charges and interest rates. These factors are guaranteed not to change.

The Coverage Guarantee Amount and the Sub-account values are not related to the actual policy values and or values described in the Non-Forfeiture Provisions. The values of the Coverage Guarantee Amount and the Sub-account values are used for the sole purpose of determining whether the policy has lapse protection; their values have no accessible cash value to anyone for any purpose whatsoever.

### **Coverage Guarantee Amount**

The Coverage Guarantee Amount is the sum of the value of each of the following three sub-accounts.

- Subaccount 1; and
- Subaccount 2; and
- Subaccount 3.

Only Subaccount 3 can have a negative value.

### **Coverage Guarantee Expense Charges and Coverage Guarantee Premium Expense Fees**

These amounts are shown in policy schedule page 3E.

### **Coverage Guarantee Net Premium**

These are equal to premium payments less the Coverage Guarantee Premium Expense Fees.

### **Allocation of Coverage Guarantee Net Premiums**

1. During the first policy year, the Coverage Guarantee Net Premiums are allocated to subaccount 1.
2. After the first policy year:
  - a. If the Coverage Guarantee Amount at the end of the previous monthly anniversary is greater than 0, then the Coverage Guarantee Net Premiums will be allocated to Subaccount 2.
  - b. If the Coverage Guarantee Amount at the end of the previous monthly anniversary is less than or equal to 0, then the Coverage Guarantee Net Premiums will be allocated to subaccount 3.

### **Coverage Guarantee Cost of Insurance Charge**

The Coverage Guarantee Cost of Insurance Charge is equal to (1) multiplied by the result of (2) minus (3) where:

- (1) is the Coverage Guarantee Monthly Cost of Insurance Rate described below;
- (2) is the Specified Amount at the beginning of the policy month divided by 1 plus the monthly equivalent guaranteed interest rate; and
- (3) is the Coverage Guarantee Amount at the end of the prior policy month.

The Coverage Guarantee Monthly Cost of Insurance Rate is determined as:

- (1) If the value of Subaccount 3 on the prior monthly anniversary is equal to 0, Table A rates are used.
- (2) If the value of Subaccount 3 on the prior monthly anniversary is not equal to 0, Table B rates are used.

The policy schedule contains Table A and Table B Coverage Guarantee Monthly Cost of Insurance Rate tables.

### **Coverage Guarantee Monthly Deduction**

The Coverage Guarantee Monthly Deduction is the sum of (1) plus (2) plus (3) where:

- (1) is the Coverage Guarantee Cost of Insurance Charge;
- (2) is the cost of insurance charged for any rider for the last policy month;
- (3) is the Coverage Guarantee Expense charges.

### **Coverage Guarantee Subaccount Values**

For each sub-account, the end of month Coverage Guarantee Subaccount Value is equal to (1) plus (2) minus (3) where:

- (1) is the Subaccount value on the preceding monthly anniversary plus premiums allocated to the Subaccount;
- (2) is one month's Coverage Guarantee Interest on item (1), subject to adjustments for loan balances;
- (3) is the Coverage Guarantee Monthly Deduction which is deducted as follows:
  - a) deduct first from Subaccount 3 if positive, until its value is 0.
  - b) subsequently, any remaining monthly deduction is deducted from Subaccount 2 until it reaches 0.
  - c) any remaining monthly deduction is deducted from Subaccount 1 until it reaches 0.
  - d) If any monthly deduction remains, it is deducted from whatever remained of Subaccount 3 after step a.

On the policy date, subaccount values are calculated as the initial net premium allocated to the subaccounts, less the initial monthly deduction as described in (3) above.

### **Interest on Subaccount Values**

The interest rates from Schedule page 3E are used for calculating interest on the Coverage Guarantee Subaccounts. It is determined based on the Coverage Guarantee Subaccount value on the policy anniversary. When Subaccount 3 is negative, the interest calculated is negative.

Interest rates on schedule page 3E vary depending upon policy year as well as the Coverage Guarantee Amount.

Loan Balances will affect the loan interest calculation as follows:

- a) deduct the Loan Balance first from the Subaccount 3 if positive, until its value is 0;
- b) any remaining Loan Balance, after deduction of the amount in a), is deducted from Subaccount 2, until it reaches 0;
- c) any remaining Loan Balance, after deduction of the combined amount in a) and b), is deducted from Subaccount 1 until it reaches 0;
- d) any Loan Balance remaining after deduction of the combined amount in a) and b) and c), is deducted from the remaining subaccount 3 which will then be negative.

### **Termination**

The Coverage Guarantee Provision will end without the possibility of reinstatement on the earlier of:

- a) the date of the first increase in Specified Amount, or
- b) the date that the policy is surrendered.

## **GENERAL PROVISIONS**

### **Contract**

This policy, attached riders, amendments, supplemental questionnaires, benefits, reinstatement applications, and the application, as well as any supplemental applications for additional amounts, form the entire contract. Only the President, a Vice President, or the Secretary of Banner Life Insurance Company may change or waive any provision in this contract. Any changes or waivers must be in writing.

We may not change or amend this policy without the owner's consent except as expressly provided in the policy. However, we may change or amend this policy if such change or amendment is necessary for it to comply with any state or federal law, rule or regulation.

### **Statements**

Statements in the application are considered representations, not warranties. Statements may be used to contest the validity of this policy or in defense of a claim only if:

1. the statements are contained in the application, supplemental application, supplemental questionnaire, or in an endorsement or amendment; and
2. a copy of that application, endorsement, supplemental questionnaire or amendment is attached to the policy at issue or is made a part of the policy when a change becomes effective.

### **Incontestability**

We cannot contest this policy, except for nonpayment of premium or fraud, after it has been in force during the lifetime of the insured, for two years after the Issue Date. However, if this policy has been reinstated, it will be incontestable, except for nonpayment of premium or fraud, only after it has been in force during the lifetime of the insured for two years after the effective date of the reinstatement. If the policy has been reinstated after two years from the Issue Date, only statements in the reinstatement application may be used to contest the policy. If reinstatement occurs within two years of the Issue Date we may:

1. contest statements on the original application for two years after the Issue Date; and
2. contest statements on the reinstatement application for two years after the effective date of reinstatement.

Any increase in specified amount, which requires evidence of insurability, will be incontestable only after such increase has been in force during the insured's lifetime for two years following the effective date of such increase.

### **Suicide**

If the insured, while sane or insane, dies by suicide within two years from the Issue Date, the death benefits payable will be limited. In such case, our liability will be limited to a refund of all premiums paid (less any policy indebtedness).

If the insured, while sane or insane, dies by suicide within the first two full years from the effective date of any increase in benefits, the death benefit applicable to the increase will be limited. In such case, our liability for the increase will be limited to a refund of the monthly deductions applicable to the increase, from the effective date of such increase.

### **Misstatement of Age and Sex**

If the insured's age or sex has been misstated, we will change the specified amount to that which would have been purchased at the correct age and sex by the most recent monthly deduction. The date of adjustment will be the date the misstatement was discovered if the insured is living on that date; otherwise, it will be the date of death.

If the insured is living on the date of adjustment, we will use the adjusted specified amount, the correct monthly cost of insurance rates, and the correct administrative charges in making future calculations of the account value, the cash surrender value, and the death benefit. In addition we will use the adjusted specified amount, and the correct Coverage Guarantee Monthly cost of insurance rates and expense charges in making future calculations of the Coverage Guarantee subaccounts.

### **Non-participating**

This policy is non-participating and the owner will not share in the company's profits or surplus. We will pay no dividends on this policy.

### **Effective Date of Coverage**

The effective date of coverage under this policy will be as follows:

1. For all coverage provided in the original application, the effective date will be the later of a) the date the policy is delivered to and accepted by the Owner and b) the date the first modal premium is paid. In order for coverage to be effective, we require that the insured be living and insurable, as set forth in the original application, on this date.
2. For any increase or addition to coverage, the effective date will be the monthly anniversary on or next following the date the supplemental application is approved by us.

### **Termination**

All coverage under this policy will terminate when any one of the following events occurs:

1. the owner surrenders the policy;
2. the insured dies;
3. the policy matures; or
4. the required payments are not paid by the end of the grace period.

### **Annual Report**

At least once each year, we will send to the owner a report, which shows the current account value, cash surrender value, outstanding policy loan and death benefit at the end of year. Also, any premiums paid and charges made since the last report will be provided. The annual report will also include other information as required by state law, regulation or authority. This report will be mailed within 30 days of the policy anniversary and within 13 months of the last report.

**Projection of Values**

We will provide a projection of illustrative future death benefits and account values upon written request. The first projection in any policy year will be provided without a service fee. Extra projections will be provided upon request and payment of a \$25 service fee.

The illustration will be based on assumptions as to specified amount(s), benefit option(s) and future premium payments as may be specified by us and/or the owner.

**Reinstatement**

A policy which terminates in accordance with the grace period provision may be reinstated within five years after the expiration of the grace period if:

1. the owner submits a written application for reinstatement;
2. evidence of insured's insurability, for the underwriting classification in effect when the policy terminated, is received and approved by us;
3. a premium sufficient to keep this policy in force for three months is paid. This premium must be paid while the insured is living and in the same state of health and insurability represented in the Application for Reinstatement and any supplements thereto; and
4. any policy loan is paid or reinstated

The account value on the effective date of reinstatement will be the account value on the date of entering the grace period plus the net premiums paid at reinstatement. The Coverage Guarantee Subaccount Values on the reinstatement effective date will be the same as the Coverage Guarantee Subaccount Values on the date entering the grace period plus the net premiums paid at reinstatement.

If this policy is reinstated, the surrender charges will be the same as if this policy had been continuously in force from the policy date.

The effective date of reinstatement will be the date upon which we have approved the Application for Reinstatement and received the full amount of premium due at our Administrative Office. Such reinstatement requires that the insured is living and in the state of health and insurability represented in the Application for Reinstatement and any supplements thereto.

The Policy Date will remain the original Policy Date.

**INSURANCE COVERAGE PROVISIONS****Death Benefit**

The death benefit is the greater of the specified amount, or the account value multiplied by the applicable Death Benefit Factor shown in the Death Benefit Factor Table.

**Increase in Specified Amount**

At any time after the first policy year, the existing insurance coverage may be increased by written request. Any increase in the specified amount requires a written application. Evidence of insurability satisfactory to us must be submitted. Such increases will result in termination of the Coverage Guarantee Provision.

We will amend the policy to show the effective date of the increase. The increase may not be less than \$10,000.

An additional surrender charge may be payable after an increase in specified amount. This charge is described in the surrender charge provision.

### **Decrease in Specified Amount**

The effective date of any decrease will be the monthly anniversary on or next following the date the request is received by us. Any such decrease will first reduce the insurance provided by the most recent increase in specified amount; then, the next most recent increases in specified amount; then the initial specified amount.

The specified amount in effect at any time under this policy may not be less than the minimum specified amount as shown in the policy schedule.

Decreases in specified amount will result in a deduction from the policy account value and from the policy coverage guarantee amount. The deduction is equal to the pro-rata portion of the decrease in specified amount multiplied by the surrender charge applicable at the time of the decrease. Future surrender charges will be reduced by this pro-rata portion.

### **AMOUNT OF PROCEEDS**

The life insurance proceeds payable at the insured's death will equal (1) plus (2) plus (3) minus (4) minus (5), where:

- (1) is the death benefit of this policy;
- (2) is any loan interest paid beyond the date of death;
- (3) is any insurance on your life provided by riders;
- (4) is any policy indebtedness; and
- (5) is the sum of any monthly deductions due and unpaid before the date of death.

We will not pay the death benefit proceeds until we receive all of the following at our Administrative Office:

1. this policy or a completed and notarized lost policy affidavit;
2. due proof of death satisfactory to the company, that the insured died while this policy was in effect;
3. a written claim for the death proceeds completed on a form that we supply; and
4. if this policy or a policy change or reinstatement is contestable as set forth in the incontestability provision when the Insured died, an authorization, on a form that we supply, from a person authorized to allow us to obtain and disclose information about the Insured.

### **BENEFICIARY PROVISIONS**

#### **Beneficiary**

Unless otherwise provided by notice to us, the beneficiaries are named in the application.

#### **Change of Beneficiary**

During the insured's lifetime, the owner may change the beneficiary designation unless you have waived the right to do so, or the beneficiary has been designated as irrevocable. No beneficiary change will take effect until a written notice is received at our administrative office. Such changes will become effective on the date written notice was signed and received at our administrative offices on a form approved by us. All changes will be subject to any payment made by us before notice was received.

#### **Death of Beneficiary**

Unless otherwise provided in the beneficiary designation:

1. the interest of any beneficiary who dies before the insured will pass to any surviving beneficiaries according to their respective interests; or
2. if no beneficiary survives the insured, the proceeds will be paid in one sum to the owner, if living; otherwise, to the owner's estate.

## **PAYMENT OF PROCEEDS**

Any amount payable under this contract will be paid in one sum unless otherwise provided. All or part of this sum may be applied to any payment option. However, options will not be available if:

1. the net proceeds are less than \$2,500;
2. the amount of each payment is less than \$50; or
3. in the case of payment Option 4, the payee is not a natural person receiving payment in his or her own right.

Proceeds left with us may be withdrawn by written notice where such right is given. The payment of any withdrawal may be postponed for as long as six months from the date we receive written notice.

If the proceeds are not paid within 30 days after proof of insured's death has been furnished to the insurer, we will pay interest at the rate of 8% per year.

## **ELECTION OF PAYMENT OPTIONS**

### **By Owner**

During the insured's lifetime, the owner may elect any payment option and may change such election if he or she has reserved the right to do so.

If the owner elects a payment option for the beneficiary, the beneficiary may not:

1. change or cancel the election;
2. assign or transfer the amount held by us; or
3. withdraw any future installments or unpaid interest installments unless these rights are granted in the election.

### **By Beneficiary**

If the owner does not elect a payment option, the beneficiary may do so after the insured's death.

### **Conditions for Election**

Any election or change must be made by written notice to us. No election or change will be effective until we record it.

## **PAYMENT OPTIONS**

The following sections describe the payment options available under this policy.

### **Option 1 - Proceeds Left at Interest**

Under this option, the Company will hold the proceeds. Interest will be paid either once a month, four times a year, twice a year, or once a year. The first payment will be made at the end of the interest frequency period chosen. The guaranteed interest rate is 1.5% a year, compounded yearly. Proceeds will not be held under this option for more than 30 years.

### **Option 2 - Payments of a Fixed Amount**

Under this option, the Company will make monthly payments in the amount chosen until the proceeds and earned interest have been paid in full. The total amount paid each year must be at least 5% of the original proceeds. The length of the payment period will depend on the amount chosen, the amount of the proceeds applied and the amount of interest earned.

### **Option 3 - Payments for a Fixed Period**

Under this option, the Company will make monthly payments for the number of years chosen. Table A shows the monthly payment for each \$1,000 of proceeds for payment periods of 1 to 30 years. The first installment will be paid on the date proceeds are settled under this option.

### **Option 4 - Life Income**

Under this option, the Company will make monthly payments for the life of the Payee. If a guaranteed payment period is elected, the Company will make payments for at least the period elected, whether or not the named Payee

When this option is elected, the amount of each installment will be based on the Payee's age and sex at the birthday nearest the date the option goes into effect. We have the right to require satisfactory proof of the Payee's age. Table B shows monthly amounts payable at various ages for life with no guarantee, and for 5-year and 10-year guaranteed periods.

Option 4 is available only if the Payee is a natural person who is the Insured, Owner or Beneficiary. This option is not available to a Payee who is an assignee, estate, fiduciary, partnership, or corporation.

#### **Evidence to Survival**

We have the right to require satisfactory proof of any payee's age. The right to change options is not available after payments commence under Option 4.

#### **Automatic Payment Option**

If settlement of the proceeds of this policy is delayed over 30 days, Option 1 will be applied automatically. Interest will be paid yearly and the person(s) entitled to the proceeds has the right to withdraw the proceeds or elect any payment option permitted by this policy.

#### **Basis of Values**

The payment option tables are based on 1.5% interest compounded yearly. For Option 4, rates in the tables are based on the 2000A Mortality Table. We may offer more favorable rates than those determined on this basis.

#### **Additional Options**

Any proceeds payable under this policy may be paid under any other method of payment agreed to by us at the time of settlement.

#### **Death of Payee Under Payment Obligations**

Unless the Owner or the Beneficiary has made other provisions in electing a payment option, amounts remaining at the Payee's death will be paid to the Payee's estate.

Under Option 1, the proceeds on deposit will be paid in a single sum.

Under Option 2, any unpaid proceeds and earned interest will be paid in a single sum.

Under Option 3 and 4, the present value of any unpaid guaranteed payments will be paid in a single sum. The sum to be paid will equal the total of guaranteed payments remaining, discounted at 1.5% yearly compound interest.

