

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas

**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

**Product Name:** MDB12AX

**Project Name/Number:** MDB12AX/MDB12AX

**Filing at a Glance**

Company: American National Life Insurance Company of Texas

Product Name: MDB12AX

State: Arkansas

TOI: L071 Individual Life - Whole

Sub-TOI: L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Filing Type: Form

Date Submitted: 09/27/2012

SERFF Tr Num: AMNA-128704054

SERFF Status: Closed-Approved-Closed

State Tr Num:

State Status: Approved-Closed

Co Tr Num: MDB12AX

Implementation

Date Requested:

Author(s): Tyra Reed, Amber Adams, Tobie Brink

Reviewer(s): Linda Bird (primary)

Disposition Date: 10/16/2012

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/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design  
**Product Name:** MDB12AX  
**Project Name/Number:** MDB12AX/MDB12AX

**General Information**

Project Name: MDB12AX	Status of Filing in Domicile: Pending
Project Number: MDB12AX	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: 10/16/2012
	State Status Changed: 10/16/2012
Deemer Date:	Created By: Tobie Brink
Submitted By: Tobie Brink	Corresponding Filing Tracking Number:

Filing Description:  
 September 27, 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 MDB12AX(10) – Individual Whole Life Insurance Policy  
 Form GDB12AX-DP – Specifications Page – Graded Death Benefit  
 ANL-3409R-AR – Application for Individual Life Insurance  
 SERFF Tracking Number: AMNA-128704054  
 Company Tracking Number: ANTEX Strategy

Dear Reviewer:

Please find attached the above listed forms for your organization’s review and approval. These forms will replace previously approved forms:

- Form MDB11AX(10) approved on 4/14/2011 under SERFF Tracking Number AMNA-127032750;
- Form GDB11AX-DP approved on 4/14/2011 under SERFF Tracking Number AMNA-127032750;
- ANL-3409P-AR approved on 7/5/2012 under SERFF Tracking Number AMNA-128496466

Form MDB12AX(10) is an individual whole life insurance policy with fixed premiums payable until the Insured’s attained age 121. The death benefit under the policy is a graded death benefit, and will vary based on which variation of graded death benefit product is issued. Each variation is represented by its own uniquely numbered specifications page, as described below. Policy loans are available up to the total amount of the policy’s cash value. The policy contains nonforfeiture options for paid-up insurance and cash surrender.

Form GDB12AX-DP – is the specifications page for the Graded Death Benefit. This variation:

- issue age range of minimum 50 and maximum 80
- is available on a sex distinct basis. has a minimum face amount of \$2,000 and a maximum face amount of \$25,000
- is issued on an individual basis
- is not illustrated

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**Product Name:** MDB12AX

**Project Name/Number:** MDB12AX/MDB12AX  
 -offers a reduced death benefit in years 1 and 2. The death benefit in policy year 1 is equal to 30% of the face amount. The death benefit in policy year 2 is equal to 70% of the face amount. In policy year 3 and thereafter, the death benefit is equal to 100% of the face amount. If death during any year, is a result of accidental bodily injury the death benefit is equal to 100% of the face amount. Some exclusions to accidental death apply, and are listed in the policy form.

ANL-3409R-AR is the application form used to apply for the above products. The completed application will be attached to and made a part of the policy.

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

- Statement of Variability for each form
- Actuarial Memorandum
- Certificate of Readability
- Sample Policy Summary(ies)
- 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  
 Life Policy Analyst III

## Company and Contact

### Filing Contact Information

Tobie Brink, Project Coordinator	Tobie.Brink@ANICO.com
One Moody Plaza	409-763-1112 [Phone] 4165 [Ext]
Actuarial Product Development	409-766-6933 [FAX]
14th Floor	
Galveston, TX 77550	

### Filing Company Information

American National Life Insurance Company of Texas	CoCode: 71773	State of Domicile: Texas
One Moody Plaza	Group Code: 408	Company Type: Life, Health, Annuity
Galveston, TX 77550	Group Name:	State ID Number:
(409) 763-4661 ext. 5222[Phone]	FEIN Number: 75-1016594	

## Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	Yes

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
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**Product Name:** MDB12AX  
**Project Name/Number:** MDB12AX/MDB12AX  
**Fee Explanation:** \$100 per filing -- non-exempt--policy present. Based on TX domicile fee.  
**Per Company:** No

Company	Amount	Date Processed	Transaction #
American National Life Insurance Company of Texas	\$100.00	09/27/2012	63152595

SERFF Tracking #:

AMNA-128704054

State Tracking #:

Company Tracking #:

MDB12AX

State: Arkansas

Filing Company: American National Life Insurance Company of Texas

TOI/Sub-TOI: L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name: MDB12AX

Project Name/Number: MDB12AX/MDB12AX

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	10/16/2012	10/16/2012

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Linda Bird	10/04/2012	10/04/2012

#### Response Letters

Responded By	Created On	Date Submitted
Tobie Brink	10/16/2012	10/16/2012

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design  
**Product Name:** MDB12AX  
**Project Name/Number:** MDB12AX/MDB12AX

## Disposition

Disposition Date: 10/16/2012

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	Statements of Variability		Yes
Supporting Document	Sample Policy Summary		Yes
Supporting Document	Telephone Application Process		Yes
Supporting Document	Redline Comparison of Policy Form		Yes
Supporting Document	Certification		Yes
Form (revised)	Individual Whole Life Insurance Policy		Yes
Form	Individual Whole Life Insurance Policy	Replaced	Yes
Form (revised)	Specifiications Page used with Form MDB12AX(10)		Yes
Form	Specifiications Page used with Form MDB12AX(10)	Replaced	Yes
Form	Application for Individual Life Insurance		Yes

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**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas

**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

**Product Name:** MDB12AX

**Project Name/Number:** MDB12AX/MDB12AX

## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	10/04/2012
Submitted Date	10/04/2012
Respond By Date	11/05/2012

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Dear Tobie Brink,

### Introduction:

This will acknowledge receipt of the captioned filing.

### Objection 1

Comments:

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

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 a new or revised filing submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. The policy is in violation of Guideline Two of this bulletin. Please review the bulletin and make the necessary corrections.

### Conclusion:

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,  
Linda Bird

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
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**Product Name:** MDB12AX  
**Project Name/Number:** MDB12AX/MDB12AX

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/16/2012
Submitted Date	10/16/2012

Dear Linda Bird,

### **Introduction:**

Good afternoon!!

### **Response 1**

#### **Comments:**

Yes, we provide a Guaranty notice to each policy owner. A certification has been submitted under the supporting documentation tab as requested. The policy form and data page has also been revised to remove references to accidental death.

### **Related Objection 1**

Comments:

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

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 a new or revised filing submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.

Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. The policy is in violation of Guideline Two of this bulletin. Please review the bulletin and make the necessary corrections.

### **Changed Items:**

#### **Supporting Document Schedule Item Changes**

Satisfied -Name: Certification

Comment:

State: Arkansas

Filing Company: American National Life Insurance Company of Texas

TOI/Sub-TOI: L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name: MDB12AX

Project Name/Number: MDB12AX/MDB12AX

**Form Schedule Item Changes**

Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	Form MDB12AX(10)	POL	Individual Whole Life Insurance Policy	Initial	50.100	Form MDB12AX(10).PDF	Date Submitted: 10/16/2012 By: Tobie Brink

*Previous Version*

1	Form MDB12AX(10)	POL	Individual Whole Life Insurance Policy	Initial	50.100	Form MDB12AX(10).PDF	Date Submitted: 10/16/2012 By: Tobie Brink
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2	Form GDB12AX-DP(10)	DDP	Specifications Page used with Form MDB12AX(10)	Initial	58.000	Form GDB12AX-DP(10).PDF	Date Submitted: 10/16/2012 By: Tobie Brink
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*Previous Version*

State: Arkansas

Filing Company: American National Life Insurance Company of Texas

TOI/Sub-TOI: L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name: MDB12AX

Project Name/Number: MDB12AX/MDB12AX

**Form Schedule Item Changes**

Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	Form MDB12AX(10)	POL	Individual Whole Life Insurance Policy	Initial	50.100	Form MDB12AX(10).PDF	Date Submitted: 10/16/2012 By: Tobie Brink
2	Form GDB12AX-DP	DDP	Specifications Page used with Form MDB12AX(10)	Initial	58.000	Form GDB12AX-DP AR.PDF	Date Submitted: 10/16/2012 By: Tobie Brink

No Rate/Rule Schedule items changed.

