

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
**TOI/Sub-TOI:** L07I Individual Life - Whole/L07I.101 Fixed/Indeterminate Premium - Single Life  
**Product Name:** LDB12AX  
**Project Name/Number:** LDB12AX/LDB12AX

### Filing at a Glance

Company: American National Life Insurance Company of Texas  
Product Name: LDB12AX  
State: Arkansas  
TOI: L07I Individual Life - Whole  
Sub-TOI: L07I.101 Fixed/Indeterminate Premium - Single Life  
Filing Type: Form  
Date Submitted: 10/01/2012  
SERFF Tr Num: AMNA-128704040  
SERFF Status: Closed-Approved-Closed  
State Tr Num:  
State Status: Approved-Closed  
Co Tr Num: LDB12AX

Implementation  
Date Requested:  
Author(s): Tobie Brink  
Reviewer(s): Linda Bird (primary)  
Disposition Date: 10/05/2012  
Disposition Status: Approved-Closed  
Implementation Date:

State Filing Description:

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life  
**Product Name:** LDB12AX  
**Project Name/Number:** LDB12AX/LDB12AX

## General Information

Project Name: LDB12AX Status of Filing in Domicile: Pending  
Project Number: LDB12AX Date Approved in Domicile:  
Requested Filing Mode: Review & Approval Domicile Status Comments:  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Individual Market Type:  
Overall Rate Impact: Filing Status Changed: 10/05/2012  
State Status Changed: 10/05/2012  
Deemer Date: Created By: Tobie Brink  
Submitted By: Tobie Brink Corresponding Filing Tracking Number:

Filing Description:  
October 1, 2012

Arkansas Insurance Department  
Compliance - Life and Health  
1200 West Third Street  
Little Rock AR 72201-1904

RE: American National Life Insurance Company of Texas (NAIC: 71773 FEIN: 75-1016594) Filing Of:  
Form LDB12AX-DP – Specifications Page – Level Death Benefit  
SERFF Tracking Number: AMNA-128704040  
Company Tracking Number: LDB12AX

Dear Reviewer:

Please find attached the above listed form for your organization's review and approval. This form will replace previously approved form LDB11AX-DP approved on 4/14/2011 under SERFF Tracking Number AMNA-127025091.

Form LDB12AX-DP – is the specifications page that will be used in conjunction with Form LDB11AX(10) – Individual Whole Life Insurance Policy.

- issue age range of minimum 50 and maximum 85
- is available on a sex distinct basis
- has a minimum face amount of \$2,000 and a maximum face amount of \$50,000
- is issued on an individual basis
- is not illustrated

Additional information/supporting documentation included in this submission is as follows:

- Statement of Variability
- Actuarial Memorandum
- Certificate of Readability
- Sample Policy Summary
- A redline comparison version of the policy form has been attached to the Supporting Documentation tab to show changes.
- Payment for each state requiring a filing fee has been submitted via EFT.
- Any requirement for a third party authorization has been bypassed, as this is not a third-party filing.

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
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-As the above listed products are issued on a sex-distinct basis, we confirm that the policy(ies) will not be issued in any employer-employee plans that are subject to the Norris decision and/or Title VII of the Civil Rights Act of 1964.

Sincerely,

Tobie Brink  
 Life Policy Analyst III

**Company and Contact**

**Filing Contact Information**

Tobie Brink, Project Coordinator  
 One Moody Plaza  
 Actuarial Product Development  
 14th Floor  
 Galveston, TX 77550

Tobie.Brink@ANICO.com  
 409-763-1112 [Phone] 4165 [Ext]  
 409-766-6933 [FAX]

**Filing Company Information**

American National Life Insurance Company of Texas  
 One Moody Plaza  
 Galveston, TX 77550  
 (409) 763-4661 ext. 5222[Phone]

CoCode: 71773  
 Group Code: 408  
 Group Name:  
 FEIN Number: 75-1016594

State of Domicile: Texas  
 Company Type: Life, Health, Annuity  
 State ID Number:

**Filing Fees**

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? Yes  
 Fee Explanation: \$50 per form.  
 Per Company: No

Company	Amount	Date Processed	Transaction #
American National Life Insurance Company of Texas	\$50.00	10/01/2012	63283294

SERFF Tracking #:

AMNA-128704040

State Tracking #:

Company Tracking #:

LDB12AX

State:

Arkansas

Filing Company:

American National Life Insurance Company of Texas

TOI/Sub-TOI:

L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life

Product Name:

LDB12AX

Project Name/Number:

LDB12AX/LDB12AX

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	10/05/2012	10/05/2012

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Statement of Variability	Tobie Brink	10/02/2012	10/02/2012