TABLES FOR PAYMENT OPTIONS

**Table A, Option 3 - Monthly Payments for Each \$1,000 of Proceeds**

Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

**Table B, Option 4 - Monthly Payments for Each \$1,000 of Proceeds**

Age	LIFE ONLY		LIFE WITH PERIOD CERTAIN			
	Male	Female	5 Years		10 Years	
			Male	Female	Male	Female
50	3.25	3.00	3.24	3.00	3.22	2.99
51	3.32	3.06	3.31	3.06	3.29	3.05
52	3.39	3.13	3.38	3.12	3.36	3.11
53	3.47	3.19	3.46	3.19	3.44	3.18
54	3.55	3.26	3.54	3.26	3.51	3.25
55	3.64	3.34	3.63	3.33	3.60	3.32
56	3.73	3.42	3.72	3.41	3.68	3.39
57	3.82	3.50	3.81	3.49	3.77	3.47
58	3.93	3.59	3.91	3.58	3.87	3.56
59	4.03	3.68	4.02	3.67	3.97	3.64
60	4.15	3.78	4.13	3.77	4.08	3.74
61	4.27	3.88	4.25	3.87	4.19	3.84
62	4.40	3.99	4.38	3.98	4.30	3.94
63	4.54	4.11	4.52	4.10	4.43	4.05
64	4.69	4.23	4.66	4.22	4.56	4.16
65	4.85	4.37	4.82	4.35	4.69	4.29
66	5.02	4.51	4.98	4.49	4.83	4.41
67	5.20	4.66	5.15	4.64	4.98	4.55
68	5.40	4.83	5.34	4.80	5.13	4.69
69	5.60	5.00	5.53	4.97	5.29	4.84
70	5.82	5.19	5.73	5.15	5.45	5.00
71	6.06	5.40	5.95	5.35	5.62	5.17
72	6.30	5.62	6.18	5.56	5.79	5.34
73	6.57	5.86	6.42	5.78	5.97	5.53
74	6.85	6.11	6.67	6.02	6.15	5.72
75	7.16	6.39	6.94	6.28	6.33	5.91
76	7.48	6.69	7.22	6.56	6.51	6.11
77	7.83	7.02	7.52	6.85	6.69	6.32
78	8.20	7.37	7.83	7.16	6.87	6.52
79	8.60	7.75	8.16	7.49	7.05	6.73
80	9.02	8.17	8.50	7.85	7.23	6.94
81	9.48	8.61	8.85	8.22	7.40	7.14
82	9.97	9.10	9.22	8.61	7.56	7.34
83	10.49	9.63	9.60	9.02	7.72	7.52
84	11.04	10.20	9.98	9.45	7.87	7.70
85	11.63	10.81	10.38	9.88	8.00	7.86
86	12.26	11.47	10.78	10.33	8.13	8.01
87	12.93	12.18	11.18	10.78	8.25	8.15
88	13.65	12.94	11.59	11.23	8.36	8.27
89	14.41	13.75	11.99	11.68	8.45	8.38
90	15.21	14.59	12.39	12.11	8.54	8.48
91	16.07	15.48	12.78	12.53	8.62	8.57
92	16.97	16.40	13.17	12.94	8.69	8.64
93	17.93	17.36	13.56	13.33	8.75	8.71
94	18.96	18.37	13.93	13.71	8.80	8.77
95	20.07	19.42	14.30	14.07	8.84	8.82

Income Payments for ages not shown furnished upon request.  
 The values above are based on 1.5% and the 2000A Mortality Table.



1701 Research Boulevard  
Rockville, MD 20850  
800-638-8428

**Flexible Premium Adjustable Life Insurance**

**Adjustable death benefit is payable upon the insured's death prior to the maturity date**

**Flexible premiums are payable during the insured's lifetime until the maturity date**

**Cash surrender value, if any, payable at maturity**

**Plan, benefits, classification and period for which premiums are payable as stated in the policy schedule**

**This policy is non-participating and no dividends are payable**

SERFF Tracking Number: BANN-126704246 State: Arkansas  
 Filing Company: Banner Life Insurance Company State Tracking Number: 46116  
 Company Tracking Number:  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: Life Step UL  
 Project Name/Number: Life Step UL/U2010 AR

## Supporting Document Schedules

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

**Satisfied - Item:** Flesch Certification  
**Comments:**  
 Flesch certification attached  
**Attachment:**  
 U-2010 Readability Certification.pdf

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

**Satisfied - Item:** Application  
**Comments:**  
 Previously approved 10/17/08 - application form LIA (10/08) & LU-1267 (10/08)  
**Attachments:**  
 LIA (10-08).pdf  
 LU-1267 (10-08).pdf  
 AR LIA Approval.pdf

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

**Bypassed - Item:** Health - Actuarial Justification  
**Bypass Reason:** not a health product  
**Comments:**

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

**Bypassed - Item:** Outline of Coverage  
**Bypass Reason:** not a health product  
**Comments:**

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

SERFF Tracking Number: BANN-126704246 State: Arkansas  
Filing Company: Banner Life Insurance Company State Tracking Number: 46116  
Company Tracking Number:  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
Adjustable Life  
Product Name: Life Step UL  
Project Name/Number: Life Step UL/U2010 AR

Date:

**Satisfied - Item:** Illustration Certification

**Comments:**

Illustration Certification attached

**Attachment:**

Illustration Certifications UL-2010.pdf

**Item Status:**

**Status**

**Date:**

**Satisfied - Item:** Actuarial Memorandum

**Comments:**

Actuarial Memorandum attached

**Attachment:**

ActuarialMemorandumExhibits.pdf

**Item Status:**

**Status**

**Date:**

**Satisfied - Item:** Life and Health Guaranty Notice

**Comments:**

Life and Health Guaranty Notice is attached.

**Attachment:**

LU-1112 (9-08) AR Guaranty Notice.pdf

**Item Status:**

**Status**

**Date:**

**Satisfied - Item:** Certification

**Comments:**

Submission Certification is attached.

**Attachment:**

Certification Notice.pdf

**Item Status:**

**Status**

**Date:**

**Satisfied - Item:** Sample Annual Statement



Readability Certification  
U-2010

This is to certify that the form in this filing has been tested and meets the minimum required Flesch reading ease score.

Flexible Premium Adjustable Life Insurance Form U-2010 has a score of 85.4.

The policy, except for specification pages, schedules, and tables is not less than 10-point type with one-point lead.

The style, arrangement, and overall appearance of the policy gives no undue prominence to any portion of the text of the policy or to any endorsements or riders.

A table of contents is included in the policy as it contains more than 3,000 words and consists of more than 3 pages.



*Nancy C. January, FSA, MAAA  
Vice President, Product Development  
Banner Life Insurance Company*

May 12, 2010  
Date

Internet address: [www.bannerlife.com](http://www.bannerlife.com)

**INSTRUCTIONS**

As the Agent, you are responsible for completing the necessary forms required to process and underwrite this application. All forms must be completed in full and must be legible. Please follow these instructions carefully.

**DO**

- Print application in black ink.
- Verify identification of Proposed Insured.
- Obtain all of the necessary signatures.
- Give the Notice to Proposed Insured to your client.
- Have the Proposed Insured/Owner initial all changes. The Proposed Insured must initial all changes to questions involving insurability. Change an answer by putting a line through the incorrect answer and inserting the correct information.
- Complete Part 2, Medical History, if the Proposed Insured is to be considered without paramedical exam, if an exam on another company's form is being used or if an abbreviated exam will be done.
- Complete section K, Part 1 on all business cases and if required on non-business cases.
- Complete and obtain signature on Consent for HIV Testing Form for each Proposed Insured, if required in your state.
- If you accept payment with the application:
  - Complete the Temporary Insurance Application section of the Temporary Insurance Application and Agreement (TIAA), making sure that all questions are answered. If any are answered Yes, do not accept money.
  - Remit an amount equal to the first modal premium.
  - Explain the terms and conditions of the TIAA to the Owner and Proposed Insured and have them sign it.
  - Complete and sign the Licensed Insurance Agent's Statement on the TIAA.
  - Send the TIAA with the application, give the Owner a copy.
  - All checks collected must be made payable to Banner Life Insurance Company.
- If applicable, complete and obtain signature(s) on the Payment Options form.
- Complete and sign the Agent's Report on page 12. Please be sure to enter all agent information and your Banner agent number.

**DO NOT**

- Do not accept money on applications now applied for or pending with Banner Life Insurance Company totaling over \$1,000,000.
- Do not accept any payment if any question on the Temporary Insurance Application and Agreement is answered Yes or left blank.
- Do not accept cash or cash equivalents (money order, cashiers check) or "starter" checks.
- Do not accept money if the Proposed Insured is over age nearest 70.
- Do not use pencil or correction fluid.

Thank you for applying to Banner Life Insurance Company. The soliciting insurance broker (broker) should be able to answer any questions you may have. This broker is an independent broker, not an employee of Banner Life Insurance Company, and is not authorized to make or modify contracts or to waive any requirements or any information that we may request.

**Underwriting**

Once we receive your application, we will begin an evaluation process called underwriting to determine whether you are eligible for insurance and, if so, the rate you should pay for that insurance. We may find that we are unable to give you the insurance you have applied for or that we are able to give it to you only on a modified basis or at a rate greater than our lowest rate.

Your application will be our primary source of information; therefore, it must be true, complete, and accurate. You must inform us of a change to any answer in any part of your application before accepting delivery of a policy; in fact, you agree to do so when you sign your application. We may seek information from other sources to help us evaluate the information you give us on your application.

**Contestability**

We strongly urge you to review the completed application closely for accuracy. A claim may be denied, the policy may be void or your coverage may be lost if the application is incomplete or if it contains false statements or material misrepresentations. Any policy that may be issued will indicate when and under what circumstances it may be contested. Please be aware that if the application contains material misrepresentations or conceals material facts, and you submitted it with the intent to defraud or to facilitate fraud against us, you may also be guilty of insurance fraud, which is a crime. You must inform us of a change to any answer in any part of your application before accepting delivery of a policy; in fact, you agree to do so when you sign your application.

**Replacement of Existing Coverage**

If you intend to replace existing coverage, tell the broker of your intention and answer "yes" to the replacement question in the application; state law may require the broker to give you information that will help you compare the policy you are applying for with the policy you intend to replace. If you are undecided about keeping existing coverage, indicating an intention to replace existing coverage may help you get the information you need to make a decision. If you do replace existing coverage, the new policy may contain new suicide and contestable periods. The following would be considered replacement: you stop paying premiums on an existing policy or surrender an existing policy before or shortly after applying to us or you borrow from an existing policy to pay premiums for the insurance for which you are applying. State law may define replacement to include other situations. Ask the broker if you are unsure.

**Insurance Information Practices**

We will rely primarily on information provided by you. We may supplement that information with information from other sources such as medical professionals who have treated you. In some cases, we may ask a consumer reporting agency to collect information and submit an investigative consumer report to us as explained in this Notice under Federal Fair Credit Reporting Notice. You may request to be interviewed in connection with the preparation of this report.

In certain limited situations, we are allowed by law to disclose necessary items of personal information to third parties without your specific authorization.

You have the right to be told about, and receive copies if you wish, of items of personal information about you that appear in our files, including information contained in investigative consumer reports. You also have the right to seek correction of information you believe to be inaccurate.

We will send you a more detailed explanation of our information practices if you send us a written request. You may send your request to the Director of Underwriting, Banner Life Insurance Company, 1701 Research Boulevard, Rockville, MD 20850-3191.

**Federal Fair Credit Reporting Notice**

As part of our underwriting, we may ask that an investigative consumer report be prepared. An independent source known as a consumer reporting agency will prepare the report. The report will typically include information as to your character, general reputation, mode of living, and personal characteristics. The agency may conduct personal interviews with your family, friends, neighbors, business associates, financial sources, or others with whom you are acquainted in order to get this information. If you write to us within a reasonable time after you receive this Notice, we will tell you whether or not a report was requested. If a report was requested, we will tell you the name, address, and telephone number of the agency to whom the request was made. Upon request, the agency will furnish information as to the nature and scope of its investigation. If you would like to inspect and to receive a copy of the report, you may do so by contacting the agency directly.

**NOTICE TO PROPOSED INSURED****(Please give to the Proposed Insured)****(continued)**

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**MIB (Medical Information Bureau) Pre-Notice Disclosure**

Information regarding your insurability will be treated as confidential. Banner Life Insurance Company or its reinsurers may, however, make a brief report thereon to the MIB, Inc., 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 each company with the information about you 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, MA 02184-8734.

Banner Life Insurance Company, or its reinsurers, may also release information from 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).

<b>SECTION A PROPOSED INSURED</b>			
1. Full Name (Include maiden name in parentheses) _____	2. Sex <input type="checkbox"/> M <input type="checkbox"/> F	3. Date of Birth Month _____ Day _____ Year _____	4. Social Security Number _____
5. a. Home Address Street _____ City, State _____ Zip _____			5. b. How Long _____
6. Phone Numbers Home (    ) _____ Work (    ) _____	7. State/Country of Birth _____	8. U.S. Citizen <input type="checkbox"/> Yes <input type="checkbox"/> No Visa Type _____ If No, Date of Entry into U.S. _____ Country of Citizenship _____	
9. Marital Status <input type="checkbox"/> M <input type="checkbox"/> S <input type="checkbox"/> W <input type="checkbox"/> D	10. Driver's License Number and State of Issue or State ID Number _____		
11. Occupation (Include duties) _____	12. Annual Income _____	13. Total Net Worth _____	
14. a. Employer's Name and Address and Nature of Business _____			14. b. How Long Employed _____
15. Have you ever used tobacco or nicotine products in any form? <input type="checkbox"/> Yes - give details below <input type="checkbox"/> No			
Product	Date last used (month/year)	Amount / Frequency	
Cigarettes	_____	_____	
Cigars	_____	_____	
Other	_____	_____	
<b>SECTION B BENEFICIARY</b> (Share percentage totals must equal 100%. If necessary, use Remarks section, Question 48. If Beneficiary is a trust, check box <input type="checkbox"/> and complete Section D.)			
16. Primary			
Name _____	Relationship _____	% Share _____	
SSN _____	Date of Birth _____	_____	
Name _____	Relationship _____	% Share _____	
SSN _____	Date of Birth _____	_____	
17. Contingent			
Name _____	Relationship _____	% Share _____	
SSN _____	Date of Birth _____	_____	
Name _____	Relationship _____	% Share _____	
SSN _____	Date of Birth _____	_____	
<b>SECTION C OWNER</b>			
18. Owner is <input type="checkbox"/> Proposed Insured <input type="checkbox"/> Trust (also complete Section D) <input type="checkbox"/> Other than Proposed Insured or Trust			
Complete if the Proposed Insured is not the Owner. (If contingent Owner is required, use Remarks section, Question 48).			
Name _____	SSN or Tax ID # _____	Date of Birth _____	
Address _____	City, State _____	Zip _____	
Contact Phone # _____	Relationship to Proposed Insured _____		
If Owner is a business, web site address _____	Email address _____		
<b>SECTION D TRUST INFORMATION</b> (If trust is Beneficiary and/or Owner).			
19. Exact Name of Trust _____	Trust Tax ID# _____		_____
Current Trustee(s) _____	Date of Trust _____		

**PART 1 (continued)**

**SECTION E PAYOR**

20. Send premium notices to:  Insured  Owner  Other - If Other, complete the information below

Name \_\_\_\_\_ Relationship to Insured/Owners \_\_\_\_\_

Address \_\_\_\_\_  
Street City State Zip

Contact Phone # \_\_\_\_\_ Email address \_\_\_\_\_

**SECTION F INSURANCE APPLIED FOR**

21. Amount of Insurance \$ \_\_\_\_\_ 22. Plan of Insurance \_\_\_\_\_

23. Death Benefit Option (if available with Plan):  Level Death Benefit  Increasing Death Benefit

24. Payment method:  Direct Bill  Electronic Funds Transfer (EFT)

25. Frequency of premium payment:  Single  Annual  Semi-annual  Quarterly  Monthly (EFT only)

26. Planned periodic premium for universal life product: (Provide details in Remarks section, Question 48.)

a.  1st Year Only \$ \_\_\_\_\_ 2nd Year and Thereafter \$ \_\_\_\_\_ b.  Premium For All Years \$ \_\_\_\_\_

27. Will the premiums for this policy be loaned or otherwise financed by an individual(s) or entity other than the Proposed Insured or immediate family members of the Proposed Insured?  Yes  No

If Yes, please identify all parties involved and provide copies of all financing agreements or promissory notes and all related side agreements and schedules. (Provide details in Remarks section, Question 48.)