**Conclusion:**

Thank you,

Tobie Brink

Sincerely,

Tobie Brink

State: Arkansas

Filing Company: American National Life Insurance Company of Texas

TOI/Sub-TOI: L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name: MDB12AX

Project Name/Number: MDB12AX/MDB12AX

## 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 MDB12AX(10)	POL	Individual Whole Life Insurance Policy	Initial:	50.100	Form MDB12AX(10).PDF
2		Form GDB12AX-DP(10)	DDP	Specifications Page used with Form MDB12AX(10)	Initial:	58.000	Form GDB12AX-DP(10).PDF
3		ANL-3409R-AR	AEF	Application for Individual Life Insurance	Initial:	54.500	ANL-3409R-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



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

**POLICY NUMBER** [12345678] [JOHN DOE] **INSURED**

HOME OFFICE: [ONE MOODY PLAZA, GALVESTON TX 77550 ]  
ADMINISTRATIVE OFFICE: [ONE MOODY PLAZA, GALVESTON TX 77550 ]  
TELEPHONE NUMBER [(877) 862-0759 ]

*(The telephone number above is available for Policyholders to make inquiries or obtain information about their coverage and to provide assistance in resolving complaints.)*

**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS** ("We", "Us", "Our") will pay the Death Benefit to the Beneficiary subject to the provisions of this Policy. The Death Benefit is payable upon receipt at Our Administrative Office in Galveston, Texas of due Proof of Death of the Insured. This Policy is issued in consideration of the Application and payment of the Premiums as described within the Policy. This Policy is a legal contract between the Owner ("You", "Your") and Us. **READ YOUR POLICY CAREFULLY.**

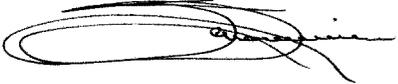
**RIGHT TO EXAMINE.** You may cancel this Policy for any reason within 30 days after this Policy is delivered. You may cancel it by returning the Policy, with a written request to cancel, to Our Administrative Office or the agent who took the Application. Any premiums paid, including any Policy Fee or other charges, will be refunded to You. The Policy will then be treated as if it were never issued.

**IMPORTANT NOTICE: THIS IS A GRADED DEATH BENEFIT POLICY AND PAYS A REDUCED DEATH BENEFIT IF DEATH OCCURS FROM ILLNESS OR NATURAL CAUSES DURING THE FIRST TWO POLICY YEARS - PLEASE READ YOUR POLICY CAREFULLY.**

Signed at Our Administrative Office at Galveston, TX on the Issue Date.

[  ]

J. Mark Flippin  
*Secretary*

[  ]

Steven Schouweiler  
*President*

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**INDIVIDUAL WHOLE LIFE INSURANCE POLICY**

- Premium Paying Period as shown on the Data Page.
  - Nonparticipating. Dividends are not payable.
  - Death Benefit payable in lump sum or as described in the Settlement Options provision.
  - This is a Modified Endowment Contract.
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## ALPHABETICAL GUIDE TO POLICY PROVISIONS

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Additional benefits and riders (if any), a copy of the Application and any supplements are attached to this Policy.

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## CONTRACT AND INTERESTED PERSONS

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**ENTIRE CONTRACT.** This Policy, any endorsements or riders, and the attached Application form the Entire Contract. The term "Application" includes the document so labeled and any supplemental applications or applications for riders, additional benefits, or reinstatements. All statements in the Application, in the absence of fraud, will be deemed representations and not warranties. No statement will be used to contest the Policy or be used in defense of a claim under it unless:

- (a) it is contained in the written Application for the Policy or rider; and,
- (b) a copy of the Application is attached to the Policy at the Issue Date, upon the addition of any rider; or upon Reinstatement.

**EFFECTIVE DATE.** This Policy takes effect on the Issue Date shown on the Data Page or as soon thereafter as the initial Premium Payment has been received at Our Administrative Office and the Policy has been delivered to You during the Insured's lifetime and same health as stated on the Application.

**OWNER.** The Owner ("You", "Your") is named on the Data Page. If the Owner is a partnership the rights belong to the partnership as it exists when a right is exercised. Before Termination of the Policy, as stated in the Termination provision, You may exercise the rights of ownership given by this Policy.

If You are a minor or otherwise legally incompetent, first the Insured, then the Beneficiary, if living and legally competent, may exercise all rights of ownership. If You die while the Insured is living, ownership will pass to the contingent owner if one is named. If there is no contingent owner, ownership will pass to Your estate. All rights of the Owner, the contingent owner, and the Beneficiary are secondary to the rights of any Assignee of record and any Irrevocable Beneficiary.

The Owner may change the ownership of the Policy by written request. The change shall take effect on the date the request is signed, unless otherwise specified by the Owner, provided that we shall not be responsible for any payments made or actions taken by Us prior to Our receipt of such request.

**INSURED.** The Insured is the person on whose death the Death Benefit will be paid and who is named such on the Data Page. The Insured has no Ownership rights under this Policy unless the Owner and the Insured is the same person or unless the Owner is not legally competent.

**BENEFICIARY.** The Beneficiary is the person named to receive the Death Benefit of this Policy in the event of the Insured's death. The initial Beneficiary is designated in the Application. If changed, the Beneficiary is the person named on the most current written request to change the Beneficiary filed and recorded by Us.

Beneficiaries will be designated as primary (first) or contingent (secondary). All Beneficiaries named as primary or first are in one class. Those named as contingent or secondary are in a different class and will not share in the proceeds of a death claim unless no Beneficiary named as primary survives the Insured as described below. All relationships are in reference to the Insured.

Unless changed by endorsement or written request filed at Our Administrative Office:

- (a) two or more class members of the same class will share proceeds equally;
- (b) surviving class members will share equally the proceeds to which a deceased Beneficiary would have been entitled; and,
- (c) if no Beneficiary survives the Insured, proceeds will be paid to the Owner's estate.

A Beneficiary will not share in any proceeds or benefits if:

- (a) the Beneficiary dies within 30 days after the Insured's Death; and,
- (b) our Administrative Office has not received Proof of Death of the Insured.

If the Beneficiary is not a Natural Person, the Beneficiary must still exist at the time of the Insured's death. All Beneficiaries' interests are secondary to any Assignment on record at the Administrative Office.

**CHANGE OF BENEFICIARY.** If there is no Assignee or Irrevocable Beneficiary, You may change a Beneficiary by filing a written request in a form acceptable to Us at Our Administrative Office. A change will not take effect until We receive Your written request and record the change at Our Administrative Office. Once recorded, the change will be effective as of the date You signed the request. The change is superseded by and limited to:

- (a) the rights if any Assignee on record; and,
- (b) the rights of an Irrevocable Beneficiary.

**IRREVOCABLE BENEFICIARY.** An Irrevocable Beneficiary is a Beneficiary whose rights under the Policy cannot be changed without his or her written consent.