**SERFF Tracking #:**

AMNA-128704040

**State Tracking #:****Company Tracking #:**

LDB12AX

**State:**

Arkansas

**Filing Company:**

American National Life Insurance Company of Texas

**TOI/Sub-TOI:**

L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life

**Product Name:**

LDB12AX

**Project Name/Number:**

LDB12AX/LDB12AX

## Disposition

Disposition Date: 10/05/2012

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Cover Letter		Yes
Supporting Document (revised)	Statement of Variability		Yes
Supporting Document	Statement of Variability		Yes
Supporting Document	Sample Policy Summary		Yes
Form	Specifications page use with Form LDB11AX(10)		Yes

**SERFF Tracking #:**

AMNA-128704040

**State Tracking #:**

**Company Tracking #:**

LDB12AX

**State:**

Arkansas

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American National Life Insurance Company of Texas

**TOI/Sub-TOI:**

L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life

**Product Name:**

LDB12AX

**Project Name/Number:**

LDB12AX/LDB12AX

## Amendment Letter

Submitted Date:

10/02/2012

Comments:

Good afternoon!

Please find a revised SOV attached to the supporting documentation tab. The previous version contained a sentence that does not apply to this product, and was therefore removed.

Thank you,

Tobie Brink

Changed Items:

### Supporting Document Schedule Item Changes:

User Added -Name: Statement of Variability

Comment:

MEMORANDUM OF VARIABLE MATERIAL - Form LDB12AX-DP AR.pdf

State: Arkansas

Filing Company:

American National Life Insurance Company of Texas

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

Product Name: LDB12AX

Project Name/Number: LDB12AX/LDB12AX

## Form Schedule

### Lead Form Number:

Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
1		Form LDB12AX-DP	DDP	Specifications page use with Form LDB11AX(10)	Initial:	52.500	Form LDB12AX-DP AR.PDF

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NOC</b>	Notice of Coverage
<b>OTH</b>	Other	<b>OUT</b>	Outline of Coverage
<b>PJK</b>	Policy Jacket	<b>POL</b>	Policy/Contract/Fraternal Certificate
<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	<b>SCH</b>	Schedule Pages

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**DATA PAGE**

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<b>POLICY NUMBER</b>	[12345678]	[September 5, 2012]	<b>ISSUE DATE</b>
<b>OWNER</b>	[JOHN DOE]	[\$10,000]	<b>FACE AMOUNT</b>

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**INSURED**

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<b>INSURED NAME</b>	[JOHN INSURED]	[65]	<b>ISSUE AGE</b>
<b>CLASS</b>	[STANDARD NON SMOKER]	[MALE]	<b>SEX</b>

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**PREMIUMS AND RIDERS**

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<b>BENEFIT DESCRIPTION</b>		<b>INITIAL ANNUAL PREMIUM</b>	<b>PREMIUM PAYING PERIOD (YEARS)</b>
WHOLE LIFE TO AGE 121		[\$680.90]	[57]
Form	Form LDB11AX (10)		
Maturity Date	[September 5, 2069]		
[RIDER 1]	[Rider Form 1]	[\$Rider 1 Premium]	[##]
Maturity Date	[Maturity Date]		
<b>TOTAL INITIAL ANNUAL PREMIUM</b>		[\$680.90]	

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**MODAL PREMIUMS**

INCLUDES PREMIUMS FOR Form LDB11AX (10) AND AN ANNUAL POLICY FEE OF \$[40.00]  
YOUR CURRENT PREMIUM MODE IS: [ANNUAL]

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<b>YEARS</b>	<b>ANNUAL</b>	<b>SEMI-ANNUAL</b>	<b>QUARTERLY</b>	<b>SPECIAL MONTHLY</b>	<b>MONTHLY</b>
[1-57] [XX-XX]	[\$680.90]	[\$354.07]	[\$183.84]	[\$60.94]	[\$68.09]

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**MORTALITY TABLES**

NONFORFEITURE VALUES ARE CALCULATED USING THE 2001 CSO ALB ULTIMATE MORTALITY TABLE FOR INSURED'S GENDER AND TOBACCO USE CLASS. ALL CALCULATIONS ASSUME THAT ALL PREMIUMS ARE RECEIVED AT THE BEGINNING OF THE POLICY YEAR AND THAT ALL DEATH CLAIMS ARE PAID AT THE MOMENT OF DEATH. AGE IS BASED ON AGE LAST BIRTHDAY.