28. a. Date to Save Age?  Yes  No b. Specific Policy Date?  Yes  No Date \_\_\_\_\_

**Additional Benefits (if available)**

29.  Waiver of Premium  Other (description and amount) \_\_\_\_\_

**SECTION G OTHER INSURANCE**

30. a. **Excluding** this application, amount of insurance **currently pending** with other companies. If NONE state NONE. \$ \_\_\_\_\_

b. Of the above pending amount in 30.a., how much do you intend to accept? \$ \_\_\_\_\_

c. Provide information for each policy in force (except group insurance). (If necessary, use Remarks section, Question 48.)  
 If NONE state NONE.

Company	Policy Number	Face Amount	Business?		Issue Date	Replacing?		Beneficiary
			Yes	No		Yes	No	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	
			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	

31. Have you ever had an application for life or health insurance declined, postponed, modified, rated or offered with a reduced face amount? (If Yes, provide details in Remarks section, Question 48.)

Yes No

32. Will you, or are you likely to, replace, end, or change existing insurance or annuity with any company or society with the insurance for which you are applying? (If Yes, the broker may be required to provide additional forms for your review and signature.)

33. Are there any plans to sell or permanently assign the policy to another person or entity, life settlement provider or an investor, or will it replace a policy that has already been sold to another life settlement company or investor? (If Yes, provide details in Remarks section, Question 48.)

**PART 1 (continued)**

<b>SECTION H GENERAL QUESTIONS</b> (Explain all Yes answers in Remarks section, Question 48.)		Yes	No
34. Has any person promised or agreed to give or have they given to any party to the application, any inducement, fee or compensation as an incentive to purchase the policy?		<input type="checkbox"/>	<input type="checkbox"/>
35. Has any party to the application ever sold, transferred or assigned any life insurance policy to a third party, such as a viatical settlement entity, life settlement entity, insurance company, other secondary market provider, or premium financing entity?		<input type="checkbox"/>	<input type="checkbox"/>
36. Has any party to the application ever received inducement, fee or compensation as an incentive to purchase, sell, transfer or assign a policy?		<input type="checkbox"/>	<input type="checkbox"/>
37. In the past 5 years, have you requested or received a Worker's Compensation, Social Security, or disability income payment?		<input type="checkbox"/>	<input type="checkbox"/>
38. Have you ever been convicted of, or are you currently charged with, a felony or misdemeanor, or are you currently on parole or probation?		<input type="checkbox"/>	<input type="checkbox"/>
39. In the past 5 years, has your driver's license been suspended or revoked, or have you been convicted of 2 or more moving violations or accidents?		<input type="checkbox"/>	<input type="checkbox"/>
40. In the past 5 years, have you been convicted of, or plead guilty or no contest to, driving while impaired, intoxicated, or under the influence of alcohol or drugs? (If Yes, complete Alcohol/Drug Usage Questionnaire.)		<input type="checkbox"/>	<input type="checkbox"/>
41. Are you a member, or do you intend to become a member, of the armed forces, including the reserves?		<input type="checkbox"/>	<input type="checkbox"/>
<b>SECTION I OTHER ACTIVITIES</b>		Yes	No
42. Do you hold a current pilot license, or have you in the past 5 years flown, or within the next 2 years do you intend to fly, other than as a passenger in any type of aircraft? (If Yes, complete Aviation Questionnaire.)		<input type="checkbox"/>	<input type="checkbox"/>
43. Have you in the past 2 years engaged in, or within the next 2 years do you intend to engage in, certain activities such as hang gliding, hot-air ballooning, ultra-light flying, heli-skiing, mountain, ice or rock climbing, cliff or base jumping, motor vehicle racing, motorcycle or any other motorized land or water vehicle racing, or scuba or sky diving? (If Yes, complete appropriate questionnaire.)		<input type="checkbox"/>	<input type="checkbox"/>
44. Do you intend to travel outside the U.S. or Canada, or change your country of residence in the next 12 months? (If Yes, list countries, cities, duration and purpose of travel in Remarks section, Question 48.)		<input type="checkbox"/>	<input type="checkbox"/>
<b>SECTION J PROPOSED INSURED FINANCIAL INFORMATION</b>			
<b>Complete this section when applying for face amount over \$1,000,000 or when the Proposed Insured is over age 65:</b>			
45. a. What is the purpose of this insurance? (e.g. income replacement, buy-sell, keyperson, estate conservation)			
_____			
b. How was the need for the face amount determined?	_____	Yes	No
c. In the last 5 years, has the Proposed Insured filed for bankruptcy or had any charge off of bad debts?		<input type="checkbox"/>	<input type="checkbox"/>
If Yes, type of bankruptcy and discharge date or charge off date. _____			
46. a. Gross annual earned income (salary, bonuses, etc. from W-2 forms)	\$ _____		
b. Gross annual unearned income (dividends, interest, rental income, etc.)	\$ _____		
c. Is the Proposed Insured self-supporting?		<input type="checkbox"/>	<input type="checkbox"/>
If No, how much insurance is in-force on the life of the person providing the support?		\$ _____	
What is that person's relationship to the Proposed Insured? _____			

**PART 1 (continued)****SECTION K BUSINESS FINANCIAL INFORMATION**

Complete this section when applying for face amount over \$1,000,000 and if Beneficiary or Owner is a business:

	Current YTD	Previous Year
47. a. Assets	\$	\$
b. Liabilities	\$	\$
c. Gross Sales	\$	\$
d. Net Income after Taxes	\$	\$
e. Fair Market Value of the business	\$	\$

f. How long has the business been established? \_\_\_\_\_

g. What percentage of the business does the Proposed Insured own? \_\_\_\_\_

h. Are other partners/owners/executives being insured? (If Yes, use Remarks section, Question 48.)

Yes No

i. In the last 5 years, has the business filed for bankruptcy or had any charge off of bad debts?

If Yes, type of bankruptcy and discharge date or charge off date. \_\_\_\_\_

j. Company web site address, if available \_\_\_\_\_

**48. Remarks: Explanations and/or special requests. Use Part 1 Supplement to Application if necessary.**



**FRAUD WARNINGS**

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**Arkansas, Kentucky, Louisiana, New Mexico, and Ohio**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information on an insurance application is guilty of a crime and may be subject to fines and imprisonment.

**Colorado**

It is unlawful to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding or attempting to defraud. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or insurance agent who knowingly provides false, incomplete or misleading information for the purpose of defrauding or attempting to defraud a policy holder or claimant with regard to a settlement shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**Florida**

Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement or claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

**Georgia, Nebraska, South Carolina, Texas**

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing false or deceptive statements may be guilty of insurance fraud.

**Washington, D.C., Maine, Virginia, Tennessee, and Washington**

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.

**Maryland**

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**New Jersey**

Any person who includes any false or misleading information on an application for insurance is subject to criminal and civil penalties.

**Oklahoma**

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**Pennsylvania**

Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

1. Name of Proposed Insured \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 2. Height \_\_\_\_ ft. \_\_\_\_ in.      3. Weight \_\_\_\_\_ lbs.  
 If your weight has changed by over 10 lbs. in the last year, indicate amount and reason \_\_\_\_\_  
 \_\_\_\_\_

**PHYSICIAN INFORMATION**

4. **Primary Physician**

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Telephone \_\_\_\_\_ Date last seen \_\_\_\_\_  
 Reason last seen and results of visit \_\_\_\_\_

5. **Physician Last Consulted**

Name \_\_\_\_\_ Specialty \_\_\_\_\_  
 Address \_\_\_\_\_  
 Telephone \_\_\_\_\_ Date last seen \_\_\_\_\_  
 Reason last seen and results of visit \_\_\_\_\_

6. Has a parent or sibling ever been diagnosed or treated by a member of the medical profession for heart or kidney disease, stroke, diabetes, cancer, melanoma, suicide, Huntington's Disease, Sickle Cell Disease or Familial Adenomatous Polyposis (FAP)? If Yes, give details in the Family History chart below. ....  Yes  No

**Family History: Include the age at onset/event for each medical condition.**

	Medical Conditions	Age at Onset/Event	Age if Living	Cause of Death	Age at Death
Father					
Mother					
Brothers					
Sisters					

**MEDICAL HISTORY** - Provide details to Yes answers in the Remarks section. Include provider, date, symptoms, diagnosis and treatment.

**Remarks - Explain All Yes Answers**  
 Enter question number before detailed response.

Questions 7-22, have you ever consulted a member of the medical profession regarding or have you been diagnosed or treated for:

7. High blood pressure, high cholesterol, abnormal electrocardiogram, chest pain, irregular heart rhythm, palpitations, heart murmur, heart attack, angina, phlebitis, peripheral vascular disease, or any other disease or disorder of the heart or blood vessels? .....  Yes  No
8. Hepatitis, ulcer, internal bleeding, colitis, acid reflux, GERD, or any other disease or disorder of the stomach, gall bladder, esophagus, liver, pancreas, spleen, intestines, colon, or rectum? .....  Yes  No
9. A disorder of your blood or immune system including anemia, blood clots, bleeding, immune deficiency, leukemia, or lymphoma (excluding HIV)? .....  Yes  No

**PART 2 - Medical History (continued)**

Name of Proposed Insured _____	Yes	No	Remarks - Explain All Yes Answers
10. Cancer, tumor, melanoma, or any other malignant disorder?.....	<input type="checkbox"/>	<input type="checkbox"/>	
11. Diabetes or high blood sugar or any other disease or disorder of the pituitary, thyroid, or endocrine glands? .....	<input type="checkbox"/>	<input type="checkbox"/>	
12. Albumin, protein, blood or sugar in the urine or any other disease or disorder of the kidney or bladder? .....	<input type="checkbox"/>	<input type="checkbox"/>	
13. Cyst, polyp, lump, or other growth, or any disease or disorder of the skin or lymph nodes? .....	<input type="checkbox"/>	<input type="checkbox"/>	
14. Any disease or disorder of the uterus, cervix, ovaries, or breasts?.....	<input type="checkbox"/>	<input type="checkbox"/>	
15. Any disease or disorder of the prostate or reproductive system? .....	<input type="checkbox"/>	<input type="checkbox"/>	
16. Any sexually transmitted disorders or diseases?.....	<input type="checkbox"/>	<input type="checkbox"/>	
17. Pregnancy, complications of pregnancy or infertility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
If now pregnant, what is the expected date of delivery? _____			
18. Asthma, shortness of breath, chronic cough or hoarseness, bronchitis, emphysema, COPD (chronic obstructive pulmonary disease), sarcoidosis, pneumonia, TB (tuberculosis), sleep apnea, or any other disorder of the respiratory system? .....	<input type="checkbox"/>	<input type="checkbox"/>	
19. A disorder of the brain, spinal cord, or nervous system including chronic headaches, convulsions or loss of consciousness, seizures, tremors, paralysis, fainting, stroke, MS (multiple sclerosis), or TIA (transient ischemic attack)? .....	<input type="checkbox"/>	<input type="checkbox"/>	
20. Depression, anxiety, psychosis, suicidal thoughts or attempts of suicide, anorexia or bulimia, obsessive compulsive disorder, bipolar disorder, or other mental, nervous or emotional disorder?.....	<input type="checkbox"/>	<input type="checkbox"/>	
21. Arthritis or disorder of the bones, skin or muscles?.....	<input type="checkbox"/>	<input type="checkbox"/>	
22. Any disease or disorder of the eyes, ears, nose or throat?.....	<input type="checkbox"/>	<input type="checkbox"/>	
23. In the <b>last 5 years</b> , unless previously stated on this application, have you:			
a. Been treated by a member of the medical profession or at a medical facility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
b. Had an electrocardiogram, x-ray, blood test, or other diagnostic test, excluding an HIV test? .....	<input type="checkbox"/>	<input type="checkbox"/>	
c. Had surgery or biopsy, or been an inpatient or outpatient in a hospital, clinic, or other medical or mental health facility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
d. Been advised by a member of the medical profession to have surgery, medical treatment, biopsy, or diagnostic testing, excluding HIV testing, that has not yet been completed?.....	<input type="checkbox"/>	<input type="checkbox"/>	
e. Been referred to any other member of the medical profession or medical facility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
f. Been unable to work, attend school or perform the normal activities of like age and gender, or been confined at home? .....	<input type="checkbox"/>	<input type="checkbox"/>	
24. a. Have you ever used amphetamines, barbiturates, cocaine, heroin, crack, marijuana, LSD, PCP, or other illegal, restricted or controlled substances, except as prescribed by a licensed physician? .....	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, please provide dates of use: From _____ To _____			
Name of drug used: _____			
Amount and frequency of use: _____			



Name of Proposed Insured \_\_\_\_\_ Date of Birth \_\_\_\_\_

**Notice to Proposed Insured and Owner.** Payment of the Amount Remitted may only be made at the same time that both the Application - Part 1 and this TIAA are completed. If the Insurer does not respond to you within 90 days, notify the Insurer at the above address. **Make the Amount Remitted payable to Banner Life Insurance Company. Do not make it payable to the licensed insurance agent or leave the payee blank. We do not accept cash or cash equivalents (money orders, cashiers checks) or "starter" checks.**

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**TEMPORARY INSURANCE APPLICATION (Answer all questions.)**

**Insurer** The Insurer is Banner Life Insurance Company.

**Temporary insurance cannot begin and you should make no payment if any question below is answered "Yes" or left blank.**

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| 1. Is the Proposed Insured less than 15 days old or more than 70 years old (age nearest birthday) on the date of this TIAA?.....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the total amount of insurance on the Proposed Insured's life now applied for or pending with Banner Life Insurance Company exceed \$1,000,000? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. In the past 90 days, has the Proposed Insured been admitted, or medically advised by a member of the medical profession to be admitted, to a hospital or other licensed health care facility, had surgery performed or recommended, or been medically advised to have any diagnostic test (excluding an AIDS-related test) that was not completed?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. In the past 5 years, has the Proposed Insured been diagnosed, treated for, or been advised to be treated for: heart disease; stroke; cancer; alcohol or drug dependence or abuse; or insulin dependent diabetes? .....  | <input type="checkbox"/> | <input type="checkbox"/> |

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THIS AGREEMENT PROVIDES A LIMITED AMOUNT OF LIFE INSURANCE COVERAGE FOR A LIMITED AMOUNT OF TIME, SUBJECT TO THE TERMS AND CONDITIONS SET FORTH BELOW.

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**TEMPORARY INSURANCE AGREEMENT**

**Agreement.** Subject to the terms of the policy applied for and this TIAA, the Insurer agrees to pay the Limited Amount to the beneficiaries listed in the Application - Part 1 upon receipt of due proof that the Proposed Insured died, except due to suicide, and provided all eligibility requirements and conditions for coverage under this Agreement have been met. The consideration for temporary insurance is the Temporary Insurance Application and payment of an amount equal to the first modal premium for the plan applied for or completion of the payment options form.

**Limited Amount.** The Limited Amount is the lesser of: (1) the amount of insurance applied for in the Application or (2) \$1,000,000 minus the amount of insurance on the Proposed Insured's life with the Insurer under any other applications for insurance now pending or other temporary insurance agreements.

**Start Date.** Temporary insurance equal to the Limited Amount will begin on the Start Date subject to the terms of this TIAA. The Start Date is the Date of this TIAA.

**Stop Date.** Temporary insurance automatically ends on the **earliest** of the following: (1) the date the Owner withdraws the application for insurance or refuses to accept any policy issued or offered; (2) the date the Insurer mails or otherwise provides notice to the Owner or his/her agent that it was unable to approve the requested coverage at the premium amount quoted and a counter offer is made by the Insurer; (3) the date the Insurer mails or otherwise provides notice to the Owner or his/her representative that it has declined or cancelled the application; (4) the date the Insurer mails or otherwise provides a premium refund to the Owner or his/her representative; (5) the date the policy is delivered to the Owner and delivery requirements have been completed.

**Policy Date.** The policy date of any policy issued will be the Start Date unless the policy is backdated at the Owner's request. The prepayment for this temporary insurance will be applied to the first premium due if the policy is issued.

**Other Limitations.** The Insurer's liability will be limited to a return of the Amount Remitted if: (1) any part of the life insurance application or this TIAA contains a misrepresentation material to the Insurer; or (2) the Proposed Insured dies by suicide.

**TEMPORARY INSURANCE APPLICATION  
AND AGREEMENT (TIAA)**

(continued)

I represent that: (1) I have read and received a copy of this TIAA and agree to all of its terms and conditions; (2) I understand and agree that temporary insurance will not begin if any question in this TIAA is answered Yes or left blank and any collection of premium will not activate coverage under this agreement; (3) the answers given in this TIAA are true and correct, and I understand that, if they are false, temporary insurance may be denied or declined; (4) I understand that completing this TIAA does not guarantee that the Insurer will issue a policy on the Proposed Insured's life; (5) I understand that the licensed insurance agent is not authorized to change or waive the terms of this TIAA or to collect premium if the Proposed Insured is ineligible for coverage under this Agreement; and (6) I understand that any premium submitted with this TIAA will be refunded if the Insurer does not approve the requested coverage.