**ASSIGNEE.** This Policy may be assigned or pledged to a Natural Person or a legal entity as security for a debt. The Assignee's rights under this Policy will supersede those of the Beneficiary and the Owner.

**ASSIGNMENT.** No Assignment will bind Us until recorded at Our Administrative Office. We are not obligated to determine that an Assignment is valid or sufficient. Any claim by an Assignee is subject to proof of the validity and extent of the Assignee's interest in the Policy. Unless otherwise specified by the Owner, Assignments will take effect on the date the notice of Assignment is signed by Owner, provided that We will not be responsible for any payments made or actions taken by Us prior to Our receipt of such notice.

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## DEFINITION OF TERMS

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**ATTAINED AGE.** The Insured's age at issue plus the number of Policy Years completed.

**MODIFIED ENDOWMENT CONTRACT.** Is a policy where the Premiums paid exceed the 7 Pay Premium as defined in Section 7702A of the Internal Revenue Code. A Modified Endowment Contract will still qualify for income-tax-free treatment of the Death Benefit, but may result in the loss of favorable tax treatment and possible penalties on Loans or the Cash Surrender of this Policy.

**NATURAL PERSON.** A human being only and not a trust, a corporation, or any other legally recognized non-human entity.

**PAYEE.** A person to whom any of the proceeds of the Policy are payable.

**POLICY DEBT.** The total of all unpaid Loans plus unpaid interest on the Loans.

**POLICY MONTH.** The first Policy Month begins on the Issue Date and ends on the day preceding the same date in the next calendar month. Each succeeding Policy Month begins on the same date of each calendar month. This date is also referred to as the monthly anniversary.

**POLICY YEAR.** The period beginning on the Issue Date and ending one year later and each succeeding one year period.

**PREMIUM PAYER.** The person responsible for the payment of premiums for this Policy. The Premium Payer has no Ownership rights under this Policy unless the Premium Payer is also the Owner of this Policy.

**PROOF OF DEATH.** Includes all of the following:

- (a) a certified death certificate of the Insured or other lawful evidence providing equivalent information;
- (b) a claimant statement;
- (c) the Policy;
- (d) any other information We may reasonably require to establish the validity of the claim.

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## GENERAL PROVISIONS

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**CONFORMITY WITH STATE LAW.** This Policy was approved under the authority of the insurance commissioner of the jurisdiction where it is delivered. Any provision of this Policy which on its effective date is in conflict with state law for this product type is hereby amended to conform to the state law for this product type as of the provision's effective date.

**NONPARTICIPATING POLICY.** This Policy is nonparticipating. It does not share in Our profits or surplus.

**INCONTESTABILITY.** This Policy will be incontestable after it has been in force during the Insured's lifetime for 2 years from the Issue Date, except for nonpayment of Premium and except as to any provision or condition relating to disability benefits or fraud (where permitted by the jurisdiction in which this Policy is delivered), which may be contested at any time.

An addition of a rider after this Policy's Issue Date, or Reinstatement shall be incontestable after it has been in force during the Insured's lifetime for 2 years after the date of such addition or Reinstatement, except as to any nonpayment of Premium and except as to any provision or condition relating to disability benefits or fraud (if permitted by the jurisdiction in which this Policy is delivered), which may be contested at any time.

We may only contest this Policy based on material misstatements or omissions in the Application as defined in the Entire Contract provision.

**SUICIDE.** If the Insured, whether sane or insane, dies from suicide within 2 years from the Issue Date of this Policy, We are liable only for the return of any Premiums received less any Policy Debt. The provisions of this paragraph shall also apply to an addition of a rider. For 2 years following the date of an addition, We shall be liable only for the return of Premiums paid minus any Policy Debt, if any, which result from such addition.

**MISSTATEMENT OF AGE OR SEX.** If there is misstatement of age or sex of the Insured, the Death Benefit shall be that which would have been purchased by the Premium at the correct age and sex. Amounts will be based on Our rates on the Issue Date. As used in this Policy, 'age' means age last birthday.

**POWER TO MODIFY.** Only Our President, a Vice President or the Secretary has the power to:

- (a) change this Policy;
- (b) extend the time for payment of Premiums;
- (c) waive any Policy provisions.

Any change in the Policy will be by an endorsement signed by one of the above-named officers.

**NOTICES.** All Notices, Applications, and other correspondence (including requests for a Policy change) required to be sent to Us under the terms of the Policy, or any attached rider must be mailed or delivered to Our Administrative Office in Galveston, Texas.

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## PREMIUMS

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**PREMIUM PAYMENT.** Premiums will be payable in advance of coverage being effective:

- (a) while the Insured is living;
- (b) starting on the Issue Date;
- (c) during the Premium Paying Period shown on the Data Page; and
- (d) at the Premium Mode and amount shown on the Data Page.

Premiums are payable to Our Administrative Office or to Our authorized agent in exchange for an official receipt. The receipt will be signed by the President or Secretary and will be countersigned by the agent. The Premium Mode may be changed with Our consent upon written request.

**GRACE PERIOD.** A Grace Period of 31 days is granted for each Premium Payment after the first. The Policy stays in force during this period. No interest is charged on the Premium Payment due during this time. If the Insured dies during the Grace Period, any Premium amount due will be deducted from the Death Benefit. Any payments sent via U.S. mail must be postmarked within the Grace Period.

**LAPSE.** If a Premium is not paid during the Grace Period, the Policy will Lapse, unless the Policy is continued as Paid-Up Insurance as provided for in the Nonforfeiture Benefits section.

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## DEATH BENEFIT

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**DEATH BENEFIT.** The Death Benefit is payable to the Beneficiary upon receipt by Us of satisfactory Proof of Death of the Insured while this Policy is in force.

If death is a result of natural causes during the first two Policy Years, a reduced Death Benefit, as shown on the Data Page, is payable. The insurance amount shown on the Data Page will be adjusted by the addition of:

- (1) any Premium paid by You past the end of the Policy Month of the Insured's death; minus
- (2) any unpaid Premium that may apply during a Grace Period; minus
- (3) any Policy Debt.

If death occurs in the third Policy Year or thereafter, the Death Benefit is the insurance amount as shown on the Data Page adjusted by the addition of (1) minus (2) minus (3) as defined above.

The Death Benefit payable under the terms of this Policy is also subject to any adjustments provided in the Misstatement of Age or Sex, Incontestability, and Suicide provisions.

If this Policy is in force as Paid-Up Insurance, the Death Benefit will be as described in the Nonforfeiture Benefits section.

The Death Benefit will be paid upon:

- (a) our receipt of satisfactory Proof of Death of the Insured;
- (b) our receipt of sufficient information necessary to determine the extent of the liability and the appropriate Payee legally entitled to the Death Benefit; and
- (c) removal of any legal impediments to payment of Death Benefit proceeds that result from the action of parties other than Us.

If the Death Benefit is not paid within thirty days from Our receipt and completion of the above items, interest on the Death Benefit and any refund of Premiums at death will be applied. Such interest:

- (a) will accrue from the date of death to the date of payment;
- (b) will be calculated at an effective rate of 8%.

The Death Benefit may be paid in one sum or under the Settlement Options provision of this Policy.

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## NONFORFEITURE BENEFITS

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**GUARANTEED NONFORFEITURE VALUES.** The Table of Nonforfeiture Values is shown on the Data Page and is referred to as "Table" in this section. The values shown in the Table are those available on the indicated Policy anniversary. They assume there is no Policy Debt and premiums have been paid to that Policy anniversary. Values on dates between Policy anniversaries will be determined with allowances made for the fractional part of the premium paid for that Policy Year. Values not shown in the Table will be furnished on request.