**DATA PAGE CONTINUED**

**POLICY NUMBER** [12345678]                      **INSURED** [JOHN INSURED]                      [MALE]                      [65]

**TABLE OF NONFORFEITURE VALUES**

**NONFORFEITURE FACTOR:** [48.94]

**NONFORFEITURE INTEREST RATE** 4.50%

**PAID UP INSURANCE**

END OF POLICY YEAR	CASH OR LOAN VALUE	PAID UP INSURANCE	EXTENDED INSURANCE	
			YEARS	DAYS
1	[\$0.00]	[\$0]	[0]	[0]
2	[\$31.20]	[\$57.90]	[0]	[61]
3	[\$352.50]	[\$635.30]	[1]	[253]
4	[\$678.20]	[\$1,189.20]	[2]	[339]
5	[\$1,007.90]	[\$1,720.30]	[3]	[324]
6	[\$1,340.20]	[\$2,227.60]	[4]	[236]
7	[\$1,672.50]	[\$2,709.00]	[5]	[91]
8	[\$2,003.00]	[\$3,164.20]	[5]	[259]
9	[\$2,332.10]	[\$2,595.50]	[6]	[18]
10	[\$2,660.10]	[\$4,005.30]	[6]	[105]
11	[\$2,987.00]	[\$4,395.00]	[6]	[164]
12	[\$3,311.70]	[\$4,765.00]	[6]	[201]
13	[\$3,632.00]	[\$5,114.20]	[6]	[219]
14	[\$3,945.40]	[\$5,441.80]	[6]	[221]
15	[\$4,250.50]	[\$5,748.00]	[6]	[208]
16	[\$4,546.00]	[\$6,033.50]	[6]	[184]
17	[\$4,831.50]	[\$6,299.30]	[6]	[149]
18	[\$5,108.00]	[\$6,548.00]	[6]	[106]
19	[\$5,375.10]	[\$6,780.50]	[6]	[55]
20	[\$5,631.40]	[\$6,996.70]	[5]	[364]

SERFF Tracking #:

AMNA-128704040

State Tracking #:

Company Tracking #:

LDB12AX

State: Arkansas

Filing Company:

American National Life Insurance Company of Texas

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

Product Name: LDB12AX

Project Name/Number: LDB12AX/LDB12AX

### Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification		
Comments:			
Attachment(s):			
Level Readability Certification.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Life & Annuity - Acturial Memo		
Comments:			
Attachment(s):			
AR Level DB Act Memo.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Cover Letter		
Comments:			
Attachment(s):			
AR Level.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Statement of Variability		
Comments:			
Attachment(s):			
MEMORANDUM OF VARIABLE MATERIAL - Form LDB12AX-DP AR.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Sample Policy Summary		
Comments:			
Attachment(s):			

**SERFF Tracking #:**

AMNA-128704040

**State Tracking #:**

**Company Tracking #:**

LDB12AX

**State:**

Arkansas

**Filing Company:**

American National Life Insurance Company of Texas

**TOI/Sub-TOI:**

L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life

**Product Name:**

LDB12AX

**Project Name/Number:**

LDB12AX/LDB12AX

Sample Level Policy Summary.pdf



AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS

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## READABILITY CERTIFICATION

We hereby certify that the following form(s), meet the requirements of the Readability Insurance Policies Act:

<u>Form</u>	<u>Form Name</u>	<u>Scoring(s)</u>
Form LDB12AX-DP	Individual Whole Life Insurance Policy Data Page <i>(as scored with the policy form)</i>	52.5

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Rex D. Hemme  
Senior Vice President & Actuary  
American National Life Insurance Company of Texas  
9/26/2012

# AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS

## ACTUARIAL MEMORANDUM

### Form LDB11AX(10) as used with Specifications Page Form LDB12AX-DP

#### **Product Description**

##### **Policy Benefits**

This product is a traditional whole life insurance product with a level death benefit payable to age 121. This product provides nonforfeiture benefits that are at least as great as those required by the NAIC Standard Nonforfeiture Law for Life Insurance, model #808.

##### **Premiums**

The premium is guaranteed and remains level for the life of the Insured. The premium varies by issue age, sex, and rate class. A policy fee of \$40 is added to the premium in all policy years.

##### **Cash Values**

This product provides cash values. Cash values vary by issue age, sex, rate class, and duration.

##### **Rate Classes**

The rate classes available are Non Smoker and Smoker.

##### **Issue Age Range**

The issue age range is 50 to 85.

##### **Minimum Specified Amount**

The minimum specified amount is \$2,000.

##### **Participating**

This product is non-participating.

#### **Nonforfeiture Benefits**

##### **Nonforfeiture Options**

The nonforfeiture benefit options available are cash surrender, paid-up insurance, and extended term insurance.