\_\_\_\_\_  
Signature of Proposed Insured

\_\_\_\_\_  
Date of this TIAA

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

**LICENSED INSURANCE AGENT'S STATEMENT**

Amount Remitted \$ \_\_\_\_\_ Person from Whom Received \_\_\_\_\_

On the Date of this TIAA, I received the Amount Remitted in exchange for this TIAA. The TIAA bears the same date as the Application - Part 1. I agree that I am not authorized to change or waive the terms of this TIAA and represent that I have not attempted to do so. I have read and explained the terms of this TIAA to the Proposed Insured and Owner. I have left a copy with the Owner.

\_\_\_\_\_  
Signature of Licensed Insurance Agent

\_\_\_\_\_  
Licensed Insurance Agent Number

Name of Proposed Insured \_\_\_\_\_ Date of Birth \_\_\_\_\_

**Notice to Proposed Insured and Owner.** Payment of the Amount Remitted may only be made at the same time that both the Application - Part 1 and this TIAA are completed. If the Insurer does not respond to you within 90 days, notify the Insurer at the above address. **Make the Amount Remitted payable to Banner Life Insurance Company. Do not make it payable to the licensed insurance agent or leave the payee blank. We do not accept cash or cash equivalents (money orders, cashiers checks) or "starter" checks.**

---

**TEMPORARY INSURANCE APPLICATION (Answer all questions.)**

**Insurer** The Insurer is Banner Life Insurance Company.

**Temporary insurance cannot begin and you should make no payment if any question below is answered "Yes" or left blank.**

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| 1. Is the Proposed Insured less than 15 days old or more than 70 years old (age nearest birthday) on the date of this TIAA?.....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the total amount of insurance on the Proposed Insured's life now applied for or pending with Banner Life Insurance Company exceed \$1,000,000? .....   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. In the past 90 days, has the Proposed Insured been admitted, or medically advised by a member of the medical profession to be admitted, to a hospital or other licensed health care facility, had surgery performed or recommended, or been medically advised to have any diagnostic test (excluding an AIDS-related test) that was not completed?..... | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. In the past 5 years, has the Proposed Insured been diagnosed, treated for, or been advised to be treated for: heart disease; stroke; cancer; alcohol or drug dependence or abuse; or insulin dependent diabetes? .....  | <input type="checkbox"/> | <input type="checkbox"/> |

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---

**TEMPORARY INSURANCE AGREEMENT**

**Agreement.** Subject to the terms of the policy applied for and this TIAA, the Insurer agrees to pay the Limited Amount to the beneficiaries listed in the Application - Part 1 upon receipt of due proof that the Proposed Insured died, except due to suicide, and provided all eligibility requirements and conditions for coverage under this Agreement have been met. The consideration for temporary insurance is the Temporary Insurance Application and payment of an amount equal to the first modal premium for the plan applied for or completion of the payment options form.

**Limited Amount.** The Limited Amount is the lesser of: (1) the amount of insurance applied for in the Application or (2) \$1,000,000 minus the amount of insurance on the Proposed Insured's life with the Insurer under any other applications for insurance now pending or other temporary insurance agreements.

**Start Date.** Temporary insurance equal to the Limited Amount will begin on the Start Date subject to the terms of this TIAA. The Start Date is the Date of this TIAA.

**Stop Date.** Temporary insurance automatically ends on the **earliest** of the following: (1) the date the Owner withdraws the application for insurance or refuses to accept any policy issued or offered; (2) the date the Insurer mails or otherwise provides notice to the Owner or his/her agent that it was unable to approve the requested coverage at the premium amount quoted and a counter offer is made by the Insurer; (3) the date the Insurer mails or otherwise provides notice to the Owner or his/her representative that it has declined or cancelled the application; (4) the date the Insurer mails or otherwise provides a premium refund to the Owner or his/her representative; (5) the date the policy is delivered to the Owner and delivery requirements have been completed.

**Policy Date.** The policy date of any policy issued will be the Start Date unless the policy is backdated at the Owner's request. The prepayment for this temporary insurance will be applied to the first premium due if the policy is issued.

**Other Limitations.** The Insurer's liability will be limited to a return of the Amount Remitted if: (1) any part of the life insurance application or this TIAA contains a misrepresentation material to the Insurer; or (2) the Proposed Insured dies by suicide.

**TEMPORARY INSURANCE APPLICATION  
AND AGREEMENT (TIAA)**

(continued)

I represent that: (1) I have read and received a copy of this TIAA and agree to all of its terms and conditions; (2) I understand and agree that temporary insurance will not begin if any question in this TIAA is answered Yes or left blank and any collection of premium will not activate coverage under this agreement; (3) the answers given in this TIAA are true and correct, and I understand that, if they are false, temporary insurance may be denied or declined; (4) I understand that completing this TIAA does not guarantee that the Insurer will issue a policy on the Proposed Insured's life; (5) I understand that the licensed insurance agent is not authorized to change or waive the terms of this TIAA or to collect premium if the Proposed Insured is ineligible for coverage under this Agreement; and (6) I understand that any premium submitted with this TIAA will be refunded if the Insurer does not approve the requested coverage.

\_\_\_\_\_  
Signature of Proposed Insured

\_\_\_\_\_  
Date of this TIAA

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

**LICENSED INSURANCE AGENT'S STATEMENT**

Amount Remitted \$ \_\_\_\_\_ Person from Whom Received \_\_\_\_\_

On the Date of this TIAA, I received the Amount Remitted in exchange for this TIAA. The TIAA bears the same date as the Application - Part 1. I agree that I am not authorized to change or waive the terms of this TIAA and represent that I have not attempted to do so. I have read and explained the terms of this TIAA to the Proposed Insured and Owner. I have left a copy with the Owner.

\_\_\_\_\_  
Signature of Licensed Insurance Agent

\_\_\_\_\_  
Licensed Insurance Agent Number

**AGENT'S REPORT**

- 1. Name of Proposed Insured \_\_\_\_\_ Date of Birth \_\_\_\_\_
- 2. Number of years you have known the primary Proposed Insured \_\_\_\_\_
- 3. Who first suggested the purchase of this insurance?  Agent  Owner/Applicant  Proposed Insured  Other \_\_\_\_\_
- 4. Was the application signed after all questions were answered?.....  Yes  No
- 5. Did you personally see the Proposed Insured? .....  Yes  No
- 6. Did anyone sign or assist in the completion of Part 1 or Part 2 of the Application for or on behalf of the Proposed Insured? .....  Yes  No
- 7. Are you aware of any information that would adversely affect any Proposed Insured's eligibility, acceptability, or insurability?...  
If Yes, please provide details in the Remarks section below, and do not provide limited temporary life insurance.  Yes  No
- 8. Did you provide the client with the Temporary Life Insurance Application and Agreement (TIAA) form?.....  Yes  No
- 9. Premium Class Quoted \_\_\_\_\_
- 10. Are there any personal or business companion applications?.....  Yes  No  
If Yes, please provide name and date of birth in the Remarks section below.
- 11. a. To the best of your knowledge, does the policy applied for involve the replacement of existing insurance? .....  Yes  No  
b. If Yes, has the Proposed Insured replaced other life insurance policies in the past 2 years? .....  Yes  No
- 12. Are there any plans to sell or assign this policy to another person or entity, life settlement provider or investor, or will it replace a policy that has already been sold to a life settlement company or investor? .....  Yes  No
- 13. Will the premium for this policy be loaned or otherwise financed by an individual(s) or entity other than the Proposed Insured or immediate family members of the Proposed Insured? .....  Yes  No  
If Yes, please identify all parties involved and provide copies of all financing agreements or promissory notes and all related side agreements and schedules.

**Remarks** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATEMENTS BY AGENT**

**I certify that:**

- I asked and carefully explained each question to the Proposed Insured and Owner/applicant before recording each answer prior to the application being signed;
- The answers given in this application and Agent's Report are complete and accurate to the best of my knowledge and belief;
- The Proposed Insured and applicant know that any fraudulent statement or material misrepresentation in the application may result in loss of coverage under the policy;
- I have given the Notice to Proposed Insured attached to this application to the Proposed Insured;
- If the insurance applied for will or may replace any existing life insurance policy or annuity contract, I have completed any and all proper state required replacement form(s);
- I have explained to the Proposed Insured that if money is submitted with this application, conditions of the Temporary Insurance Application and Agreement must be met.
- If I become aware of a change in the health or habits of the Proposed Insured occurring after the date of the application but before the policy is delivered, I promise to inform the Company of the change and agree to withhold delivery of the policy until instructed by the Company to do so.

\_\_\_\_\_  
Signature of Licensed Insurance Agent Date

Phone No. ( ) \_\_\_\_\_

\_\_\_\_\_  
Print Name of Above Signature

Agent # \_\_\_\_\_ SSN \_\_\_\_\_

\_\_\_\_\_  
Print Name of Agency, if different from above

Share of commission \_\_\_\_\_

\_\_\_\_\_  
Signature of Additional Licensed Insurance Agent Date

Phone No. ( ) \_\_\_\_\_

\_\_\_\_\_  
Print Name for Above Additional Signature

Agent # \_\_\_\_\_ SSN \_\_\_\_\_

\_\_\_\_\_  
Print Name of Additional Agency, if different from above

Share of commission \_\_\_\_\_

**GENERAL AGENT INFORMATION**

GA name \_\_\_\_\_ GA # \_\_\_\_\_ Case Manager \_\_\_\_\_

1. Name of Proposed Insured \_\_\_\_\_ Date of Birth \_\_\_\_\_  
 2. Height \_\_\_\_\_ ft. \_\_\_\_\_ in.      3. Weight \_\_\_\_\_ lbs.  
 If your weight has changed by over 10 lbs. in the last year, indicate amount and reason \_\_\_\_\_  
 \_\_\_\_\_

**PHYSICIAN INFORMATION**

4. **Primary Physician**

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 Telephone \_\_\_\_\_ Date last seen \_\_\_\_\_  
 Reason last seen and results of visit \_\_\_\_\_

5. **Physician Last Consulted**

Name \_\_\_\_\_ Specialty \_\_\_\_\_  
 Address \_\_\_\_\_  
 Telephone \_\_\_\_\_ Date last seen \_\_\_\_\_  
 Reason last seen and results of visit \_\_\_\_\_

6. Has a parent or sibling ever been diagnosed or treated by a member of the medical profession for heart or kidney disease, stroke, diabetes, cancer, melanoma, suicide or Huntington's Disease, Sickle Cell Disease or Familial Adenomatous Polyposis (FAP)? If Yes, give details in the Family History chart below. ....  Yes  No

**Family History: Include the age at onset/event for each medical condition.**

	Medical Conditions	Age at Onset/Event	Age if Living	Cause of Death	Age at Death
Father					
Mother					
Brothers					
Sisters					

**MEDICAL HISTORY** - Provide details to Yes answers in the Remarks section. Include provider, date, symptoms, diagnosis and treatment.

Yes    No    **Remarks - Explain All Yes Answers**  
 Enter question number before detailed response.

Questions 7-22, have you ever consulted a member of the medical profession regarding or have you been diagnosed or treated for:

7. High blood pressure, high cholesterol, abnormal electrocardiogram, chest pain, irregular heart rhythm, palpitations, heart murmur, heart attack, angina, phlebitis, peripheral vascular disease, or any other disease or disorder of the heart or blood vessels? .....  Yes  No
8. Hepatitis, ulcer, internal bleeding, colitis, acid reflux, GERD, or any other disease or disorder of the stomach, gall bladder, esophagus, liver, pancreas, spleen, intestines, colon, or rectum? .....  Yes  No
9. A disorder of your blood or immune system including anemia, blood clots, bleeding, immune deficiency, leukemia, or lymphoma (excluding HIV)? .....  Yes  No

**PART 2 - Medical History (continued)**

Name of Proposed Insured _____	Yes	No	Remarks - Explain All Yes Answers
10. Cancer, tumor, melanoma, or any other malignant disorder?.....	<input type="checkbox"/>	<input type="checkbox"/>	
11. Diabetes or high blood sugar or any other disease or disorder of the pituitary, thyroid, or endocrine glands? .....	<input type="checkbox"/>	<input type="checkbox"/>	
12. Albumin, protein, blood or sugar in the urine or any other disease or disorder of the kidney or bladder? .....	<input type="checkbox"/>	<input type="checkbox"/>	
13. Cyst, polyp, lump, or other growth, or any disease or disorder of the skin or lymph nodes? .....	<input type="checkbox"/>	<input type="checkbox"/>	
14. Any disease or disorder of the uterus, cervix, ovaries, or breasts?.....	<input type="checkbox"/>	<input type="checkbox"/>	
15. Any disease or disorder of the prostate or reproductive system? .....	<input type="checkbox"/>	<input type="checkbox"/>	
16. Any sexually transmitted disorders or diseases?.....	<input type="checkbox"/>	<input type="checkbox"/>	
17. Pregnancy, complications of pregnancy or infertility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
If now pregnant, what is the expected date of delivery? _____			
18. Asthma, shortness of breath, chronic cough or hoarseness, bronchitis, emphysema, COPD (chronic obstructive pulmonary disease), sarcoidosis, pneumonia, TB (tuberculosis), sleep apnea, or any other disorder of the respiratory system? .....	<input type="checkbox"/>	<input type="checkbox"/>	
19. A disorder of the brain, spinal cord, or nervous system including chronic headaches, convulsions or loss of consciousness, seizures, tremors, paralysis, fainting, stroke, MS (multiple sclerosis), or TIA (transient ischemic attack)?.....	<input type="checkbox"/>	<input type="checkbox"/>	
20. Depression, anxiety, psychosis, suicidal thoughts or attempts of suicide, anorexia or bulimia, obsessive compulsive disorder, bipolar disorder, or other mental, nervous or emotional disorder?.....	<input type="checkbox"/>	<input type="checkbox"/>	
21. Arthritis or disorder of the bones, skin or muscles?.....	<input type="checkbox"/>	<input type="checkbox"/>	
22. Any disease or disorder of the eyes, ears, nose or throat?.....	<input type="checkbox"/>	<input type="checkbox"/>	
23. In the <b>last 5 years</b> , unless previously stated on this application, have you:			
a. Been treated by a member of the medical profession or at a medical facility? ....	<input type="checkbox"/>	<input type="checkbox"/>	
b. Had an electrocardiogram, x-ray, blood test, or other diagnostic test, excluding an HIV test? .....	<input type="checkbox"/>	<input type="checkbox"/>	
c. Had surgery or biopsy, or been an inpatient or outpatient in a hospital, clinic, or other medical or mental health facility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
d. Been advised by a member of the medical profession to have surgery, medical treatment, biopsy, or diagnostic testing, excluding HIV testing, that has not yet been completed?.....	<input type="checkbox"/>	<input type="checkbox"/>	
e. Been referred to any other member of the medical profession or medical facility? .....	<input type="checkbox"/>	<input type="checkbox"/>	
f. Been unable to work, attend school or perform the normal activities of like age and gender, or been confined at home? .....	<input type="checkbox"/>	<input type="checkbox"/>	
24. a. Have you ever used amphetamines, barbiturates, cocaine, heroin, crack, marijuana, LSD, PCP, or other illegal, restricted or controlled substances, except as prescribed by a licensed physician? .....	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, please provide dates of use: From _____ To _____			
Name of drug used: _____			
Amount and frequency of use: _____			



Name of Proposed Insured \_\_\_\_\_ Date of Birth \_\_\_\_\_

**Instructions to the Examiner -**

This examination, once begun, is the property of the Company, and must not be destroyed or suppressed. Please weigh and measure this applicant. Explain all positive findings under Remarks.

The questions which appear below are intended only as a basis for the examination. The Company relies on its examiners to observe and report all information bearing on the acceptance of a proposed insured, even though not specifically requested on this form.

Please mail blood and urine specimens promptly.

1. Height (in shoes) \_\_\_\_\_ ft. \_\_\_\_\_ in.  
 Weight (clothed) \_\_\_\_\_ lbs.
- a. Did you weigh? Yes  No   
 b. Did you measure? Yes  No   
 If No, please explain \_\_\_\_\_  
 \_\_\_\_\_

3. Blood Pressure (record 3 readings)

Systolic	_____	_____	_____
Diastolic	_____	_____	_____

2. Measurements (males only)
- Chest (full inspiration) \_\_\_\_\_ in.  
 Chest (forced expiration) \_\_\_\_\_ in.  
 Abdomen (at umbilicus) \_\_\_\_\_ in.