**NET CASH VALUE.** The Net Cash Value will be the cash value as determined from the Table or its extension, decreased by any Policy Debt. Paid-Up Insurance will have a cash value equal to the Paid-Up net single premium at the Insured's Attained Age. If You surrender this Policy within 31 days after a Policy anniversary, the Net Cash Value will not be less than on that anniversary.

**NONFORFEITURE OPTIONS AVAILABLE.** If any Premium is not paid at the end of the Grace Period, You may elect either the Cash Surrender Option or the Paid-Up Insurance Option. Election must be made in writing to Our Administrative Office within 60 days after the due date of any unpaid Premium. Any insurance continued as Paid-Up will not include additional benefits provided by any Rider attached to this Policy unless otherwise provided for in the Rider.

Cash Surrender Option. You may surrender this Policy for its Net Cash Value. We may defer payment of any cash surrender for not more than six months from the date of written request.

Paid-Up Insurance Option. You may continue Your Policy as nonparticipating Paid-Up Insurance for a reduced level amount payable under the same conditions as this Policy. The reduced level amount will be determined by dividing the Net Cash Value by the Paid-Up net single premium at the Insured's Attained Age. If the reduced level amount does not exceed \$500, then this Policy will be continued as extended term insurance. The extended term insurance amount will not include any reductions to the Death Benefit in Policy Years 1 and 2. The extended term insurance amount will be the amount shown on the Data Page for Policy Year 3 or thereafter less any indebtedness against the Policy, as of the date of default. The extended term insurance amount will be continued as in force term insurance. The term period will be that which the net cash value will provide when applied as a net single premium at the Insured's Attained Age.

**AUTOMATIC NONFORFEITURE OPTION.** The Paid-Up Insurance Option is the Automatic Nonforfeiture Option and will become effective as of the due date of the unpaid Premium unless You elect the Cash Surrender Option no later than 60 days after the due date of the premium in default.

**BASIS OF COMPUTATIONS.** The Cash Value at the end of any Policy Year is equal to the excess of (A) over (B):

- (A) the then present value of the future guaranteed life insurance benefits;  
This value does not include any additional insurance benefits provided by supplemental agreements attached to this Policy.
- (B) the then present value of the nonforfeiture factors for the remaining Premium paying period.  
The nonforfeiture factors are shown in the Table.

Cash Values and Nonforfeiture Benefits of this Policy are not less than the minimum values and benefits required by the state where this Policy is delivered. We have filed with the insurance regulators there, a detailed statement of the method used to compute cash values. Calculations are based on the mortality tables and rates of interest shown on the Data Page.

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## LOANS

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**LOANS.** Upon written request, We will make a Loan to You for all or part of the Net Cash Value of the Policy. At the time of the Loan request, all of these conditions must be met:

- (1) the Insured must be living;
- (2) the Policy must be in force other than as Extended Term Insurance;
- (3) the Policy must not then be subject to any Assignment;
- (4) you must assign the Policy to Us, as sole security for the Loan, on a form approved by Us.

Upon the Insured's death, the Death Benefit will be reduced by the amount of any Loan, including interest accrued to the date of death. We reserve the right to defer payment of any Loan for up to 6 months, except when such Loan is to pay a Premium due to Us.

**LOAN INTEREST RATE.** We will charge interest daily at a fixed Loan Interest Rate of 8.0% annually.

**LOAN INTEREST.** Loan Interest is payable:

- (1) on each anniversary of the Policy's Issue Date; or
- (2) on the date the Loan is paid in full, if that date comes first.

Any Loan Interest not paid when it is due will be added to the amount of the outstanding Loan.

**EXCESS POLICY DEBT.** If the Policy Debt exceeds the cash value, this Policy will Lapse without further value. In no event will coverage provided by this Policy terminate until the end of the Grace Period. We will mail notice of Termination to You at your last known address and to any Assignee of record 30 days prior to the actual Termination of the Policy.

**LOAN REPAYMENT.** All or part of a Loan on this Policy can be repaid at any time while this Policy is in force. However, if there is a Loan on the Policy on the last day of grace of a Premium in default, the Loan can be repaid only if the Policy is reinstated. Any payment not designated as a Premium Payment may be regarded as a Loan Repayment.

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## TERMINATION AND REINSTATEMENT

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**TERMINATION.** Coverage under this Policy will terminate on the first to occur of:

- (a) the Insured's death;
- (b) cessation of Premium Payments without a positive cash value;
- (c) expiration of the Grace Period;
- (d) our receipt of the Policy and Your written request for surrender of the full cash value.

**REINSTATEMENT.** You may reinstate this Policy after it has Lapsed. All of the following conditions must be met:

- (a) the Reinstatement must be within 5 years of the date of Termination;
- (b) you must complete a Reinstatement Application and any additionally required questionnaires to prove the Insured is insurable for the Policy at the same classification as on the Issue Date;
- (c) you must not have surrendered the Policy for its Cash Value;
- (d) all Premiums in arrears must be paid with compound interest (the interest rate will be 6% per year);
- (e) any Policy Debt must be reinstated or paid back with interest. The interest rate for Reinstatement of Policy Debt will be 6% per year. If the Policy Debt with interest would exceed the Cash Value of the reinstated Policy, the excess must be paid before Reinstatement will be approved.

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## SETTLEMENT OPTIONS

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**AVAILABILITY OF SETTLEMENT OPTIONS.** All or a part of the Death Benefit proceeds may be applied to any of the following options. We will first discharge in a single sum any liability under an Assignment of the Policy and any applicable Premium-related taxes, fees, or assessments imposed by any Federal, State, Municipal or other taxing authority. The remaining amount is the net sum payable. Other options can be used if agreed to by Us. If You have not elected a Settlement Option before the Insured's death, Option 2 with a certain period of 10 years will become effective. Any Settlement Option election must be written in a form that satisfies Us. Our consent is required for any of the following:

- (a) any payment to joint or successive Payees;
- (b) any payment to a corporation, association, partnership, trustee, or estate; or
- (c) any change in an option previously elected.

We do not have to apply an option on a net sum payable of less than \$5,000 for any Payee.

**SETTLEMENT OPTIONS.** Periodic annuity payments may be made on an annual, semi-annual, quarterly, or monthly basis. You may select any basis such that the periodic payment is at least \$100. The Annuity Option tables illustrate minimum guaranteed monthly payments per \$1,000. The options are:

Option 1. Payments for a Fixed Period - Equal periodic payments will be paid for a fixed number of years. The amount of the payments will be based on Table A. At Our option, additional interest may be used in the calculation of the periodic payment.

Option 2. Life Annuity with 10 or 20 Years Certain - Equal periodic payments will be paid for as long as the Payee lives with payments certain for a fixed period of 10 years under Table B or 20 years under Table C.

Option 3. Life Annuity - Equal periodic payments under Table D will be paid for as long as the Payee lives with no payments certain; We have no liability upon the Payee's death.

Option 4. Payments of a Fixed Amount - Equal periodic payments will be paid. Payments will be paid until the total of the following amounts is exhausted:

- (1) the amount applied to this option, plus
- (2) interest at the effective rate of 1.5% per year (additional interest may be used in the calculation of the periodic payment at Our discretion).

The sum of installments paid in a year must be at least \$40 for each \$1,000 of the net sum payable. The final payment will be the balance of the amount applied to this option plus interest. It may be more or less than the other payments.

Option 5: Interest Payments - We will hold the amount applied to this option at interest. Under this option, the first payment may be postponed for up to 10 years with Our consent. Interest will be paid at the effective rate of 1.5% per year (additional interest may be paid at Our discretion). On interest due dates, the Payee may make a withdrawal from the amount held. If such a withdrawal occurs, it must be for an amount of at least \$100. If the amount held falls below \$2,000, We may pay the entire amount held to the Payee and will have no further liability. You may select the payment mode for interest due dates. The available payment modes are: monthly, quarterly, semi-annual, or annual.