##### **Mortality Tables and Interest Assumption**

Calculations are based on a 4.5% interest rate, semi-continuous functions, and the 2001 CSO ALB Sex and Smoker Distinct Ultimate mortality tables.

## Minimum Nonforfeiture Method

The minimum nonforfeiture cash values were calculated in accordance with the Standard Nonforfeiture Law for Life Insurance, model #808. The cash values under this policy form are equal to the minimum nonforfeiture cash values.

## Minimum Nonforfeiture Demonstration

### Symbols used in Nonforfeiture Demonstration

$AAI$	The Average Amount of Insurance for the first 10 policy years
$r$	Constant percentage adjusted premium multiple of gross premium
$GP_x$	Gross premium per unit for issue age $x$ . This does not include the policy fee.
${}_tSNFLCV_x$	The minimum nonforfeiture cash value at the end of year $t$ for issue age $x$ as calculated under Standard Nonforfeiture Law.
${}_tPCV_x$	The policy cash value at the end of year $t$ for issue age $x$ .

### Minimum Cash Value under Standard Nonforfeiture Law Unitary Method

#### 1. Net Level Premium

$$P_x(\bar{A}_x) = \frac{\bar{A}_x}{\ddot{a}_x} = \frac{\frac{\bar{M}_x}{D_x}}{\frac{N_x}{D_x}}$$

This is a net level premium for a level premium whole life policy.

#### 2. Expense Allowance

$$EA_x = 0.01 * AAI + 1.25 * \text{MIN}(P(\bar{A}_x), 0.04 * AAI)$$

#### 3. Adjusted Premium

$$r = \frac{\bar{A}_x + EA_x}{\frac{\sum_{t=0}^{120-x} (GP_{[x]+t} * D_{[x]+t})}{D_x}}$$

The "r" is the constant percentage.

$$P_x^a = r * GP_{[x]+t}$$

Note that the adjusted premium is level for all years because the policy premium is level.

#### 4. Nonforfeiture Cash Value

$$\begin{aligned} {}_tSNFLCV_x &= \bar{A}_{x+t} - \frac{\sum_{x+t}^{120-(x+t)} (P_{x+t}^a * D_{x+t})}{D_{x+t}} \\ &= \frac{\bar{M}_{x+t}}{D_{x+t}} - \frac{\sum_{x+t}^{120-(x+t)} (r * GP_{x+t} * D_{x+t})}{D_{x+t}} \end{aligned}$$

#### Minimum Nonforfeiture Cash Value

$${}_tNFCV_x = MAX({}_tSNFLCV_x, 0)$$

#### Policy Cash Value

$${}_tPCV_x = {}_tNFCV_x$$

Note that the policy cash value is equal to the minimum nonforfeiture cash value. In practice the minimum nonforfeiture cash value has been rounded up to the nearest 0.01 to establish the policy cash value on a per thousand basis.

#### Paid-Up Insurance

The amount of paid-up insurance at policy duration  $t$  is calculated as the ratio of the policy cash value to the net single premium per dollar of insurance. That is:

$${}_tRPU_x = \frac{{}_tPCV_x}{\bar{A}_{x+t} \div 1000} = \frac{{}_tPCV_x}{\frac{\bar{M}_{x+t}}{D_{x+t}} \div 1000}$$

The cash value of any paid-up insurance is equal to its net single premium.

#### Extended Term Insurance

The period of extended term insurance ( $n$ ) at policy duration  $t$  is calculated such that:

$$\bar{A}_{x+t:\bar{n}|}^{-1} = {}_tPCV_x$$

The cash value of any extended term insurance is equal to its net single premium.

#### **Numerical Demonstrations**

Appendix 1 contains a Policy minimum cash value demonstration. Appendix 2 contains sample nonforfeiture calculations. Appendix 3 has the premiums and cash values used in the demonstrations.

#### **Reserves**

Minimum statutory reserves for this policy form will be calculated using the Commissioners' Reserve Valuation Method (CRVM) as described in the NAIC Standard Valuation Law. If the policy's cash value is greater than the reserve calculated according to the CRVM, then the statutory reserve will be set equal to the policy's cash value.

## **Basis for Basic Reserves**

Basic reserves will be calculated using 2001 CSO ALB Sex and Smoker Distinct ultimate mortality tables using semi-continuous functions. The interest rate used to calculate the reserves will be the maximum valuation interest rate permissible, which will be 3.5% beginning in January of 2013.

## **Basis for Alternative Minimum Reserves**

Alternative minimum reserves will be calculated using 2001 CSO ALB Sex and Smoker Distinct select and ultimate mortality tables using semi-continuous functions. The interest rate used to calculate the reserves will be the maximum valuation interest rate permissible, which will be 3.5% beginning in January of 2013.