4. Pulse At rest \_\_\_\_\_  
 Describe any irregularities (number per minute, etc.)  
 \_\_\_\_\_  
 \_\_\_\_\_

5. Are blood and urine specimens being collected and mailed to the lab? Yes  No

**IF EXAMINATION IS DONE BY A PHYSICIAN, ANSWER SECTIONS 6 AND 7. OTHERWISE GO DIRECTLY TO SECTION 8.**

6. After physical examination and inquiry, do you find any abnormality of the following:

	Yes	No	Remarks
a. Eyes, ears, nose, mouth, pharynx? .....	<input type="checkbox"/>	<input type="checkbox"/>	
b. Skin (including scars), thyroid, lymph nodes, veins, peripheral arteries? .....	<input type="checkbox"/>	<input type="checkbox"/>	
c. Brain, nervous system (including reflexes, gait, speech, coordination, paralysis)? .....	<input type="checkbox"/>	<input type="checkbox"/>	
d. Respiratory system? .....	<input type="checkbox"/>	<input type="checkbox"/>	
e. Stomach, abdominal organs? .....	<input type="checkbox"/>	<input type="checkbox"/>	
f. Is the liver enlarged or tender? .....	<input type="checkbox"/>	<input type="checkbox"/>	
g. Genitourinary system? .....	<input type="checkbox"/>	<input type="checkbox"/>	
h. Musculoskeletal system (including spine, joints, amputations and deformities)? .....	<input type="checkbox"/>	<input type="checkbox"/>	
i. Heart or blood vessels? (If there is a history of rheumatic fever, heart murmur, or if you find any abnormality in heart size, rhythm, or sounds, complete question 7.) .....	<input type="checkbox"/>	<input type="checkbox"/>	

Name of Proposed Insured \_\_\_\_\_

**PART 3 - Medical Examiner's Report (continued)**

7. To be completed if number 6.i. is answered Yes or if requested:		Yes	No	Remarks
a.	Is there evidence of cardiac enlargement, or abnormal location of the apical impulse (PMI)?.....	<input type="checkbox"/>	<input type="checkbox"/>	
b.	Are there any abnormalities of the first (S1) or second (S2) heart sounds?.....	<input type="checkbox"/>	<input type="checkbox"/>	
c.	Are there gallops (S3 or S4)?.....	<input type="checkbox"/>	<input type="checkbox"/>	
d.	Is/are there ejection sound(s) or systolic click(s)?.....	<input type="checkbox"/>	<input type="checkbox"/>	
e.	Is/are there murmur(s) present? ..... If Yes, fully describe under Remarks including timing (systolic or diastolic), intensity (grade 1-6), location, transmission, or radiation.	<input type="checkbox"/>	<input type="checkbox"/>	
8. a.				
Are you aware of additional medical history: signs, symptoms, or laboratory findings not brought out in the foregoing questions which may have a bearing on this risk?.....		<input type="checkbox"/>	<input type="checkbox"/>	
b.				
Does the Proposed Insured appear in any way unhealthy or older than the stated age? .....		<input type="checkbox"/>	<input type="checkbox"/>	
9. a.				
Were you acquainted with the Proposed Insured prior to this examination?..... If Yes, fully describe the relationship in Remarks.		<input type="checkbox"/>	<input type="checkbox"/>	
b.				
Are you the Proposed Insured's personal physician?.....		<input type="checkbox"/>	<input type="checkbox"/>	
c.				
Was the examination conducted in a language other than English? ..... If Yes, indicate language used and provide name, address and relationship to Proposed Insured of person acting as interpreter.		<input type="checkbox"/>	<input type="checkbox"/>	
d.				
Did anyone sign or assist in the completion of the Part 2 Medical History for or on behalf of the Proposed Insured? .....		<input type="checkbox"/>	<input type="checkbox"/>	
10. How did you identify the Proposed Insured? <input type="checkbox"/> Driver's license <input type="checkbox"/> Other _____				
Record any additional medical information below. Use a separate piece of paper if necessary. Any additional comments regarding habits, character, residence, history or physical condition which may have a bearing on the risk will be appreciated. This information will be considered strictly confidential.				

I hereby certify that I have personally examined \_\_\_\_\_ and have correctly and fully reported my findings. Name of Proposed Insured

Examined at \_\_\_\_\_  
Street address, City and State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ at \_\_\_\_\_ AM/PM.

Print Examiner's name \_\_\_\_\_ Signature of Examiner \_\_\_\_\_  
 Paramed     MD     D.O.

Paramed Company \_\_\_\_\_ Telephone number \_\_\_\_\_

Address \_\_\_\_\_

SERFF Tracking Number: BANN-125826810 State: Arkansas  
 Filing Company: Banner Life Insurance Company State Tracking Number: 40559  
 Company Tracking Number:  
 TOI: L08 Life - Other Sub-TOI: L08.000 Life - Other  
 Product Name: Life Insurance Application  
 Project Name/Number: Application/Medical History/LIA (8/08) & LU-1267 (8/08)

**Filing at a Glance**

LIA (10/08) & LU-1267(10/08)

Company: Banner Life Insurance Company  
 Product Name: Life Insurance Application  
 TOI: L08 Life - Other  
 Sub-TOI: L08.000 Life - Other  
 Filing Type: Form

SERFF Tr Num: BANN-125826810 State: Arkansas LH  
 SERFF Status: Closed State Tr Num: 40559  
 Co Tr Num: State Status: Approved-Closed  
 Co Status: Reviewer(s): Linda Bird  
 Author: Ada Miller Disposition Date: 10/17/2008  
 Date Submitted: 10/15/2008 Disposition Status: Approved  
 Implementation Date:

Implementation Date Requested: 01/01/2009

**General Information**

Project Name: Application/Medical History  
 Project Number: LIA-(8/08) & LU-1267 (8/08)  
 Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Authorized  
 Date Approved in Domicile: 10/14/2008  
 Domicile Status Comments: Maryland, our state of domicile, is part of the Interstate Insurance Product Regulation Commission. The ICC has approved the use of the application and medical history forms. We have removed all references to the IIPRC for filings to states that are not part of the Compact.

Explanation for Combination/Other:  
 Submission Type: New Submission  
 Overall Rate Impact:  
 Filing Status Changed: 10/17/2008  
 State Status Changed: 10/17/2008  
 Created By: Ada Miller  
 Corresponding Filing Tracking Number:  
 Filing Description:

Market Type: Individual  
 Group Market Size:  
 Group Market Type:  
 Company Status Changed:  
 Deemer Date:  
 Submitted By: Ada Miller

Application form LIA (8/08) is being submitted for your review and approval. This is a new form, which upon approval, will become our new application form. It will replace Life Application Form BLA (5/99) previously approved by your department on February 4, 1999. Also being submitted for review and approval to be used with the new form is LU-1267 (8/08) Medical History form which will replace LU1034 now used with the current application form.

SERFF Tracking Number: BANN-125826810 State: Arkansas  
 Filing Company: Banner Life Insurance Company State Tracking Number: 40559  
 Company Tracking Number:  
 TOI: L08 Life - Other Sub-TOI: L08.000 Life - Other  
 Product Name: Life Insurance Application  
 Project Name/Number: Application/Medical History/LIA (8/08) & LU-1267 (8/08)

Once approved, LIA (8/08) and LU-1267 (8/08) will be implemented on January 1, 2009.

To the best of our knowledge, information and belief, this application complies with the rules and regulations of your department.

## Company and Contact

### Filing Contact Information

Nancy January, Vice President, Product Development njJanuary@lgame.com  
 1701 Research Boulevard (301) 279-4868 [Phone]  
 Rockville, MD 20850 (301) 294-6964[FAX]

### Filing Company Information

Banner Life Insurance Company CoCode: 94250 State of Domicile: Maryland  
 1701 Research Boulevard Group Code: 872 Company Type: Life Insurance  
 Rockville, MD 20850 Group Name: State ID Number:  
 (301) 279-4809 ext. [Phone] FEIN Number: 52-1236145  
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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$250.00  
 Retaliatory? Yes  
 Fee Explanation: 2 forms that make up new Application form x \$125.00  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Banner Life Insurance Company	\$250.00	10/15/2008	23191312

## CERTIFICATION

RE: Illustrated Non-Guaranteed Elements of Policy Form UL-2010

I, David J. Orr, Senior Vice President and Chief Actuary of Banner Life Insurance Company, am a member of the American Academy of Actuaries in good standing. I have been appointed by the Board of Directors of Banner Life to be the illustration actuary for all plans of insurance subject to the Life Insurance Illustration Regulation for this state. I meet the Academy requirement for making this certification and the requirements of applicable state regulations.

- Disciplined current scales used in illustrating non-guaranteed elements for the plans of insurance shown above meet the Actuarial Standard of Practice for Compliance with the NAIC Life Insurance Model Regulation (ASOP 24) promulgated by the Actuarial Standards Board except as noted below.
- No currently payable scale for business issued within the last five years and within the scope of this certification has been reduced for reasons other than changes in the experience factors underlying the disciplined current scale.
- Non-guaranteed elements illustrated for new policies are consistent with those illustrated for similar in-force policies.
- Illustrated non-guaranteed elements for new and in-force policies subject to this regulation are consistent with the non-guaranteed elements actually credited or charged to the same or similar forms.
- The minimum expenses used in the calculations of the disciplined current scale for all policy forms subject to this regulation were Fully Allocated.

I have relied on data supplied by Randy Binger, Vice President of Information System Services, and Drew Love, Vice President of Finance, in making this certification. I reviewed the provided data and am satisfied with the results.



---

David J. Orr, F.I.A., M.A.A.A.  
Senior Vice President and Chief Actuary  
Banner Life Insurance Company  
1701 Research Boulevard  
Rockville, MD 20850

May 12, 2010

## CERTIFICATION

RE: Illustrated Non-Guaranteed Elements of Policy Form U-2010

I, Frank T. Gencarelli, Senior Vice President, Distribution and Marketing of Banner Life Insurance Company, do certify that the illustration formats for the plans listed above meet the requirements of the Life Insurance Illustration Regulation for this state. The scales used in the illustrations for the above listed plans are those scales certified by the illustration actuary. Banner Life Insurance Company has notified its agents about the expense allocation method being used by the company.



---

Frank T. Gencarelli  
Senior Vice President, Distribution and Marketing  
Banner Life Insurance Company  
1701 Research Boulevard  
Rockville, MD 20850

May 13, 2010



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Banner Life Insurance Company  
1701 Research Boulevard  
Rockville, Maryland

## LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

### DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in the state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association  
c/o The Liquidation Division  
1023 West Capitol  
Little Rock, Arkansas 72201

Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

## COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity, or health insurance contract or policy, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

## EXCLUSIONS FROM COVERAGE

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contract holders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution;
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a non-affiliate benefit plan or its trustees).

## LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

# Certification

U2010 AR

I hereby certify that the above-referenced submission meets the provisions of Regulation 34, Regulation 19s10B, as well as other applicable requirements of the Arkansas Department of Insurance.

A handwritten signature in black ink that reads "Nancy C. January". The signature is written in a cursive style with a large, looping initial "J" at the end.

Nancy C. January, F.S.A., M.A.A.A.  
Vice President, Product Development

July 7, 2010  
Date



**Universal Life Insurance Policy  
Annual Statement as of 08/01/2011**

**Policy Number: 17B359367  
Insured: MARTHA J HOLLAND**

**Prepared: August 22, 2011**

For service please contact the Home Office:  
Banner Life Insurance Company  
3275 Bennett Creek Avenue  
Frederick, MD 21704  
Telephone: 800-638-8428  
Email Address: customerservice@bannerlife.com

MARTHA J HOLLAND  
2179 PACIFIC AVE  
SAN FRANCISCO, CA 94115

Or contact your agent:  
STEVEN B HARRELL  
Agent Number: T1A0331

Policy Specifications		Policy Values	
Specified Amount:	\$250,000	As Of	As Of
Policy Date:	08/01/2010	08/01/2010	08/01/2011
Premium Frequency:	ANNUAL	Account Value:	\$1,268.05 \$296.78
Planned Premium:	\$1,452.94	Surrender Charge(-):	\$1,268.05 \$296.78
Issue Age/Sex:	46/FEMALE	Outstanding Loan(-):	\$0.00 \$0.00
Product:	LIFE CHOICE - UNIVERSAL LIFE	Cash Surrender Value(=):	\$0.00 \$0.00
Additional Riders:	None	Net Death Benefit:	\$250,000 \$250,000
		Current Interest Rate:	3.00%
		Guaranteed Interest Rate:	3.00%

**Important Information (See reverse side for additional information)**

We are pleased to send you this personalized statement each year shortly after your policy anniversary date. This report will reflect the current values of your policy, as well as an annual summary of the activity during the year. You should review this statement and projections to make sure it meets your intended objectives. As with any insurance policy, a periodic review with your agent or home office representative would be wise to attain your future goals.

**Continuation of Insurance:**

If you pay premiums as planned, under the terms of the Policy Coverage Guarantee Provision your policy is projected to remain in effect and provide coverage until 08/01/2085 (age 121). If you wish to discuss the premium required to provide coverage to maturity (age 121), please contact your agent or our office. This projection assumes all premiums are paid when due, you make no policy changes and you do not take a policy loan.

If you cease making premium payments, under the terms of the Policy Coverage Guarantee Provision your policy is projected to remain in effect and provide coverage until 07/01/2013 (age 49). If you wish to discuss the premium required to provide coverage to maturity (age 121), please contact your agent or our office. This projection assumes you make no policy changes and you do not take a policy loan.

The Policy's Coverage Guarantee Provision is currently in effect. Please refer to your policy for details.



**Summary of Activity During the Statement Period from 08/01/2010**

Month End	Premiums Received	Expense Charges	Cost of Insurance	Cost of Riders	Credited Interest	Withdrawals	Month End Account Value	CURRENT RATE
Ending account value from prior statement							\$1,268.05:	
08/01/2010	\$1,452.94	\$171.71	\$13.18	-----	-----	-----	\$1,268.05	-----
09/01/2010	-----	\$70.00	\$13.18	-----	\$4.15	-----	\$1,189.02	4.00%
10/01/2010	-----	\$70.00	\$13.19	-----	\$3.89	-----	\$1,109.72	4.00%
11/01/2010	-----	\$70.00	\$13.19	-----	\$3.63	-----	\$1,030.16	4.00%
12/01/2010	-----	\$70.00	\$13.20	-----	\$3.34	-----	\$950.30	3.00%
01/01/2011	-----	\$70.00	\$13.20	-----	\$2.34	-----	\$869.44	3.00%
02/01/2011	-----	\$70.00	\$13.20	-----	\$2.14	-----	\$788.38	3.00%
03/01/2011	-----	\$70.00	\$13.21	-----	\$1.94	-----	\$707.11	3.00%
04/01/2011	-----	\$70.00	\$13.21	-----	\$1.74	-----	\$625.64	3.00%
05/01/2011	-----	\$70.00	\$13.22	-----	\$1.54	-----	\$543.96	3.00%
06/01/2011	-----	\$70.00	\$13.22	-----	\$1.34	-----	\$462.08	3.00%
07/01/2011	-----	\$70.00	\$13.23	-----	\$1.14	-----	\$379.99	3.00%
08/01/2011	-----	\$70.00	\$14.15	-----	\$0.94	-----	\$296.78	3.00%
TOTAL	\$1,452.94	\$1,011.71	\$172.58	-----	\$28.13	-----		

Loan Information				
Date	New Loan(s)	Loan Payment(s)	Loan Interest	Loan Balance
Ending loan balance from prior statement				\$0.00
08/01/2011	\$0.00	\$0.00	\$0.00	\$0.00

**Other Information**

**Interest Crediting:**

Interest is credited monthly to the account value after the deduction of expense and cost of insurance charges. Any portion of the account value representing a policy loan or unpaid loan interest is credited at an interest rate of 3.00%. Interest on the loan balance is charged at the rate of N/A.

**Important Policy Owner Notice:**

You should consider requesting more detailed information about your policy to understand how it may perform in the future. You should not consider replacement of your policy or make changes in your coverage without requesting a current illustration. You may annually request, without charge, such an illustration by calling 800-638-8428, writing to Banner Life Insurance Company at 3275 Bennett Creek Avenue, Frederick, Maryland 21704, or contacting your agent or broker. If you do not receive a current illustration of your policy within 30 days from the date of your request, you should contact your state insurance department.

**Additional Policy Features**

Mediguide offers a free medical second opinion in the event of serious illness. Please refer to your policy for details.

Accelerated Death Benefit rider (ADB) allows you to access death benefit in the event of terminal illness. Please refer to your policy for details.

SERFF Tracking Number: BANN-126704246 State: Arkansas  
 Filing Company: Banner Life Insurance Company State Tracking Number: 46116  
 Company Tracking Number:  
 TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.001 Single Life  
 Adjustable Life  
 Product Name: Life Step UL  
 Project Name/Number: Life Step UL/U2010 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)
07/02/2010	Form	Flexible Premium Adjustable Life Insurance	07/15/2010	U2010 AR.pdf (Superceded)



1701 Research Boulevard  
Rockville, MD 20850  
800-638-8428

**Please Read This Notice Carefully - This policy is a legal contract between the policy owner and Banner Life Insurance Company. Within 30 days after this policy is received, it may be returned to the agent through whom it was purchased or to our home office. We will then refund any premium paid and the policy will be deemed void from the beginning.**

In this policy, Banner Life Insurance Company will be referred to as "we", "our" or "us". The policy owner will be referred to as "you", "your" or "yours."