**GENERAL PROVISIONS RELATING TO SETTLEMENT OPTIONS.** You may surrender this Policy after You have established a Settlement Option or before the commencement of any distribution. The first payment under Option 1, 2, 3, or 4 is paid on the date the amount is applied to the option. The first payment under Option 5 is paid at the end of the first interest period. The first payment may be postponed for up to 10 years with Our consent. If so, the amount applied to the option will accumulate with compound interest at the effective rate of 1.5% per year. To avoid making payments of less than \$100 each, We can do either or both of the following:

1. change the payments to a quarterly, semi-annual, or annual basis; or
2. reduce the number of payments.

You may withhold the Beneficiary's right to assign, encumber, or commute any unpaid amount. Except to the extent permitted by law, unpaid amounts are not subject to any claims of a Beneficiary's creditor.

**COMMUTATION OF SETTLEMENT OPTIONS.** Commutation is the payment by Us of a lump sum in lieu of any future Annuity Payments. In no case may any life-contingent payments under Options 2 or 3 be commuted. At Our option, payments under the other options may be commuted. When an option is commuted, the effective interest rate used to compute the settlement option plus 1% will be used to calculate the present value of the future Annuity Payments.

If the Payee under Options 1, 2, 4 or 5 dies after payments under the option have started, We will:

- (a) under Options 1 and 2, pay the commuted value of any unpaid fixed period payments to the Payee's estate; or
- (b) under Options 4 or 5, pay any balance held by Us to the Payee's estate. With Our consent, the option elected may provide for payment in another manner.

**BASIS OF CALCULATIONS.** The payment amounts illustrated in the Settlement Option Tables are based on the Annuity 2000 Mortality Table (no projection scale used) and 1.5% interest. The attained age of the Payee when the settlement option is elected will be adjusted downward by one year for each full five year period that has elapsed since January 1, 2000. Benefits at the time of their commencement will not be less than those that would be provided by the application of the surrender value to purchase a single consideration immediate annuity contract at purchase rates offered by Us at the same time to the same class of annuitants.

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**SETTLEMENT OPTION TABLES**

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**OPTION 1 - TABLE A.**

**MONTHLY PAYMENTS FOR EACH \$1,000.00 OF THE NET SUM PAYABLE.**

Multiply the monthly payment by 2.993 to obtain the quarterly payment, by 5.969 to obtain the semi-annual payment, and by 11.868 to obtain the annual payment.

<b>Years</b>	<b>\$</b>	<b>Years</b>	<b>\$</b>	<b>Years</b>	<b>\$</b>
1	83.90	11	8.21	21	4.62
2	42.26	12	7.58	22	4.44
3	28.39	13	7.05	23	4.28
4	21.45	14	6.59	24	4.13
5	17.28	15	6.20	25	3.99
6	14.51	16	5.85	26	3.86
7	12.53	17	5.55	27	3.75
8	11.04	18	5.27	28	3.64
9	9.89	19	5.03	29	3.54
10	8.96	20	4.81	30	3.44

**OPTION 2 OR 3 - TABLES B, C, AND D.**

**MONTHLY PAYMENTS FOR LIFE FOR EACH \$1,000.00 OF THE NET SUM PAYABLE.**

Age in years means age of Payee on birthday prior to the due date of the first payment. For Tables B and C, multiply the monthly payment by 2.993 to obtain the quarterly payment, by 5.969 to obtain the semi-annual payment, and by 11.868 to obtain the annual payment.

AGE IN YEARS MALE	TABLE B Guaranteed Period 10 Years	TABLE C Guaranteed Period 20 Years	TABLE D Life Only	AGE IN YEARS FEMALE	TABLE B Guaranteed Period 10 Years	TABLE C Guaranteed Period 20 Years	TABLE D Life Only
	\$	\$	\$		\$	\$	\$
46	2.98	2.93	2.99	46	2.78	2.76	2.79
47	3.04	2.98	3.05	47	2.83	2.80	2.84
48	3.10	3.03	3.11	48	2.88	2.85	2.89
49	3.16	3.09	3.18	49	2.94	2.90	2.94
50	3.22	3.14	3.25	50	2.99	2.95	3.00
51	3.29	3.20	3.32	51	3.05	3.00	3.06
52	3.36	3.26	3.39	52	3.11	3.06	3.13
53	3.44	3.32	3.47	53	3.18	3.12	3.19
54	3.51	3.39	3.55	54	3.25	3.18	3.26
55	3.60	3.45	3.64	55	3.32	3.24	3.34
56	3.68	3.52	3.73	56	3.39	3.30	3.42
57	3.77	3.58	3.82	57	3.47	3.37	3.50
58	3.87	3.65	3.93	58	3.56	3.44	3.59
59	3.97	3.72	4.03	59	3.64	3.51	3.68
60	4.08	3.79	4.15	60	3.74	3.58	3.78
61	4.19	3.86	4.27	61	3.84	3.66	3.88
62	4.30	3.93	4.40	62	3.94	3.73	3.99
63	4.43	4.00	4.54	63	4.05	3.81	4.11
64	4.56	4.07	4.69	64	4.16	3.88	4.23
65	4.69	4.14	4.85	65	4.29	3.96	4.37
66	4.83	4.21	5.02	66	4.41	4.04	4.51
67	4.98	4.27	5.20	67	4.55	4.11	4.66
68	5.13	4.33	5.40	68	4.69	4.19	4.83
69	5.29	4.39	5.60	69	4.84	4.26	5.00
70	5.45	4.44	5.82	70	5.00	4.33	5.19
71	5.62	4.49	6.06	71	5.17	4.39	5.40
72	5.79	4.54	6.30	72	5.34	4.45	5.62
73	5.97	4.58	6.57	73	5.53	4.51	5.86
74	6.15	4.62	6.85	74	5.72	4.55	6.11
75	6.33	4.65	7.16	75	5.91	4.60	6.39
76	6.51	4.68	7.48	76	6.11	4.64	6.69
77	6.69	4.71	7.83	77	6.32	4.67	7.02
78	6.87	4.73	8.20	78	6.52	4.70	7.37
79	7.05	4.75	8.60	79	6.73	4.73	7.75
80**	7.23	4.76	9.02	80**	6.94	4.75	8.17

\*\* and over



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

HOME OFFICE: [ ONE MOODY PLAZA, GALVESTON TX 77550 ]  
ADMINISTRATIVE OFFICE: [ ONE MOODY PLAZA, GALVESTON TX 77550 ]  
TELEPHONE NUMBER [ (877) 862-0759 ]

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**INDIVIDUAL WHOLE LIFE INSURANCE POLICY**

- Premium Paying Period as shown on the Data Page.
  - Nonparticipating. Dividends are not payable.
  - Death Benefit is reduced if death of the Insured occurs within the first two Policy Years as described in the Death Benefit provision.
  - Death Benefit payable in lump sum or as described in the Settlement Options provision.
  - This is a Modified Endowment Contract.
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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]		

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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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**INSURANCE AMOUNT**

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The insurance amount payable will be one of the following, depending on the Policy Year in which the Insured dies and the cause of death.