## **Certifications**

I hereby certify, to the best of my knowledge and judgment, that:

- (1.) The nonforfeiture provisions of this policy form equal or exceed the minimums required by the NAIC Standard Nonforfeiture Law for Life Insurance, model #808, and comply with all NAIC Actuarial Guidelines pertaining to nonforfeiture.

I have performed the following analysis, in accordance with all applicable Actuarial Standards of Practice and Actuarial Guidelines, in support of this opinion:

The per 1000 policy cash values were compared to minimum nonforfeiture cash values for both sexes under all rate classes, issue ages, and durations.

- (2.) The valuation standards used in establishing reserves for this policy form comply with the NAIC Standard Valuation Law and all applicable NAIC Actuarial Guidelines.

## **Statement of Professional Qualifications**

I, Dustin J. Dusek, am an Actuary at American National Life Insurance Company and I am a member in good standing of the American Academy of Actuaries.



---

Dustin J. Dusek FSA, MAAA  
September 4, 2012

## Appendix 1: Policy Nonforfeiture Cash Value Demonstration

(all values shown are per 1000 where applicable)

Sample Insured: Male, Standard Nonsmoker, Issue Age 65, \$10,000 Death Benefit

End of Policy Year	Attained Age	PV of Guaranteed Death Benefit (1)	PV of Adjusted Premiums (2)	Nonforfeiture Cash Values (1-2)	Policy Cash Values
1	66	524.63	553.25	-28.62	0.00
2	67	539.66	536.55	3.12	3.12
3	68	554.87	519.63	35.25	35.25
4	69	570.30	502.48	67.82	67.82
5	70	585.91	485.13	100.79	100.79
6	71	601.65	467.64	134.02	134.02
7	72	617.39	450.14	167.25	167.25
8	73	633.04	432.75	200.30	200.30
9	74	648.62	415.42	233.21	233.21
10	75	664.16	398.15	266.01	266.01
11	76	679.64	380.94	298.70	298.70
12	77	695.01	363.85	331.17	331.17
13	78	710.18	346.99	363.20	363.20
14	79	725.03	330.49	394.54	394.54
15	80	739.48	314.43	425.05	425.05
16	81	753.47	298.87	454.60	454.60
17	82	766.99	283.84	483.15	483.15
18	83	780.09	269.29	510.80	510.80
19	84	792.73	255.23	537.51	537.51
20	85	804.87	241.73	563.14	563.14
21	86	816.42	228.90	587.52	587.52
22	87	827.29	216.81	610.49	610.49
23	88	837.46	205.51	631.96	631.96
24	89	846.89	195.02	651.87	651.87
25	90	855.58	185.36	670.23	670.23
26	91	863.66	176.38	687.28	687.28
27	92	871.29	167.91	703.38	703.38
28	93	878.47	159.93	718.54	718.54
29	94	885.18	152.47	732.72	732.72
30	95	891.38	145.57	745.81	745.81
31	96	897.16	139.14	758.03	758.03
32	97	902.70	132.98	769.72	769.72
33	98	907.95	127.15	780.80	780.80
34	99	912.83	121.73	791.11	791.11
35	100	917.21	116.86	800.35	800.35
36	101	921.18	112.44	808.74	808.74
37	102	925.07	108.12	816.95	816.95
38	103	928.87	103.90	824.98	824.98
39	104	932.57	99.78	832.79	832.79
40	105	936.17	95.79	840.38	840.38

<b>End of Policy Year</b>	<b>Attained Age</b>	<b>PV of Guaranteed Death Benefit (1)</b>	<b>PV of adjusted Premiums (2)</b>	<b>Nonforfeiture Cash Values (1-2)</b>	<b>Policy Cash Values</b>
41	106	939.67	91.89	847.79	847.79
42	107	943.09	88.09	855.00	855.00
43	108	946.40	84.41	862.00	862.00
44	109	949.62	80.83	868.80	868.80
45	110	952.74	77.36	875.39	875.39
46	111	955.76	74.00	881.77	881.77
47	112	958.68	70.76	887.93	887.93
48	113	961.50	67.62	893.88	893.88
49	114	964.22	64.60	899.62	899.62
50	115	966.83	61.70	905.14	905.14
51	116	969.35	58.90	910.45	910.45
52	117	971.76	56.22	915.54	915.54
53	118	974.07	53.65	920.43	920.43
54	119	976.27	51.20	925.08	925.08
55	120	978.31	48.94	929.38	929.38

## Appendix 2: Sample Nonforfeiture Calculations

Sample Insured: Male, Standard Nonsmoker, Issue Age 65, \$10,000 Death Benefit.