If we receive due proof of death that the insured died while this policy was in force and before the maturity date, we will pay to the beneficiary the proceeds of this policy, subject to the provisions of this policy. This death benefit is described in the insurance coverage provisions.

We will pay to you any cash surrender value on the maturity date if the insured is then living and this policy is in force.

Payment of these benefits and continuation of coverage prior to the maturity date are subject to the provisions of this policy; payment of premiums in addition to scheduled premiums may be required to maintain this coverage as described in the grace period provision of this policy.

This policy is issued in consideration of the application and of the payment of the first premium as provided herein. A copy of the application is attached and is made a part of the policy.

If you require further assistance, the Maryland Insurance Administration's toll-free number is 800-492-6116.

Signed for Banner Life Insurance Company at our home office in Rockville, Maryland, on the policy date.

Secretary

President

**Flexible Premium Adjustable Life Insurance**

**Adjustable death benefit is payable upon the death of the insured prior to the maturity date**

**Flexible premiums are payable during the insured's lifetime until the maturity date**

**Cash surrender value, if any, payable at maturity**

**Plan, benefits, classification and period for which premiums are payable as stated in the policy schedule**

**This policy is non-participating and no dividends are payable**

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**Concluded With:**

**Riders, benefits, amendments, and endorsements, if any; and copy of applications**

**PLEASE READ YOUR POLICY CAREFULLY**

**POLICY SCHEDULE**

Policy Number: 010000000

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Insured:	JOHN DOE	Planned Annual Premium:	\$1,000.00
Issue Age/Sex	35 Male	Issue Date:	MAR 1, 2008
Owner:	JOHN DOE	Policy Date:	MAR 1, 2008
Premiums Payable	TO AGE 121	Maturity Date:	MAR 1, 2094

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SCHEDULE OF BENEFITS

<u>FORM NUMBER</u>	<u>TYPE OF COVERAGE</u>	<u>AMOUNT</u>	<u>ANNUAL PREMIUM</u>	<u>RATING CLASSIFICATION</u>
U2010 AR	FLEXIBLE PREMIUM ADJUSTABLE LIFE	\$100,000.00	\$1,000.00	STANDARD NON-TOBACCO RATED TABLE 4.200%

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**Note:**  
Due to the flexible nature of this Flexible Premium Adjustable Life policy, it is possible that coverage will terminate before the maturity date. This can occur if no premiums are paid after payment of the initial premium or if subsequent premiums are too infrequent or insufficient to provide continued coverage to the maturity date.

**POLICY SCHEDULE**  
**Policy Schedule (Continued)**

Policy Number: 010000000

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**INSURANCE COVERAGE INFORMATION:**

Initial Specified Amount:	\$ 100,000.00
Current Specified Amount:	\$ 100,000.00
Minimum Specified Amount:	\$ 100,000.00

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**EXPENSE CHARGES:**

Monthly Policy Fee:	\$ 5.00
Premium Expense Charge:	7%
Monthly Administrative Charge:	\$ 24.00

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**RATES:**

Minimum Guaranteed Interest Rate:	3%
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**Policy Schedule (Continued)**

Policy Number: 010000000

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Table of Full Surrender Charges

POLICY YEAR	SURRENDER CHARGE
1	\$ 1870.00
2	\$ 1736.00
3	\$ 1603.00
4	\$ 1469.00
5	\$ 1336.00
6	\$ 1069.00
7	\$ 801.00
8	\$ 534.00
9	\$ 267.00
10	AND THEREAFTER

**Policy Schedule (Continued)**

Policy Number: 010000000

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 GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000  
 RATING CLASSIFICATION: MALE STANDARD NON-TOBACCO RATED TABLE 4 200%  
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POLICY YEAR	ATTAINED AGE	MAXIMUM RATE	POLICY YEAR	ATTAINED AGE	MAXIMUM RATE
1	35	0.181667	44	78	9.075000
2	36	0.191667	45	79	10.145000
3	37	0.200000	46	80	11.311667
4	38	0.215000	47	81	12.640000
5	39	0.228333	48	82	14.023333
6	40	0.243333	49	83	15.515000
7	41	0.263333	50	84	17.166667
8	42	0.288333	51	85	19.011667
9	43	0.316667	52	86	21.056667
10	44	0.350000	53	87	23.290000
11	45	0.388333	54	88	25.683333
12	46	0.425000	55	89	28.208333
13	47	0.465000	56	90	30.843333
14	48	0.488333	57	91	33.321667
15	49	0.515000	58	92	35.905000
16	50	0.553333	59	93	38.630000
17	51	0.598333	60	94	41.508333
18	52	0.660000	61	95	44.531667
19	53	0.726667	62	96	47.298333
20	54	0.811667	63	97	50.248333
21	55	0.916667	64	98	53.396667
22	56	1.023333	65	99	56.756667
23	57	1.138333	66	100	60.350000
24	58	1.236667	67	101	63.201667
25	59	1.350000	68	102	66.240000
26	60	1.486667	69	103	69.473333
27	61	1.653333	70	104	72.913333
28	62	1.856667	71	105	76.521667
29	63	2.085000	72	106	80.358333
30	64	2.325000	73	107	83.333333
31	65	2.578333	74	108	83.333333
32	66	2.835000	75	109	83.333333
33	67	3.095000	76	110	83.333333
34	68	3.375000	77	111	83.333333
35	69	3.665000	78	112	83.333333
36	70	4.016667	79	113	83.333333
37	71	4.410000	80	114	83.333333
38	72	4.926667	81	115	83.333333
39	73	5.471667	82	116	83.333333
40	74	6.045000	83	117	83.333333
41	75	6.671667	84	118	83.333333
42	76	7.355000	85	119	83.333333
43	77	8.148333	86	120	83.333333
				121 and later	0.000000

**Policy Schedule (Continued)**

Policy Number: 010000000  
Rating Classification: Male Standard Nontobacco

**Death Benefit Factor Table**

Policy Year	Death Benefit Factor	Policy Year	Death Benefit Factor
1	4.9874	46	1.3475
2	4.8155	47	1.3242
3	4.6497	48	1.3025
4	4.4896	49	1.2821
5	4.3355	50	1.2630
6	4.1869	51	1.2450
7	4.0438	52	1.2283
8	3.9061	53	1.2129
9	3.7739	54	1.1986
10	3.6470	55	1.1854
11	3.5253	56	1.1732
12	3.4088	57	1.1619
13	3.2969	58	1.1509
14	3.1894	59	1.1401
15	3.0855	60	1.1290
16	2.9850	61	1.1173
17	2.8882	62	1.1042
18	2.7950	63	1.0883
19	2.7057	64	1.0679
20	2.6200	65	1.0400
21	2.5381	66	1.0100
22	2.4601	67	1.0100
23	2.3856	68	1.0100
24	2.3144	69	1.0100
25	2.2460	70	1.0100
26	2.1802	71	1.0100
27	2.1173	72	1.0100
28	2.0572	73	1.0100
29	2.0001	74	1.0100
30	1.9459	75	1.0100
31	1.8944	76	1.0100
32	1.8454	77	1.0100
33	1.7985	78	1.0100
34	1.7535	79	1.0100
35	1.7103	80	1.0100
36	1.6687	81	1.0100
37	1.6289	82	1.0100
38	1.5907	83	1.0100
39	1.5546	84	1.0100
40	1.5204	85	1.0100
41	1.4877	86	1.0100
42	1.4567	87 and later	1.0100
43	1.4270		
44	1.3989		
45	1.3724		

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco

**Coverage Guarantee Factors**

**Coverage Guarantee Monthly Administrative Fee**

Subaccounts 1, 2 and 3: per month as follows:

Year	Amount	Year	Amount	Year	Amount
001	\$36.00	011	\$43.00	021	\$86.00
002	\$37.40	012	\$47.30	022	\$86.00
003	\$38.80	013	\$51.60	023	\$86.00
004	\$40.20	014	\$55.90	024	\$86.00
005	\$41.60	015	\$60.20	025	\$86.00
006	\$43.00	016	\$64.50	026	\$86.00
007	\$43.00	017	\$68.80	027	\$86.00
008	\$43.00	018	\$73.10	028	\$86.00
009	\$43.00	019	\$77.40	029	\$86.00
010	\$43.00	020	\$81.70	030	\$86.00
				031+	\$0.00

**Coverage Guarantee Expense Charge**

Subaccounts 1, 2 and 3: \$7.50 per month all years

**Coverage Guarantee Premium Expense Fee**

Subaccounts 1,2 and 3: 7%

**Coverage Guarantee Interest Rates (annual)**

Subaccounts 1, 2 and 3:

Years 1-30

10% for amounts less than or equal to Targeted Coverage Guarantee Amounts

3.25% for amounts in excess of Targeted Coverage Guarantee Amounts

Years 31+

12% for amounts less than or equal to Targeted Coverage Guarantee Amounts

3.25% for amounts in excess of Targeted Coverage Guarantee Amounts

**Targeted Coverage Guarantee Amounts per \$1,000 of Specified Amount**

Year	Amount	Year	Amount	Year	Amount
1	6.31	31	42.11	61	435.68
2	8.31	32	49.60	62	448.44
3	10.71	33	57.59	63	460.95
4	13.13	34	66.12	64	473.10
5	15.59	35	75.24	65	484.75
6	18.08	36	84.95	66	495.71
7	20.63	37	95.25	67	506.64
8	23.39	38	106.05	68	517.50
9	26.40	39	117.38	69	528.21
10	29.66	40	129.29	70	538.68
11	33.21	41	141.80	71	548.85
12	37.00	42	154.93	72	558.58
13	40.56	43	168.63	73	567.70
14	43.85	44	182.81	74	575.94
15	46.85	45	197.39	75	583.00
16	49.53	46	212.34	76	589.59
17	51.86	47	227.54	77	594.80
18	53.80	48	243.03	78	597.61
19	55.30	49	258.79	79	597.02
20	56.30	50	274.73	80	591.58
21	56.74	51	290.72	81	579.14
22	56.57	52	306.62	82	556.48
23	56.23	53	322.31	83	518.66
24	55.67	54	337.68	84	458.10
25	54.88	55	352.66	85	362.91
26	53.81	56	367.19	86	214.21
27	52.30	57	381.51		
28	50.35	58	395.59		
29	47.86	59	409.37		
30	44.72	60	422.76		

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco rated table 4 200%

Table A

Coverage Guarantee Monthly Cost of insurance rates  
Per \$1,000

Attained Age	Rate	Attained Age	Rate
35	0.09667	80	3.17140
36	0.02991	81	3.54382
37	0.03598	82	3.93166
38	0.04205	83	4.34987
39	0.04719	84	4.81294
40	0.05327	85	5.33021
41	0.05888	86	5.90356
42	0.06448	87	6.52971
43	0.07103	88	7.20072
44	0.07897	89	7.90864
45	0.08925	90	8.64740
46	0.10140	91	9.34224
47	0.11495	92	10.06652
48	0.12850	93	10.83051
49	0.14112	94	11.63750
50	0.15327	95	12.48514
51	0.16682	96	13.26081
52	0.18224	97	14.08789
53	0.20046	98	14.97058
54	0.22055	99	15.91260
55	0.24439	100	16.92005
56	0.27102	101	17.71956
57	0.30046	102	18.57140
58	0.33083	103	19.47792
59	0.36261	104	20.44237
60	0.41681	105	21.45402
61	0.46354	106	22.52969
62	0.52055	107	23.67312
63	0.58456	108	24.88850
64	0.65185	109	26.17958
65	0.72288	110	27.55010
66	0.79484	111	29.00567
67	0.86773	112	30.55048
68	0.94623	113	32.19108
69	1.02754	114	33.93122
70	1.12613	115	35.77789
71	1.23641	116	37.73671
72	1.38127	117	39.81422
73	1.53407	118	42.01836
74	1.69481	119	44.35473
75	1.87050	120	46.72756
76	2.06209		
77	2.28451		
78	2.54432		
79	2.84431		

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco Rated Table 4 200%

Table B

Coverage Guarantee Monthly Cost of insurance rates  
Per \$1,000

attained age	Policy Year	Rate	attained age	Policy Year	Rate
35	1	0.09667	80	46	12.23500
36	2	0.12000	81	47	13.60500
37	3	0.14333	82	48	15.02000
38	4	0.16833	83	49	16.53167
39	5	0.19167	84	50	18.20000
40	6	0.21500	85	51	20.05167
41	7	0.23833	86	52	22.09833
42	8	0.26167	87	53	24.31333
43	9	0.28833	88	54	26.67000
44	10	0.32000	89	55	29.13667
45	11	0.36333	90	56	31.68833
46	12	0.41167	91	57	34.05000
47	13	0.46833	92	58	36.49167
48	14	0.52333	93	59	39.04667
49	15	0.57833	94	60	41.73167
50	16	0.62667	95	61	44.53167
51	17	0.68167	96	62	47.29833
52	18	0.74000	97	63	50.24833
53	19	0.81667	98	64	53.39667
54	20	0.89833	99	65	56.75667
55	21	0.99000	100	66	60.35000
56	22	1.09500	101	67	63.20167
57	23	1.20667	102	68	66.24000
58	24	1.32000	103	69	69.47333
59	25	1.44667	104	70	72.91333
60	26	1.64167	105	71	76.52167
61	27	1.82500	106	72	80.35833
62	28	2.05167	107	73	83.33333
63	29	2.30500	108	74	83.33333
64	30	2.57167	109	75	83.33333
65	31	2.85167	110	76	83.33333
66	32	3.13667	111	77	83.33333
67	33	3.42500	112	78	83.33333
68	34	3.73667	113	79	83.33333
69	35	4.05500	114	80	83.33333
70	36	4.44500	115	81	83.33333
71	37	4.88000	116	82	83.33333
72	38	5.45500	117	83	83.33333
73	39	6.05833	118	84	83.33333
74	40	6.69500	119	85	83.33333
75	41	7.38833	120	86	83.33333
76	42	8.10667	121 and later		0.00000
77	43	8.94000			
78	44	9.91000			
79	45	11.02500			

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco

Guaranteed Cash Value Factor per \$1,000 of Specified Amount

End of Year Attained Age	Guaranteed Cash Value Factor	End of Year Attained Age	Guaranteed Cash Value Factor
35	0.0000	80	224.3086
36	0.0000	81	238.6265
37	0.0000	82	253.1347
38	0.0000	83	267.8409
39	0.0000	84	282.7139
40	0.0000	85	297.4493
41	0.0000	86	312.3431
42	0.0000	87	327.2166
43	0.0000	88	342.4911
44	0.0000	89	357.8091
45	0.0000	90	373.1838
46	0.0000	91	389.1617
47	0.0000	92	405.2976
48	0.0000	93	422.1023
49	0.0000	94	439.1226
50	0.0000	95	456.9405
51	0.0000	96	474.9652
52	0.0000	97	493.6807
53	0.0000	98	513.0947
54	0.1948	99	533.2185
55	4.0221	100	554.0777
56	8.1091	101	575.7175
57	12.4195	102	598.0274
58	16.9728	103	620.8621
59	21.8032	104	644.0297
60	26.9199	105	667.2592
61	32.3349	106	690.1601
62	38.1548	107	711.6390
63	44.3329	108	729.8525
64	50.9382	109	741.4507
65	58.0128	110	739.8066
66	65.5276	111	738.8383
67	73.5130	112	738.9423
68	82.2299	113	740.7384
69	91.5163	114	745.1917
70	101.3906	115	753.7985
71	111.5608	116	768.8717
72	122.2072	117	793.9720
73	133.2973	118	834.5629
74	144.8544	119	898.9969
75	157.0064	120	1000.0000
76	169.4906	121 and later	1000.00
77	182.4953		
78	196.0337		
79	210.0444		

Above factors are end of the policy year factors.