<b>POLICY YEAR</b>	<b>ILLNESS OR OTHER NATURAL CAUSES</b>
<b>1</b>	[\$3,000]
<b>2</b>	[\$7,000]
<b>3 AND THEREAFTER</b>	[\$10,000]

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**PREMIUMS**

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<b>BENEFIT DESCRIPTION</b>	<b>INITIAL ANNUAL PREMIUM</b>	<b>PREMIUM PAYING PERIOD (YEARS)</b>
GRADED BENEFIT WHOLE LIFE TO AGE 121	[\$914.410]	[57]
Form	Form MDB12AX (10)	
Maturity Date	[September 5, 2069]	
<b>TOTAL INITIAL ANNUAL PREMIUM</b>	<b>[\$914.40]</b>	

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**MODAL PREMIUMS**

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INCLUDES PREMIUMS FOR Form MDB12AX (10) AND AN ANNUAL POLICY FEE OF \$[40.00]  
YOUR CURRENT PREMIUM MODE IS: [ANNUAL]

<b>ANNUAL</b>	<b>SEMI-ANNUAL</b>	<b>QUARTERLY</b>	<b>SPECIAL MONTHLY</b>	<b>MONTHLY</b>
[\$914.40]	[\$475.49]	[\$246.89]	[\$81.84]	[\$91.44]

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**MORTALITY TABLES**

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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:**                      [47.05]

**NONFORFEITURE INTEREST RATE**                      4.50%

**PAID UP INSURANCE**

END OF POLICY YEAR	CASH OR LOAN VALUE	REDUCED LEVEL AMOUNT	EXTENDED INSURANCE	
			YEARS	DAYS
1	[\$0.00]	[ ]	[0]	[0]
2	[\$238.60]	[ ]	[1]	[92]
3	[\$553.40]	[\$997.40]	[ ]	[ ]
4	[\$872.50]	[\$1,529.90]	[ ]	[ ]
5	[\$1,195.50]	[\$2,040.50]	[ ]	[ ]
6	[\$1,521.00]	[\$2,528.10]	[ ]	[ ]
7	[\$1,846.60]	[\$2,991.00]	[ ]	[ ]
8	[\$2,170.30]	[\$3,428.40]	[ ]	[ ]
9	[\$2,492.70]	[\$3,843.10]	[ ]	[ ]
10	[\$2,814.00]	[\$4,237.00]	[ ]	[ ]
11	[\$3,134.30]	[\$4,611.80]	[ ]	[ ]
12	[\$3,452.40]	[\$4,967.40]	[ ]	[ ]
13	[\$3,766.10]	[\$5,303.00]	[ ]	[ ]
14	[\$4,073.20]	[\$5,618.10]	[ ]	[ ]
15	[\$4,372.10]	[\$5,912.50]	[ ]	[ ]
16	[\$4,661.50]	[\$6,186.80]	[ ]	[ ]
17	[\$4,941.30]	[\$6,442.50]	[ ]	[ ]
18	[\$5,212.20]	[\$6,681.60]	[ ]	[ ]
19	[\$5,473.80]	[\$6,905.00]	[ ]	[ ]
20	[\$5,724.90]	[\$7,112.90]	[ ]	[ ]



Application for Individual Life Insurance Policy

Issued by American National Life Insurance Company of Texas [One Moody Plaza, Galveston, TX 77550-7947] Phone Number [877-862-0759]



Mailing Address [PO Box 696700 San Antonio, TX 78269-6700]

Any telephone conversation will be recorded and the information you provide is your application for life insurance.

Proposed Insured \_\_\_\_\_ Social Security Number \_\_\_\_\_

First Name Middle Initial Last Name

Birthdate (Mo-Day-Yr) \_\_\_\_\_ Age \_\_\_\_\_ Sex \_\_\_\_\_ Birthstate/Birthplace \_\_\_\_\_

Height \_\_\_\_\_ Weight \_\_\_\_\_ Marital Status: [ ] Married [ ] Single [ ] Separated [ ] Widowed [ ] Divorced

Occupation \_\_\_\_\_ Has the Proposed Insured used tobacco or nicotine in the past 12 months? [ ] Yes [ ] No

Residence Address: \_\_\_\_\_

Number and Street

City, State and Zip \_\_\_\_\_ Home Phone \_\_\_\_\_

Owner \_\_\_\_\_ Social Security Number \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address \_\_\_\_\_ Relationship \_\_\_\_\_

1. Unless specified, all Beneficiaries in the same class share equally.

Primary: Last name First name M.I. Relationship to Proposed Insured Date of Birth: Mo./Day/Yr. Gender: M/F Soc. Sec./Tax ID# Date of trust: Mo./Day/Yr. % payable

Contingent: Last name First name M.I. Relationship to Proposed Insured Date of Birth: Mo./Day/Yr. Gender: M/F Soc. Sec./Tax ID# Date of trust: Mo./Day/Yr. % payable

Contingent: Last name First name M.I. Relationship to Proposed Insured Date of Birth: Mo./Day/Yr. Gender: M/F Soc. Sec./Tax ID# Date of trust: Mo./Day/Yr. % payable

If more space is needed, complete the state appropriate form for additional beneficiary designations.

2. a. Do you have any existing life insurance or annuity coverage? [ ] Yes [ ] No If yes, provide details below. b. Will the life insurance applied for replace or use cash values of any existing life insurance or annuity policy issued by any company? [ ] Yes [ ] No If Yes, Indicate which ones \_\_\_\_\_

3. Has the Proposed Insured, in the past 5 years, made - or is any Proposed Insured contemplating making - flights as a pilot, student pilot, crew member, or observer? (If "Yes," complete and submit the appropriate questionnaire.) [ ] Yes [ ] No

PART 1 (Proposed Insured is not eligible for life insurance if any question in PART 1 is answered "Yes." If all questions are answered "No," proceed to PART 2.)

- 1. Is the Proposed Insured currently hospitalized, in a nursing home, under hospice care, or confined to a wheelchair due to disease or illness, or in need of personal or mechanical assistance in bathing and/or dressing? [ ] Yes [ ] No
2. In the past 2 years, has the Proposed Insured been diagnosed, treated, tested positive for, or been given medical advice by a member of the medical profession for a heart attack, stroke, cirrhosis of the liver or cancer (other than non-melanoma skin cancer)? [ ] Yes [ ] No
3. Has the Proposed Insured ever been diagnosed, treated, tested positive for, or been given medical advice by a member of the medical profession for human immunodeficiency virus (AIDS virus), Acquired Immune Deficiency Syndrome (AIDS), or AIDS related complex (ARC)? [ ] Yes [ ] No
4. (a) In the past 10 years, has the Proposed Insured (i) received an organ transplant or been on a waiting list for an organ transplant? [ ] Yes [ ] No (ii) received kidney dialysis, heart valve replacement, or an implanted defibrillator? [ ] Yes [ ] No (iii) been diagnosed or treated by a member of the medical profession with any of the following conditions: congestive heart failure, cardiomyopathy, Alzheimers, dementia, aneurysm, chronic hepatitis B or C, or renal failure? [ ] Yes [ ] No (iv) been diagnosed by a member of the medical profession with or received treatment for leukemia or lymphoma (Hodgkins or non-Hodgkins)? [ ] Yes [ ] No (b) In the past 5 years, has the Proposed Insured (i) been diagnosed or treated by a member of the medical profession with chronic obstructive pulmonary disease (COPD) or emphysema? [ ] Yes [ ] No (ii) received treatment for alcohol or drug use, been diagnosed by or treated by a member of the medical profession for internal cancer, malignant melanoma, stroke, cerebral vascular accident (CVA), transient ischemic attack (TIA) or pancreatitis? [ ] Yes [ ] No (c) In the past 2 years, has the Proposed Insured been diagnosed by a member of the medical profession for coronary artery disease, or atrial fibrillation, or had coronary bypass surgery, coronary angioplasty, coronary stenting or pacemaker implantation? [ ] Yes [ ] No



American National Life Insurance Company of Texas

PART 2 (Proposed Insured may require graded death benefit if any of the following is answered "Yes." If all questions are answered "No," Proposed Insured may qualify for level death benefit).