Values shown are per \$1000 of Death Benefit.

### Minimum Cash Value under Standard Nonforfeiture Law Unitary Method

#### 1. Net Level Premium

$$P(\bar{A}_{65}) = \frac{\frac{\bar{M}_{65}}{D_{65}}}{\frac{N_{65}}{D_{65}}} = \frac{\frac{24.7161}{0.04848}}{\frac{0.56450}{0.04848}} = 43.78399$$

#### 2. Expense Allowance

$$EA_{65} = 0.01 * AAI + 1.25 * \min(P(\bar{A}_{65}), 0.04 * AAI) = 0.01 * 1000 + 1.25 * (43.78399, 0.04 * 1000) = 60.00$$

#### 3. Adjusted Premium

$$r = \frac{\bar{A}_{65} + EA_{65}}{\frac{\sum_{t=0}^{120-65} (GP_{[65]+t} * D_{[65]+t})}{D_{65}}} = \frac{509.7703 + 60.00}{\frac{36.17891}{0.04848}} = 0.76357$$

$$P_{65}^a = r * GP_{65} = 0.76357 * 64.09 = 48.93737$$

#### 4. Nonforfeiture Cash Value

$${}_5SNFLCV_{65} = \frac{\bar{M}_{65+5}}{D_{65+5}} - \frac{\sum_{s=70}^{120-70} (r * GP_s * D_s)}{D_{65+5}} = \frac{20.6570}{0.03526} - \frac{17.10371}{0.03526} = 100.79$$

### Minimum Nonforfeiture Cash Value

$${}_5NFCV_{65} = \max({}_5SNFLCV_{65}, 0) = \max(100.79, 0) = 100.79$$

Policy Cash Value

$${}_5PCV_{65} = {}_5NFCV_{65} = 100.79$$

Paid-Up Insurance

$${}_5RPU_{65} = \frac{{}_5PCV_{65}}{A_{70} \div 1000} = \frac{{}_5PCV_{65}}{\frac{M_{70}}{D_{70}} \div 1000} = \frac{100.79}{\frac{20.6570}{0.03256} \div 1000} = 172.03$$

Extended Term Insurance

The period of extended term insurance ( $n$ ) at policy duration 5 is determined such that:

$$\bar{A}_{65:\bar{n}}^{-1} = {}_5PCV_{65}$$

$t$	$\bar{A}_{70:\bar{t}}^{-1}$	$365 \div \frac{\bar{C}_{70+t}}{D_{70}} (a)$
1	24.72	14.2904
2	50.26	13.7961
3	76.72	13.4367
4	103.88	13.1699

(a) This is the Number of days of  $t$ -year deferred term insurance that can be purchased with one dollar

1. The policy cash value at duration 5 (100.79) falls between the net single premium for 3 and 4-year term insurance, so the period of extended term insurance is 3 years plus a number of days less than 365.

2. Calculate the cash value in excess of the net single premium for 3-year term insurance =  $100.79 - 76.72 = 24.07$

3. Multiply excess cash value by the number of days of 3-year deferred term insurance that can be purchased with one dollar =  $24.07 \times 13.4367 = 324$  days

Thus, the extended term insurance period at policy duration 5 is 3 years and 324 days.

### Appendix 3: Numerical Demonstration Gross Premiums

Sample Insured: Male, Standard Nonsmoker, Issue Age 65, \$10,000 Death Benefit

Policy Year	Age	Gross Premium Per 1000 w/o Policy Fee	Cash Value End of Year
1	65	64.09	0.00
2	66	64.09	3.12
3	67	64.09	35.25
4	68	64.09	67.82
5	69	64.09	100.79
6	70	64.09	134.02
7	71	64.09	167.25
8	72	64.09	200.30
9	73	64.09	233.21
10	74	64.09	266.01
11	75	64.09	298.70
12	76	64.09	331.17
13	77	64.09	363.20
14	78	64.09	394.54
15	79	64.09	425.05
16	80	64.09	454.60
17	81	64.09	483.15
18	82	64.09	510.80
19	83	64.09	537.51
20	84	64.09	563.14
21	85	64.09	587.52
22	86	64.09	610.49
23	87	64.09	631.96
24	88	64.09	651.87
25	89	64.09	670.23
26	90	64.09	687.28
27	91	64.09	703.38
28	92	64.09	718.54
29	93	64.09	732.72
30	94	64.09	745.81
31	95	64.09	758.03
32	96	64.09	769.72
33	97	64.09	780.80
34	98	64.09	791.11
35	99	64.09	800.35