**Policy Schedule (Continued)**

Policy Number: 010000000

Rating Classification: Male Standard Nontobacco

Coverage Guarantee Surrender Limit per \$1,000 of Specified Amount

End of Year Attained Age	Coverage Guarantee Surrender Limit	End of Year Attained Age	Coverage Guarantee Surrender Limit
35	1.960459	80	205.209917
36	4.359437	81	220.172133
37	6.783814	82	235.393394
38	9.236321	83	250.903360
39	11.725810	84	266.671619
40	14.250446	85	282.608534
41	16.993672	86	298.586187
42	19.977749	87	314.467516
43	23.221298	88	330.125923
44	26.742076	89	345.461784
45	30.554021	90	360.401139
46	34.131761	91	374.909334
47	37.443902	92	389.204422
48	40.464122	93	403.257900
49	43.169156	94	417.003009
50	45.530500	95	430.355645
51	47.505285	96	443.259790
52	49.043636	97	455.995891
53	50.084950	98	468.475026
54	50.567875	99	480.583247
55	50.413669	100	492.175050
56	50.084721	101	503.125382
57	49.546408	102	514.050370
58	48.771558	103	524.891858
59	47.727447	104	535.579643
60	46.251584	105	546.027819
61	44.343408	106	556.162199
62	41.895477	107	565.844699
63	38.807816	108	574.891001
64	34.991738	109	582.786972
65	42.037094	110	588.168361
66	49.381946	111	591.214329
67	56.910067	112	590.964241
68	64.941199	113	586.011457
69	73.514109	114	574.279275
70	82.682675	115	552.648846
71	92.433620	116	516.379132
72	102.775781	117	458.159053
73	113.614220	118	366.546391
74	124.988362	119	223.376835
75	136.943079	120	0.0001
76	149.496810	121 and later	0.000000
77	162.665087		
78	176.395529		
79	190.606590		

Above factors are end of the policy year factors.

## **DEFINITIONS**

### **Insured:**

The person whose life is insured, as named in the schedule page.

### **Home Office and Administrative Office**

Our home office and administrative office is located at 1701 Research Boulevard, Rockville, Maryland 20850.

### **Policy Date, Month, Year, and Anniversary**

The policy date is stated in the policy schedule. Each policy month begins on the same day of each month as the policy date. The first day of each policy month is a monthly anniversary. Each policy year begins on the same day and month as the policy date. A policy anniversary occurs on the first day of each policy year after the first policy year.

### **Issue Date**

The Issue Date is the date we complete the processing of an approved application, and issue this life insurance policy. The Issue Date is shown on the Policy Schedule.

### **Attained Age**

Attained age means the insured's age on the birthday nearest to the last policy Anniversary.

### **Written Notice/Recording Thereof**

Written notice means a notification or request received from the owner in a form approved by us. Written notices are recorded at our administrative office. We will not be responsible for the validity of any written notice.

### **Riders and Benefits**

Riders and benefits are attachments to the policy which provide additional coverages and benefits.

### **Maturity Date**

The maturity date is shown in the policy schedule.

On the maturity date, this policy will be terminated and you will receive any remaining cash surrender value.

It is possible that the policy will terminate prior to the maturity date if:

1. the total premiums paid are not sufficient to continue coverage to the maturity date as described in the Grace Period provision;
2. a policy loan is made; or
3. changes are made in the Specified Amount or plan as originally issued.

### **Extended Maturity Date**

The policy owner can elect to extend the maturity date beyond age 121. This new maturity date is defined to be the extended maturity date. The death benefit will be continued as the amount in effect at age 121 and there will be no further monthly deductions from the account value.

The policy may not qualify as life insurance under federal tax law after the insured reaches age 121 and may be subject to adverse tax consequences. A tax advisor should be consulted before the owner chooses to continue the policy after age 121.

New policy loans and loan repayments shall be permitted. Interest will continue to accrue on and be added to any outstanding loan balance.

## **OWNERSHIP**

### **Owner**

The owner of this policy is shown in the policy schedule, unless changed at a later date. During the insured's lifetime, only the owner may exercise all the rights as to changes in the policy. Changes shall take effect on the date written notice was signed and received at our administrative office. If the insured is not the owner and the insured survives the owner, then the owner's estate will become the owner unless a contingent owner has been named.

### **Control of Policy**

During the insured's lifetime and subject to the terms of any beneficiary designation or assignment, the owner may:

1. assign or surrender this policy;
2. obtain a policy loan;
3. make a change in this policy with our consent;
4. transfer the ownership of this policy; and
5. exercise other rights and receive other benefits as defined in this policy.

### **Assignment of Policy**

This policy may be assigned. We will not be responsible for the validity of an assignment. We will not be liable for any payments made or actions taken before written notice of any assignment is received by us. Changes shall take effect on the date written notice was signed and received at our administrative offices. Payments to any assignee will only be made in a lump sum.

## **PREMIUMS**

### **Payment of Premiums**

The first premium must be paid before any insurance becomes effective. The due date of the first premium is the policy date. Premiums are payable in advance to us. Premiums after the first premium are payable at our administrative office or at any designated premium receipt facility. A premium receipt will be furnished upon request. In no event may premiums be paid beyond the maturity date.

### **Planned Premiums**

The amount of any planned premium may be increased or decreased. Notices for planned premiums will be sent to the Owner or payor as designated by the owner. The owner may change the frequency of premium notices to any frequency we offer as of the next scheduled premium due date.

### **Unscheduled Premiums**

Additional premium payments may be made at any time prior to the maturity date. We reserve the right to limit or refund premiums that would otherwise result in an increase in the death benefit. There are no minimum dollar amounts of premium that must be paid. Also there are no maximum dollar amounts that can be paid other than a premium which will result in an increase in death benefit.

### **Net Premium**

A net premium is a percentage of the premium paid. This percentage is equal to 100% minus the premium expense charge shown in the policy schedule.

### **Grace Period**

This policy provides for a grace period of 61 days to pay sufficient premiums to prevent policy termination. Except as provided in the Coverage Guarantee Provision, this policy will enter the grace period if the Base Surrender Value is less than the monthly deduction. We will send notification of grace period and the minimum premium due to the owner's last known address and to any assignee of record at least 30 days prior to the date the policy is to terminate. If the premium due on such monthly anniversary is not paid within the grace period, all coverage under this policy will terminate without value at the end of the grace period. If a death claim occurs during the grace period, overdue monthly deductions will be deducted from the proceeds.

## **GUARANTEED VALUES**

### **Account Value**

On each monthly anniversary, the account value will equal (1) plus (2) plus (3) minus (4) where:

- (1) is the account value on the preceding monthly anniversary;
- (2) is one month's interest on item (1);
- (3) is any net premium received since the preceding monthly anniversary, plus interest from the day such premium is received at our administrative office until the end of the policy month in which such premium was received; and
- (4) is the monthly deduction described below for the policy month following the monthly anniversary;

On any day other than a monthly anniversary, the account value will be calculated on a basis consistent with that prescribed above.

The account value on the policy date will be the first net premium paid less the monthly deduction for the month following the policy date.

### **Monthly Deduction**

The monthly deduction for a policy month will equal (1) plus (2) plus (3) plus (4) where:

- (1) is the cost of insurance described below;
- (2) is the cost for the policy month of additional coverage provided by riders and benefits;
- (3) is the monthly policy fee shown in the policy schedule; and
- (4) is the monthly administrative charge described below.

### **Interest Rate**

The guaranteed interest rate used in the calculation of the account value is listed on the specifications page. Interest in excess of the guaranteed rate may be used in the calculation of the account value at such increased rate and in such manner as determined by us. The interest rate applied to account value equal to outstanding policy loans may be different from the rate applied to the remaining account value. However, such rate will never be less than the guaranteed interest rate.

### **Monthly Administrative Charge**

The monthly administrative charge is shown in the policy schedule. Upon any increase or decrease in specified amount, the monthly administrative charge will be revised proportionately.

### **Cost of Insurance**

The cost of insurance is determined on a monthly basis. The cost is (1) multiplied by the result of (2) minus (3) where:

- (1) is the monthly cost of insurance rate described below;
- (2) is the death benefit at the beginning of the policy month, divided by 1 plus the monthly equivalent of the guaranteed interest rate; and
- (3) is the account value at the beginning of the policy month, prior to the deduction of item (1) of the monthly deduction provision for the following month.

If there has been an increase in specified amount, then the account value will be allocated proportionately among the original specified amount and each increase in specified amount.

### **Cost of Insurance Rate**

The monthly cost of insurance rates are based on the insured's attained age, sex, and rating classification. The rating classification is shown in the policy schedule.

The cost of insurance rates are based on our expectations as to future experience. However, the cost of insurance rates for the insured's rating classification will not be greater than the guaranteed maximum rates shown in the policy schedule. The guaranteed maximum rates are based on the 2001 Commissioners' Standard Ordinary Mortality Table (male/female, smoker distinct) age nearest birthday. If there is an increase in specified amount, the rating classification for such increase will be shown in the policy schedule. If the rating classification for the increase is different from previous rating classifications, additional policy schedule pages will be issued with the applicable guaranteed maximum cost of insurance rates for that rating classification.

We may use lower, non-guaranteed monthly cost of insurance rates than those shown in the policy schedule at our sole option and discretion. Any change in the cost of insurance rates will apply to all persons of the same class. Such changes are determined and re-determined prospectively, at our sole action and discretion. We will not recoup any prior losses nor distribute past gains by means of such changes in cost of insurance rates.

### **Basis of Computations**

Minimum cash surrender values are based on 3% interest per year, compounded yearly, and the 2001 Commissioners' Standard Ordinary Mortality Table (male/female, smoker distinct), age nearest birthday. A detailed statement of the method of computation of cash surrender values under this policy has been filed with the state in which this policy is delivered. Cash surrender values under this policy are never less than the minimum values required by the state in which this policy is delivered.

### **NONFORFEITURE PROVISIONS**

#### **Continuation of Insurance**

Subject to the provisions of this policy, this policy will remain in effect until premiums paid plus credited interest is insufficient to continue coverage. The policy will then terminate as described in the Termination provision.

#### **Surrender**

The owner may surrender this policy and receive the cash surrender value during the insured's lifetime. Surrender terminates this insurance. We may postpone payment for as long as six months from the effective date of surrender. We reserve the right to require the return of the policy.

#### **Cash Surrender Value**

The cash surrender value will be greater of (1) or (2) where:

(1) is the Base Surrender Value which is equal to (a) minus (b) minus (c) where:

- (a) is the account value on the date of surrender;
- (b) is any policy indebtedness; and
- (c) is the surrender charge described below.

(2) is the Guaranteed Cash Value which is equal to (a) minus (b) where:

- (a) is (i) times (ii) times (iii) where
  - (i) is the guaranteed cash value factor as shown in policy schedule page 3H
  - (ii) is the specified amount times .001; and
  - (iii) is minimum of 1 and the Coverage Guarantee Amount divided by the quantity (specified amount times Coverage Guarantee Surrender Limit divided by 1000). The Coverage Guarantee Surrender Limit factors are shown on policy schedule page 3I.
- (b) is any policy indebtedness.

If surrender is requested within 30 days after a policy anniversary, the cash surrender value will not be less than the cash surrender value on such anniversary, less any policy loans made on or after such anniversary.

The surrender will be paid in cash or under an annuity payment option.

**Surrender Charge**

The surrender charge applicable for the initial specified amount is shown in the policy schedule.

An additional surrender charge may be applicable after any increases in specified amount. If applicable, the additional surrender charge will be added to any remaining surrender charge to determine the total surrender charge. We will send you a new policy schedule showing the total surrender charge for applicable policy years after an increase in specified amount.

**POLICY LOANS**

While this policy is in force, the owner may obtain all or part of the available loan value by written notice. This policy, assigned to us, is the only security needed. We may postpone making a loan for as long as six months from the date the notice is received at our administrative office. However, a policy loan used to pay a premium on any policy issued by us will not be postponed.

**Loan Value**

The loan value will be the greater of (1) or (2) where:

- (1) is the Base Surrender Value; or
- (2) the Guaranteed Cash Value.

These values are described in the nonforfeiture provisions.

**Available Loan Value**

The available loan value will be the loan value less the sum of:

1. any existing policy loan; and
2. loan interest in advance to the next policy anniversary.

**Interest on Policy Loans**

Interest on policy loans will be payable in advance from the date of the loan to the next policy anniversary at the annual interest rate of 7.4%. Interest is payable in advance at the beginning of each policy year. If interest is not paid when due, it will be added to the policy loan and bear interest at the same rate.

**Repayment of Policy Loans**

A policy loan may be repaid in full, or in part at a minimum of \$50.00, at any time while this policy is in force. Failure to pay back the policy loan will not terminate this policy unless the policy indebtedness equals or exceeds the loan value described above, minus the monthly deduction for the following month.

If this happens, the policy will terminate. The policy will not lapse until at least 30 days' after notice has been mailed to the last known address of the insured or policy owner and any assignee of record.

**COVERAGE GUARANTEE PROVISION**

The Coverage Guarantee Provision prevents your policy from lapsing even if your Base Surrender Value is not sufficient to cover your monthly deductions. If the Coverage Guarantee Amount less policy loan indebtedness is greater than or equal to zero, the policy will not enter the Grace Period.

However, if there is a policy loan on the policy, the policy will lapse if the Cash Surrender Value is less than or equal to zero.

The Coverage Guarantee Amount is calculated in a similar manner as the policy account value, but using different charges and interest rates. These factors are guaranteed not to change.

The Coverage Guarantee Amount and the Sub-account values are not related to the actual policy values and or values described in the Non-Forfeiture Provisions. The values of the Coverage Guarantee Amount and the Sub-account values are used for the sole purpose of determining whether the policy has lapse protection; their values have no accessible cash value to anyone for any purpose whatsoever.

### **Coverage Guarantee Amount**

The Coverage Guarantee Amount is the sum of the value of each of the following three sub-accounts.

- Subaccount 1; and
- Subaccount 2; and
- Subaccount 3.

Only Subaccount 3 can have a negative value.

### **Coverage Guarantee Expense Charges and Coverage Guarantee Premium Expense Fees**

These amounts are shown in policy schedule page 3E.

### **Coverage Guarantee Net Premium**

These are equal to premium payments less the Coverage Guarantee Premium Expense Fees.

### **Allocation of Coverage Guarantee Net Premiums**

1. During the first policy year, the Coverage Guarantee Net Premiums are allocated to subaccount 1.
2. After the first policy year:
  - a. If the Coverage Guarantee Amount at the end of the previous monthly anniversary is greater than 0, then the Coverage Guarantee Net Premiums will be allocated to Subaccount 2.
  - b. If the Coverage Guarantee Amount at the end of the previous monthly anniversary is less than or equal to 0, then the Coverage Guarantee Net Premiums will be allocated to subaccount 3.

### **Coverage Guarantee Cost of Insurance Charge**

The Coverage Guarantee Cost of Insurance Charge is equal to (1) multiplied by the result of (2) minus (3) where:

- (1) is the Coverage Guarantee Monthly Cost of Insurance Rate described below;
- (2) is the Specified Amount at the beginning of the policy month divided by 1 plus the monthly equivalent guaranteed interest rate; and
- (3) is the Coverage Guarantee Amount at the end of the prior policy month.

The Coverage Guarantee Monthly Cost of Insurance Rate is determined as:

- (1) If the value of Subaccount 3 on the prior monthly anniversary is equal to 0, Table A rates are used.
- (2) If the value of Subaccount 3 on the prior monthly anniversary is not equal to 0, Table B rates are used.

The policy schedule contains Table A and Table B Coverage Guarantee Monthly Cost of Insurance Rate tables.

### **Coverage Guarantee Monthly Deduction**

The Coverage Guarantee Monthly Deduction is the sum of (1) plus (2) plus (3) where:

- (1) is the Coverage Guarantee Cost of Insurance Charge;
- (2) is the cost of insurance charged for any rider for the last policy month;
- (3) is the Coverage Guarantee Expense charges.

### **Coverage Guarantee Subaccount Values**

For each sub-account, the end of month Coverage Guarantee Subaccount Value is equal to (1) plus (2) minus (3) where:

- (1) is the Subaccount value on the preceding monthly anniversary plus premiums allocated to the Subaccount;
- (2) is one month's Coverage Guarantee Interest on item (1), subject to adjustments for loan balances;
- (3) is the Coverage Guarantee Monthly Deduction which is deducted as follows:
  - a) deduct first from Subaccount 3 if positive, until its value is 0.
  - b) subsequently, any remaining monthly deduction is deducted from Subaccount 2 until it reaches 0.
  - c) any remaining monthly deduction is deducted from Subaccount 1 until it reaches 0.
  - d) If any monthly deduction remains, it is deducted from whatever remained of Subaccount 3 after step a.

On the policy date, subaccount values are calculated as the initial net premium allocated to the subaccounts, less the initial monthly deduction as described in (3) above.

### **Interest on Subaccount Values**

The interest rates from Schedule page 3E are used for calculating interest on the Coverage Guarantee Subaccounts. It is determined based on the Coverage Guarantee Subaccount value on the policy anniversary. When Subaccount 3 is negative, the interest calculated is negative.

Interest rates on schedule page 3E vary depending upon policy year as well as the Coverage Guarantee Amount.

Loan Balances will affect the loan interest calculation as follows:

- a) deduct the Loan Balance first from the Subaccount 3 if positive, until its value is 0;
- b) any remaining Loan Balance, after deduction of the amount in a), is deducted from Subaccount 2, until it reaches 0;
- c) any remaining Loan Balance, after deduction of the combined amount in a) and b), is deducted from Subaccount 1 until it reaches 0;
- d) any Loan Balance remaining after deduction of the combined amount in a) and b) and c), is deducted from the remaining subaccount 3 which will then be negative.