- 5. (a) In the past 5 years, has the Proposed Insured (i) been diagnosed or treated by a member of the medical profession with major depression, bipolar disorder, diabetes (requiring insulin), rheumatoid arthritis, multiple sclerosis, or Parkinson's disease? (ii) been diagnosed by a member of the medical profession with or received treatment for Crohn's disease or ulcerative colitis? (b) In the past 10 years, has the Proposed Insured (i) been diagnosed or treated by a member of the medical profession for a heart attack, coronary artery disease, atrial fibrillation or had coronary bypass surgery, coronary angioplasty or coronary stenting? (ii) In the past 10 years, has the Proposed Insured been diagnosed by a member of the medical profession with one of the following conditions: internal cancer or malignant melanoma? (c) Has the Proposed Insured been diagnosed by a member of the medical profession as having a stroke, cerebral vascular accident (CVA) or transient ischemic attack (TIA) more than 5 years ago? Plan Type: Level Death Benefit Graded Death Benefit Initial Premium Payment Face Amount Payment Method Payment Mode

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

APPLICATION DECLARATIONS AND AGREEMENTS — Each of the undersigned declare for themselves and all other interested parties, that all of the answers in all pages of this application and any supplements to it are complete and true to the best of their knowledge and belief. They also agree that:

- these answers as written: a) were given to induce American National Life Insurance Company of Texas to issue a Policy; and b) shall form the basis for and become part of any Policy issued on the application;
• except as otherwise provided in the conditional receipt no Policy will be effective until, during the lifetime of the Proposed Insured, it is: a) issued; b) delivered to the Applicant; c) the full first premium paid; and d) the Proposed Insured is in the same health as stated in the application;
• American National Life Insurance Company of Texas may issue a Policy different from that specified in this application by listing the difference(s) on the Policy Data page, and acceptance of such different Policy will be an acceptance of the changes except that no changes in: a) specified amount; and/or b) classification or c) plan of insurance will be effective unless agreed to by the Owner in writing;
• American National Life Insurance Company of Texas is not bound by any statements made by anyone or any other facts known to anyone concerning the Proposed Insured if not in writing in this application or any supplement to it; and
• only the President, a Vice President, or the Secretary of American National Life Insurance Company of Texas has the authority to waive any of American National Life Insurance Company of Texas' rights or requirements or to waive or alter any of the provisions of this application or the Policy issued on this application.

I have received the notification regarding the Federal Fair Credit Report Act and the MIB, Inc. If this life insurance application is being completed over the telephone, this notice has been read to me and a copy of the notice will be provided with the policy.

If this life insurance application is being completed over the telephone, your verbal consent by voice recording is required and will constitute an electronic signature under the law. If you agree to the statements just read to you and you consent to the use of this voice recording as an electronic signature for this life insurance application, please state your name, date of birth, and "I agree."

Signature lines for: Dated at City, State; Date; Print Agent's Name; Proposed Insured's Signature; Witnessed by: Agent's Signature; Agent's company personal code; Owner's Signature; License Identification Number



American National Life Insurance  
Company of Texas



**AUTHORIZATION TO OBTAIN, RELEASE AND DISCLOSE MEDICAL INFORMATION**

I hereby authorize any: physician, medical practitioner, hospital, clinic or other medical related facility, insurance company, insurance support organization, business partner, pharmacy, pharmacy benefit managers, government agency, group policyholder, employer, benefit plan administrator, the MIB, Inc., the Department of Motor Vehicle Registration, and paramedical facility to provide to American National Life Insurance Company of Texas, or to any agent, attorney, consumer reporting agency or independent administrator, including medical record retrieval services or pharmaceutical services, acting on American National Life Insurance Company of Texas or its reinsurers' behalf, information concerning advice, care or treatment sought by or provided to me and/or any other Applicant for coverage, including information relating to medical history, medical conditions, treatment, hospitalizations or confinements, ailments, and/or drug, alcohol or tobacco usage of the Applicant(s). It is understood that American National Life Insurance Company of Texas underwriters, claim examiners, reinsurers, attorneys, or the medical director may disclose such health information to the aforementioned parties for purposes of underwriting, compliance, record clarification or explanation, or in response to litigation, summons, or subpoenas. I understand that after this information is disclosed, the recipient may re-disclose it in accordance with other federal and state laws, resulting in a loss of protection by federal regulations.

I understand that:

1. such information will be used by American National Life Insurance Company of Texas for underwriting and insurability determinations;
2. I may refuse to sign this authorization and that my refusal to sign will affect my ability to obtain life insurance coverage;
3. a picture copy or photocopy of this authorization shall be as valid as the original; and
4. I or my authorized representative, am entitled to receive a copy of this authorization upon request.

This authorization is valid from the date signed for a duration of 24 months. I understand I may revoke the authorization, at any time, except to the extent that action has been taken in reliance on this authorization by sending written notice to the Life New Business Department of American National Life Insurance Company of Texas, One Moody Plaza, Galveston, Texas 77550-7947. I may inspect or copy any information used or disclosed under this authorization, if signed.

If this life insurance application is being completed over the telephone, your verbal consent by voice recording is required and will constitute an electronic signature under the law. If you agree to the authorization just read to you and you consent to the use of this voice recording as an electronic signature, please state your name, date of birth, and "I agree."

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Witness

Personal Representative designated by signature above is hereby authorized to execute this instrument based on: (circle one) power of attorney, guardian, guardian-in-fact, payee representative or other.

**SIGNATURE REQUIRED IF INITIAL PREMIUM WAS MADE**

I hereby certify that I have read and received the conditional receipt, and agree to its terms. I understand that American National Life Insurance Company of Texas will not permit acceptance of my payment unless this statement is true.

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

\_\_\_\_\_  
Signature of Premium Payor

\_\_\_\_\_  
Signature of Owner





American National Life Insurance Company of Texas



**CONDITIONAL RECEIPT**

**THIS RECEIPT SHALL BE VOID IF ALTERED OR MODIFIED.**

**American National Life Insurance Company of Texas  
[ One Moody Plaza, Galveston TX 77550-7947 ]**

**PREMIUM CHECK(S) MUST BE MADE PAYABLE TO AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS.  
DO NOT MAKE CHECK(S) PAYABLE TO THE AGENT OR LEAVE THE PAYEE BLANK.**

For purposes of this receipt, "the Company" refers to American National Life Insurance Company of Texas.

I have received \$ \_\_\_\_\_ in connection with an application for life insurance. If each of the following four conditions is satisfied fully, then, subject to the maximum amount limitation described below, insurance as provided by the terms and conditions of the policy applied for will become effective on the effective date, as defined below.

- (1) The payment received with the application must equal the minimum initial premium required for the plan(s) and amount(s) of insurance applied for and the mode of premium payment selected;
- (2) All initial application requirements must be completed;
- (3) On the effective date, as defined below, all persons proposed for insurance must be in the same health as stated in the application and insurable at standard premium rates for the plan(s) and amount(s) of insurance requested in the application.
- (4) There is no material misrepresentation in the application.

**MAXIMUM AMOUNT LIMITATION:** At no time and in no event shall the total liability of the Company under this receipt and all other receipts providing conditional insurance coverage with the Company on the lives of all the persons proposed for insurance exceed \$50,000.

**SPECIAL LIMITATIONS:**

- If a proposed insured dies by suicide, the Company's liability under this Conditional Receipt is limited to a refund of the payment made.
- There is no coverage under this Agreement if the check or draft submitted as payment is not honored by the bank.

**EFFECTIVE DATE MEANS THE LATEST OF:** (a) the date of completion of the application; (b) the date of completion of all medical exams and tests required by the Company; and (c) if the applicant requests a policy date which is later than the date of this receipt, the policy date requested by the applicant.