<b>Policy Year</b>	<b>Age</b>	<b>Gross Premium Per 1000 w/o Policy Fee</b>	<b>Cash Value End of Year</b>
36	100	64.09	808.74
37	101	64.09	816.95
38	102	64.09	824.98
39	103	64.09	832.79
40	104	64.09	840.38
41	105	64.09	847.79
42	106	64.09	855.00
43	107	64.09	862.00
44	108	64.09	868.80
45	109	64.09	875.39
46	110	64.09	881.77
47	111	64.09	887.93
48	112	64.09	893.88
49	113	64.09	899.62
50	114	64.09	905.14
51	115	64.09	910.45
52	116	64.09	915.54
53	117	64.09	920.43
54	118	64.09	925.08
55	119	64.09	929.38
56	120	64.09	1,000.00



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

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Tobie Brink, Life Policy Analyst III  
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Fax: (409) 766-6522

October 1, 2012

Arkansas Insurance Department  
Compliance - Life and Health  
1200 West Third Street  
Little Rock AR 72201-1904

**RE: American National Life Insurance Company of Texas (NAIC: 71773 FEIN: 75-1016594) Filing Of:  
Form LDB12AX-DP – Specifications Page – Level Death Benefit  
SERFF Tracking Number: AMNA-128704040  
Company Tracking Number: LDB12AX**

Dear Reviewer:

Please find attached the above listed form for your organization's review and approval. This form will replace previously approved form LDB11AX-DP approved on 4/14/2011 under SERFF Tracking Number AMNA-127025091.

**Form LDB12AX-DP** – is the specifications page that will be used in conjunction with Form LDB11AX(10) – Individual Whole Life Insurance Policy.

- issue age range of minimum 50 and maximum 85
- is available on a sex distinct basis
- has a minimum face amount of \$2,000 and a maximum face amount of \$50,000
- is issued on an individual basis
- is not illustrated

Additional information/supporting documentation included in this submission is as follows:

- Statement of Variability
- Actuarial Memorandum
- Certificate of Readability
- Sample Policy Summary
- A redline comparison version of the policy form has been attached to the Supporting Documentation tab to show changes.
- Payment for each state requiring a filing fee has been submitted via EFT.
- Any requirement for a third party authorization has been bypassed, as this is not a third-party filing.
- As the above listed products are issued on a sex-distinct basis, we confirm that the policy(ies) will not be issued in any employer-employee plans that are subject to the Norris decision and/or Title VII of the Civil Rights Act of 1964.

Sincerely,

*Tobie Brink*

Tobie Brink  
Life Policy Analyst III



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

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**MEMORANDUM OF VARIABLE MATERIAL FOR  
Form LDB12AX-DP  
September 27, 2012**

This memorandum was prepared for use with Form LDB12AX-DP, a specifications page used in conjunction with an individual whole life policy (Form LDB11AX(10) for American National Life Insurance Company of Texas. Variable material contained within the form denoted by use of brackets.

**Variable Material**

The form contains the following variable fields:

Policy Number - will be a unique identifying number systematically assigned by the company.

Issue Date - will be the date the policy was issued by the company.

Owner - will be the Owner's name as provided in the application.

Insured Name - will be the Insured's name as provided in the application.

Issue Age - will be the Insured's age. The applicable range for this product is a minimum of 50 and maximum of 80.

Class - will display the rate class of the Insured. The applicable range for this product is:  
Standard Non-Smoker  
Standard Smoker

Sex - the policy is issued on a sex distinct basis. The applicable range for this filed is Male or Female.

Insurance Amount - The applicable range for this product is a minimum of \$2,000 and a maximum of \$25,000. For Policy Year 1 and 2, the graded benefit payable for death due to illness or other natural causes will show the dollar amount when the graded percentage is applied. In Policy Year 1, the amount shown will be 30% of the insurance amount. In Policy Year 2, the amount shown will be 70% of the insurance amount.

Maturity Date - the policy's maturity date is the policy anniversary following the Insured's 121<sup>st</sup> birthday.

Initial Annual Premium - will be the Initial Annual Premium for the policy issued. This amount is based on the Insured's information and the face amount of the policy, and includes the amount of the annual policy fee.

Premium Paying Period (Years) - the total number of years premiums are payable. This number will be equal to the number of years until the policy year following the Insured's 121st birthday.

Total Initial Annual Premium - is the total amount of initial premium which is a sum of the base policy plus any riders and/or supplemental benefits.

Policy Fee amount - the policy fee for this product is currently \$40.00. While we do not foresee changing the amount of the fee with any frequency, it is filed as variable to allow for changes at the policy level. A reasonable range for the policy fee would be \$0 (no policy fee) to \$100.00.