### **Termination**

The Coverage Guarantee Provision will end without the possibility of reinstatement on the earlier of:

- a) the date of the first increase in Specified Amount, or
- b) the date that the policy is surrendered.

## **GENERAL PROVISIONS**

### **Contract**

This policy, attached riders, amendments, supplemental questionnaires, benefits, reinstatement applications, and the application, as well as any supplemental applications for additional amounts, form the entire contract. Only the President, a Vice President, or the Secretary of Banner Life Insurance Company may change or waive any provision in this contract. Any changes or waivers must be in writing.

We may not change or amend this policy without the owner's consent except as expressly provided in the policy. However, we may change or amend this policy if such change or amendment is necessary for it to comply with any state or federal law, rule or regulation.

### **Statements**

Statements in the application are considered representations, not warranties. Statements may be used to contest the validity of this policy or in defense of a claim only if:

1. the statements are contained in the application, supplemental application, supplemental questionnaire, or in an endorsement or amendment; and
2. a copy of that application, endorsement, supplemental questionnaire or amendment is attached to the policy at issue or is made a part of the policy when a change becomes effective.

### **Incontestability**

We cannot contest this policy, except for nonpayment of premium or fraud, after it has been in force during the lifetime of the insured, for two years after the Issue Date. However, if this policy has been reinstated, it will be incontestable, except for nonpayment of premium or fraud, only after it has been in force during the lifetime of the insured for two years after the effective date of the reinstatement. If the policy has been reinstated after two years from the Issue Date, only statements in the reinstatement application may be used to contest the policy. If reinstatement occurs within two years of the Issue Date we may:

1. contest statements on the original application for two years after the Issue Date; and
2. contest statements on the reinstatement application for two years after the effective date of reinstatement.

Any increase in specified amount, which requires evidence of insurability, will be incontestable only after such increase has been in force during the insured's lifetime for two years following the effective date of such increase.

### **Suicide**

If the insured, while sane or insane, dies by suicide within two years from the Issue Date, the death benefits payable will be limited. In such case, our liability will be limited to a refund of all premiums paid (less any policy indebtedness).

If the insured, while sane or insane, dies by suicide within the first two full years from the effective date of any increase in benefits, the death benefit applicable to the increase will be limited. In such case, our liability for the increase will be limited to a refund of the monthly deductions applicable to the increase, from the effective date of such increase.

### **Misstatement of Age and Sex**

If the insured's age or sex has been misstated, we will change the specified amount to that which would have been purchased at the correct age and sex by the most recent monthly deduction. The date of adjustment will be the date the misstatement was discovered if the insured is living on that date; otherwise, it will be the date of death.

If the insured is living on the date of adjustment, we will use the adjusted specified amount, the correct monthly cost of insurance rates, and the correct administrative charges in making future calculations of the account value, the cash surrender value, and the death benefit. In addition we will use the adjusted specified amount, and the correct Coverage Guarantee Monthly cost of insurance rates and expense charges in making future calculations of the Coverage Guarantee subaccounts.

### **Non-participating**

This policy is non-participating and the owner will not share in the company's profits or surplus. We will pay no dividends on this policy.

### **Effective Date of Coverage**

The effective date of coverage under this policy will be as follows:

1. For all coverage provided in the original application, the effective date will be the later of a) the date the policy is delivered to and accepted by the Owner and b) the date the first modal premium is paid. In order for coverage to be effective, we require that the insured be living and insurable, as set forth in the original application, on this date.
2. For any increase or addition to coverage, the effective date will be the monthly anniversary on or next following the date the supplemental application is approved by us.

### **Termination**

All coverage under this policy will terminate when any one of the following events occurs:

1. the owner surrenders the policy;
2. the insured dies;
3. the policy matures; or
4. the required payments are not paid by the end of the grace period.

### **Annual Report**

At least once each year, we will send to the owner a report, which shows the current account value, cash surrender value, outstanding policy loan and death benefit at the end of year. Also, any premiums paid and charges made since the last report will be provided. The annual report will also include other information as required by state law, regulation or authority. This report will be mailed within 30 days of the policy anniversary and within 13 months of the last report.

### **Projection of Values**

We will provide a projection of illustrative future death benefits and account values upon written request. The first projection in any policy year will be provided without a service fee. Extra projections will be provided upon request and payment of a \$25 service fee.

The illustration will be based on assumptions as to specified amount(s), benefit option(s) and future premium payments as may be specified by us and/or the owner.

### **Reinstatement**

A policy which terminates in accordance with the grace period provision may be reinstated within five years after the expiration of the grace period if:

1. the owner submits a written application for reinstatement;
2. evidence of insured's insurability, for the underwriting classification in effect when the policy terminated, is received and approved by us;
3. a premium sufficient to keep this policy in force for three months is paid. This premium must be paid while the insured is living and in the same state of health and insurability represented in the Application for Reinstatement and any supplements thereto; and
4. any policy loan is paid or reinstated

The account value on the effective date of reinstatement will be the account value on the date of entering the grace period plus the net premiums paid at reinstatement. The Coverage Guarantee Subaccount Values on the reinstatement effective date will be the same as the Coverage Guarantee Subaccount Values on the date entering the grace period plus the net premiums paid at reinstatement.

If this policy is reinstated, the surrender charges will be the same as if this policy had been continuously in force from the policy date.

The effective date of reinstatement will be the date upon which we have approved the Application for Reinstatement and received the full amount of premium due at our Administrative Office. Such reinstatement requires that the insured is living and in the state of health and insurability represented in the Application for Reinstatement and any supplements thereto.

The Policy Date will remain the original Policy Date.

## **INSURANCE COVERAGE PROVISIONS**

### **Death Benefit**

The death benefit is the greater of the specified amount, or the account value multiplied by the applicable Death Benefit Factor shown in the Death Benefit Factor Table.

### **Increase in Specified Amount**

At any time after the first policy year, the existing insurance coverage may be increased by written request. Any increase in the specified amount requires a written application. Evidence of insurability satisfactory to us must be submitted. Such increases will result in termination of the Coverage Guarantee Provision.

We will amend the policy to show the effective date of the increase. The increase may not be less than \$10,000.

An additional surrender charge may be payable after an increase in specified amount. This charge is described in the surrender charge provision.

### **Decrease in Specified Amount**

The effective date of any decrease will be the monthly anniversary on or next following the date the request is received by us. Any such decrease will first reduce the insurance provided by the most recent increase in specified amount; then, the next most recent increases in specified amount; then the initial specified amount.

The specified amount in effect at any time under this policy may not be less than the minimum specified amount as shown in the policy schedule.

Decreases in specified amount will result in a deduction from the policy account value and from the policy coverage guarantee amount. The deduction is equal to the pro-rata portion of the decrease in specified amount multiplied by the surrender charge applicable at the time of the decrease. Future surrender charges will be reduced by this pro-rata portion.

### **AMOUNT OF PROCEEDS**

The life insurance proceeds payable at the insured's death will equal (1) plus (2) plus (3) minus (4) minus (5), where:

- (1) is the death benefit of this policy;
- (2) is any loan interest paid beyond the date of death;
- (3) is any insurance on your life provided by riders;
- (4) is any policy indebtedness; and
- (5) is the sum of any monthly deductions due and unpaid before the date of death.

We will not pay the death benefit proceeds until we receive all of the following at our Administrative Office:

1. this policy or a completed and notarized lost policy affidavit;
2. due proof of death satisfactory to the company, that the insured died while this policy was in effect;
3. a written claim for the death proceeds completed on a form that we supply; and
4. if this policy or a policy change or reinstatement is contestable as set forth in the incontestability provision when the Insured died, an authorization, on a form that we supply, from a person authorized to allow us to obtain and disclose information about the Insured.

### **BENEFICIARY PROVISIONS**

#### **Beneficiary**

Unless otherwise provided by notice to us, the beneficiaries are named in the application.

#### **Change of Beneficiary**

During the insured's lifetime, the owner may change the beneficiary designation unless you have waived the right to do so, or the beneficiary has been designated as irrevocable. No beneficiary change will take effect until a written notice is received at our administrative office. Such changes will become effective on the date written notice was signed and received at our administrative offices on a form approved by us. All changes will be subject to any payment made by us before notice was received.

#### **Death of Beneficiary**

Unless otherwise provided in the beneficiary designation:

1. the interest of any beneficiary who dies before the insured will pass to any surviving beneficiaries according to their respective interests; or
2. if no beneficiary survives the insured, the proceeds will be paid in one sum to the owner, if living; otherwise, to the owner's estate.

## **PAYMENT OF PROCEEDS**

Any amount payable under this contract will be paid in one sum unless otherwise provided. All or part of this sum may be applied to any payment option. However, options will not be available if:

1. the net proceeds are less than \$2,500;
2. the amount of each payment is less than \$50; or
3. in the case of payment Option 4, the payee is not a natural person receiving payment in his or her own right.

Proceeds left with us may be withdrawn by written notice where such right is given. The payment of any withdrawal may be postponed for as long as six months from the date we receive written notice.

If the proceeds are not paid within 30 days after proof of insured's death has been furnished to the insurer, we will pay interest at the rate of 8% per year.

## **ELECTION OF PAYMENT OPTIONS**

### **By Owner**

During the insured's lifetime, the owner may elect any payment option and may change such election if he or she has reserved the right to do so.

If the owner elects a payment option for the beneficiary, the beneficiary may not:

1. change or cancel the election;
2. assign or transfer the amount held by us; or
3. withdraw any future installments or unpaid interest installments unless these rights are granted in the election.

### **By Beneficiary**

If the owner does not elect a payment option, the beneficiary may do so after the insured's death.

### **Conditions for Election**

Any election or change must be made by written notice to us. No election or change will be effective until we record it.

## **PAYMENT OPTIONS**

The following sections describe the payment options available under this policy.

### **Option 1 - Proceeds Left at Interest**

Under this option, the Company will hold the proceeds. Interest will be paid either once a month, four times a year, twice a year, or once a year. The first payment will be made at the end of the interest frequency period chosen. The guaranteed interest rate is 1.5% a year, compounded yearly. Proceeds will not be held under this option for more than 30 years.

### **Option 2 - Payments of a Fixed Amount**

Under this option, the Company will make monthly payments in the amount chosen until the proceeds and earned interest have been paid in full. The total amount paid each year must be at least 5% of the original proceeds. The length of the payment period will depend on the amount chosen, the amount of the proceeds applied and the amount of interest earned.

### **Option 3 - Payments for a Fixed Period**

Under this option, the Company will make monthly payments for the number of years chosen. Table A shows the monthly payment for each \$1,000 of proceeds for payment periods of 1 to 30 years. The first installment will be paid on the date proceeds are settled under this option.

### **Option 4 - Life Income**

Under this option, the Company will make monthly payments for the life of the Payee. If a guaranteed payment period is elected, the Company will make payments for at least the period elected, whether or not the named Payee

When this option is elected, the amount of each installment will be based on the Payee's age and sex at the birthday nearest the date the option goes into effect. We have the right to require satisfactory proof of the Payee's age. Table B shows monthly amounts payable at various ages for life with no guarantee, and for 5-year and 10-year guaranteed periods.

Option 4 is available only if the Payee is a natural person who is the Insured, Owner or Beneficiary. This option is not available to a Payee who is an assignee, estate, fiduciary, partnership, or corporation.

#### **Evidence to Survival**

We have the right to require satisfactory proof of any payee's age. The right to change options is not available after payments commence under Option 4.

#### **Automatic Payment Option**

If settlement of the proceeds of this policy is delayed over 30 days, Option 1 will be applied automatically. Interest will be paid yearly and the person(s) entitled to the proceeds has the right to withdraw the proceeds or elect any payment option permitted by this policy.

#### **Basis of Values**

The payment option tables are based on 1.5% interest compounded yearly. For Option 4, rates in the tables are based on the 2000A Mortality Table. We may offer more favorable rates than those determined on this basis.

#### **Additional Options**

Any proceeds payable under this policy may be paid under any other method of payment agreed to by us at the time of settlement.

#### **Death of Payee Under Payment Obligations**

Unless the Owner or the Beneficiary has made other provisions in electing a payment option, amounts remaining at the Payee's death will be paid to the Payee's estate.

Under Option 1, the proceeds on deposit will be paid in a single sum.

Under Option 2, any unpaid proceeds and earned interest will be paid in a single sum.

Under Option 3 and 4, the present value of any unpaid guaranteed payments will be paid in a single sum. The sum to be paid will equal the total of guaranteed payments remaining, discounted at 1.5% yearly compound interest.

TABLES FOR PAYMENT OPTIONS

**Table A, Option 3 - Monthly Payments for Each \$1,000 of Proceeds**

Number of Years	Monthly Payments
5	17.28
6	14.51
7	12.53
8	11.04
9	9.89
10	8.96
11	8.21
12	7.58
13	7.05
14	6.59
15	6.20
16	5.85
17	5.55
18	5.27
19	5.03
20	4.81
21	4.62
22	4.44
23	4.28
24	4.13
25	3.99
26	3.86
27	3.75
28	3.64
29	3.54
30	3.44

**Table B, Option 4 - Monthly Payments for Each \$1,000 of Proceeds**

Age	LIFE ONLY		LIFE WITH PERIOD CERTAIN			
	Male	Female	5 Years		10 Years	
			Male	Female	Male	Female
50	3.25	3.00	3.24	3.00	3.22	2.99
51	3.32	3.06	3.31	3.06	3.29	3.05
52	3.39	3.13	3.38	3.12	3.36	3.11
53	3.47	3.19	3.46	3.19	3.44	3.18
54	3.55	3.26	3.54	3.26	3.51	3.25
55	3.64	3.34	3.63	3.33	3.60	3.32
56	3.73	3.42	3.72	3.41	3.68	3.39
57	3.82	3.50	3.81	3.49	3.77	3.47
58	3.93	3.59	3.91	3.58	3.87	3.56
59	4.03	3.68	4.02	3.67	3.97	3.64
60	4.15	3.78	4.13	3.77	4.08	3.74
61	4.27	3.88	4.25	3.87	4.19	3.84
62	4.40	3.99	4.38	3.98	4.30	3.94
63	4.54	4.11	4.52	4.10	4.43	4.05
64	4.69	4.23	4.66	4.22	4.56	4.16
65	4.85	4.37	4.82	4.35	4.69	4.29
66	5.02	4.51	4.98	4.49	4.83	4.41
67	5.20	4.66	5.15	4.64	4.98	4.55
68	5.40	4.83	5.34	4.80	5.13	4.69
69	5.60	5.00	5.53	4.97	5.29	4.84
70	5.82	5.19	5.73	5.15	5.45	5.00
71	6.06	5.40	5.95	5.35	5.62	5.17
72	6.30	5.62	6.18	5.56	5.79	5.34
73	6.57	5.86	6.42	5.78	5.97	5.53
74	6.85	6.11	6.67	6.02	6.15	5.72
75	7.16	6.39	6.94	6.28	6.33	5.91
76	7.48	6.69	7.22	6.56	6.51	6.11
77	7.83	7.02	7.52	6.85	6.69	6.32
78	8.20	7.37	7.83	7.16	6.87	6.52
79	8.60	7.75	8.16	7.49	7.05	6.73
80	9.02	8.17	8.50	7.85	7.23	6.94
81	9.48	8.61	8.85	8.22	7.40	7.14
82	9.97	9.10	9.22	8.61	7.56	7.34
83	10.49	9.63	9.60	9.02	7.72	7.52
84	11.04	10.20	9.98	9.45	7.87	7.70
85	11.63	10.81	10.38	9.88	8.00	7.86
86	12.26	11.47	10.78	10.33	8.13	8.01
87	12.93	12.18	11.18	10.78	8.25	8.15
88	13.65	12.94	11.59	11.23	8.36	8.27
89	14.41	13.75	11.99	11.68	8.45	8.38
90	15.21	14.59	12.39	12.11	8.54	8.48
91	16.07	15.48	12.78	12.53	8.62	8.57
92	16.97	16.40	13.17	12.94	8.69	8.64
93	17.93	17.36	13.56	13.33	8.75	8.71
94	18.96	18.37	13.93	13.71	8.80	8.77
95	20.07	19.42	14.30	14.07	8.84	8.82

Income Payments for ages not shown furnished upon request.  
The values above are based on 1.5% and the 2000A Mortality Table.



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#### **Flexible Premium Adjustable Life Insurance**

**Adjustable death benefit is payable upon the insured's death prior to the maturity date**

**Flexible premiums are payable during the insured's lifetime until the maturity date**

**Cash surrender value, if any, payable at maturity**

**Plan, benefits, classification and period for which premiums are payable as stated in the policy schedule**

**This policy is non-participating and no dividends are payable**