Current Premium Mode - this field will display the premium payment mode in effect on the date of issue, as selected by the Owner/Applicant. The applicable range for this field is: Annual, Semi-Annual, Quarterly, Special Monthly or Monthly.

Modal Premium Amounts - will display the amount of premiums based on the available premium modes. Amounts shown will include the applicable policy fee.

Table of Nonforfeiture Values -

Nonforfeiture Factor - this field will display the nonforfeiture factor. This amount will vary based on the Insured's information and is calculated based on the underlying cash value mortality table, nonforfeiture interest rate, and interest function (continuous).

Table - the table provides the Cash or Loan Value and Paid Up Insurance amount for each policy year, based on the Insured's information, face amount, and expected annual premium.

We certify to the following:

- The final form issued to the consumer will not contain brackets denoting variable text;
- Any variable text included in this Statement of Variability will be effective only for future issues;
- The use of variable text will be administered in a uniform and non-discriminatory manner, and will not result in unfair discrimination;
- Only text included in this Statement will be allowed to be used on the referenced forms received by consumers; and
- Any changes to variable or permissible ranges of values will be submitted for approval prior to implementation.

Unless otherwise informed, we reserve the right to alter the layout of the enclosed form, including sequential ordering of the sections, color, and type font and size, and make any changes necessary to correct typographical errors or to comply with your state requirements, but we will only do so if such changes are within the allowable parameters or requirements set forth in your statutes.



AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS

Policy Number: 12345678  
Page 1 of 2

STATEMENT OF POLICY COST AND BENEFIT INFORMATION  
American National Life Insurance Company of Texas  
Administrative Office: One Moody Plaza, Galveston, TX 77550  
Telephone: 1-800-899-6806

Insured: JOHN D. INSURED  
Issue Age: 65 [Sex: MALE]

Date Prepared: [08/15/2012]

Plan of Insurance: [WHOLE LIFE TO AGE 121]

Policy Year	Death Benefit	Annual Premium(1)	Cash Surrender Value
1	\$ 20,000	\$ 1,321.80	\$0.00
2	\$ 20,000	\$ 1,321.80	\$ 62.40
3	\$ 20,000	\$ 1,321.80	\$ 705.00
4	\$ 20,000	\$ 1,321.80	\$ 1,356.40
5	\$ 20,000	\$ 1,321.80	\$ 2,015.80
10	\$ 20,000	\$ 1,321.80	\$ 5,320.20
20	\$ 20,000	\$ 1,321.80	\$ 11,262.80
Age 65*	\$ 20,000	\$ 1,321.80	\$ 0.00

..... Cost Comparison Disclosure .....

Indexes Per \$1000	Base Policy	
	20 YR	10 YR
Surrender Cost Index	53.93	52.31
Net Payment Cost Index	71.47	75.24

These indexes are useful only for comparison of the relative costs of two or more similar policies. An explanation of the intended use of these Indexes is provided in the Life Insurance buyer's Guide.

\*Values are for the policy year during which the Insured attains the age.



AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS

Policy Number: 12345678

Page 2 of 2

#### FOOTNOTES

- (1) Premiums shown are on an annual basis. For the actual premiums, if on any other basis, refer to your policy.

Your policy may be used as collateral for a loan. If you do choose to use your policy in this fashion, the maximum interest rate will be [8]%.

This policy summary is a brief description of the highlights of the plan. This is a policy summary only, and is not a contract. See your policy for exact terms and conditions.

If you have any questions concerning this statement, you may contact us at:

American National Life Insurance Company of Texas

[Address 1]

[Address 2]

[Telephone]

or, you may contact your agent:

[Agent Name]

[Agent Address 1]

[Agent Address 2]

[Agent Telephone]

**SERFF Tracking #:**

AMNA-128704040

**State Tracking #:****Company Tracking #:**

LDB12AX

**State:**

Arkansas

**Filing Company:**

American National Life Insurance Company of Texas

**TOI/Sub-TOI:**

L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life

**Product Name:**

LDB12AX

**Project Name/Number:**

LDB12AX/LDB12AX

## 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)
09/27/2012	Supporting Document	Statement of Variability	10/02/2012	MEMORANDUM OF VARIABLE MATERIAL - Form LDB12AX-DP AR.pdf (Superseded)



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

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**MEMORANDUM OF VARIABLE MATERIAL FOR  
Form LDB12AX-DP  
September 27, 2012**

This memorandum was prepared for use with Form LDB12AX-DP, a specifications page used in conjunction with an individual whole life policy (Form LDB11AX(10) for American National Life Insurance Company of Texas. This form will be used with the policy form when the product applied for/issued is the graded death benefit product. Variable material contained within the form denoted by use of brackets.

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