**REFUND OF PAYMENT:** If one or more of the above conditions 1, 2, 3, or 4 have not been satisfied fully, the Company's liability is limited to a refund of the amount paid. Only the president, a vice president or the secretary of the Company has the authority to waive any of the Company rights or requirements, or to waive or alter any of the provisions of this receipt or amend it in any way.

**INITIAL APPLICATION REQUIREMENTS:** Means (a) completion of all required parts of the application; (b) completion of the first medical examination, if required by the Company's underwriting rules; and (c) if more than one medical examination is initially required by the Company's underwriting rules due to the Proposed Insured's age or face amount applied for, completion of the subsequent medical examination.

Date: Month/Day/Year                      Signed at: City    State    Country

\_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_

Signature of licensed agent

**X** \_\_\_\_\_

I have read this Conditional Receipt. It has been explained to me by the agent.

Signature of Primary Proposed Insured

**X** \_\_\_\_\_

Signature of Owner

**X** \_\_\_\_\_



American National Life Insurance  
Company of Texas



**American National Life Insurance Company of Texas**  
**[One Moody Plaza, Galveston TX 77550-7947 ]**

In connection with your application, American National Life Insurance Company of Texas, or its reinsurers, may obtain medical and other information for evaluation purposes. American National Life Insurance Company of Texas may obtain that information from the MIB, Inc. or any medical professional, medically related facility, insurance support organization or insurance company who possesses information about the care, treatment or advice given you or your family. That information could concern drugs, alcoholism or mental illness. American National Life Insurance Company of Texas may also obtain an investigative consumer report on you.

**MIB, Inc. Pre-notification** – Information regarding your insurability will be treated as confidential. The American National Life Insurance Company of Texas or its reinsurer(s) 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, Inc. member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, Inc., upon request, will supply such company with the information about you in its file.

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

The American National Life Insurance Company of Texas or its reinsurer(s) 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, Inc. may be obtained on its website at [www.mib.com](http://www.mib.com). ]

**Fair Credit Reporting Act Pre-notification** – Federal and state laws require notification that, with your application, we may request an investigative consumer report. In addition, such a report may be requested subsequently to update our records or if you apply for additional coverage. Upon written request, we will inform you whether or not an investigative consumer report was requested and, if such report was requested, the address and telephone number of the investigative agency to which the request was made. By contacting the local office and providing the proper identification, you may inspect, or for the appropriate fee, receive a copy of such report. Typically, the report will contain information as to character, general reputation, personal characteristics, and mode of living, which information is obtained through an interview with you or an adult member of your family, employers or business associates, financial sources, friends, neighbors, or others with whom you are acquainted. The information will consist, when applicable, of a confirmation of your identity, age, residence, marital status, and past and present employment including occupational duties, financial information, driving record, sports and recreational activities, health history, use of alcohol or drugs if any, living conditions and type of community.

SERFF Tracking #:

AMNA-128704054

State Tracking #:

Company Tracking #:

MDB12AX

State: Arkansas

Filing Company: American National Life Insurance Company of Texas

TOI/Sub-TOI: L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name: MDB12AX

Project Name/Number: MDB12AX/MDB12AX

## Supporting Document Schedules

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

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

		Item Status:	Status Date:
Satisfied - Item:	Statements of Variability		
Comments:			
Attachment(s):			
MEMORANDUM OF VARIABLE MATERIAL -Form MDB12AX(10).pdf MEMORANDUM OF VARIABLE MATERIAL - ANL-3409R-AR.pdf MEMORANDUM OF VARIABLE MATERIAL - Form GDB12AX-DP AR.pdf			

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

		Item Status:	Status Date:
Satisfied - Item:	Telephone Application Process		

SERFF Tracking #:

AMNA-128704054

State Tracking #:

Company Tracking #:

MDB12AX

State:

Arkansas

Filing Company:

American National Life Insurance Company of Texas

TOI/Sub-TOI:

L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design

Product Name:

MDB12AX

Project Name/Number:

MDB12AX/MDB12AX

Comments:

Attachment(s):

ANTEX Telephone Application Process 20110407.pdf

Item Status:

Status Date:

Satisfied - Item:

Redline Comparison of Policy Form

Comments:

Attachment(s):

Form MDB12AX(10) Redline Comparison.PDF

Item Status:

Status Date:

Satisfied - Item:

Certification

Comments:

Attachment(s):

AR - Certification of Compliance.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 MDB12AX	Individual Whole Life Insurance Policy	50.1
Form GDB12AX-DP	Individual Whole Life Insurance Policy Data Page <i>(as scored with the policy form)</i>	58.0
ANL-3409R-AR	Application for Individual Life Insurance Policy <i>(as scored with the policy form)</i>	54.5

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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**

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Tobie Brink, Life Policy Analyst III  
Product Development – Actuarial  
Home Office : One Moody Plaza, 14<sup>th</sup> Floor  
Galveston, Texas 77550

e-mail: [tobie.brink@ANICO.com](mailto:tobie.brink@ANICO.com)  
Phone: (409) 763-4661 x 4265  
Fax: (409) 766-6522

September 27, 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 MDB12AX(10) – Individual Whole Life Insurance Policy**  
**Form GDB12AX-DP – Specifications Page – Graded Death Benefit**  
**ANL-3409R-AR – Application for Individual Life Insurance**  
**SERFF Tracking Number: AMNA-128704054**  
**Company Tracking Number: ANTEX Strategy**

Dear Reviewer:

Please find attached the above listed forms for your organization's review and approval. These forms will replace previously approved forms:

- Form MDB11AX(10) approved on 4/14/2011 under SERFF Tracking Number AMNA-127032750;
- Form GDB11AX-DP approved on 4/14/2011 under SERFF Tracking Number AMNA-127032750;
- ANL-3409P-AR approved on 7/5/2012 under SERFF Tracking Number AMNA-128496466

**Form MDB12AX(10)** is an individual whole life insurance policy with fixed premiums payable until the Insured's attained age 121. The death benefit under the policy is a graded death benefit, and will vary based on which variation of graded death benefit product is issued. Each variation is represented by its own uniquely numbered specifications page, as described below. Policy loans are available up to the total amount of the policy's cash value. The policy contains nonforfeiture options for paid-up insurance and cash surrender.

**Form GDB12AX-DP** – is the specifications page for the Graded Death Benefit. This variation:

- issue age range of minimum 50 and maximum 80
- is available on a sex distinct basis. has a minimum face amount of \$2,000 and a maximum face amount of \$25,000
- is issued on an individual basis
- is not illustrated
- offers a reduced death benefit in years 1 and 2. The death benefit in policy year 1 is equal to 30% of the face amount. The death benefit in policy year 2 is equal to 70% of the face amount. In policy year 3 and thereafter, the death benefit is equal to 100% of the face amount. If death during any year, is a result of accidental bodily injury the death benefit is equal to 100% of the face amount. Some exclusions to accidental death apply, and are listed in the policy form.

**ANL-3409R-AR** is the application form used to apply for the above products. The completed application will be attached to and made a part of the policy.

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

- Statement of Variability for each form
- Actuarial Memorandum
- Certificate of Readability
- Sample Policy Summary(ies)
- 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 MDB12AX(10)  
September 27, 2012

This memorandum was prepared for use with Form MDB12AX(10) an individual whole life policy 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 permissible variable material:

Home Office Address  
Administrative Office Address  
Business (telephone number)  
Officer Names, Titles, and Signatures

The above noted items, if changed, will be changed in accordance with department standards. It is understood that the items noted above may be changed without notice or prior approval.

The form also contains the following variable fields, considered illustrative:

Policy Number  
Issue Date

The information printed in the above fields will vary on an individual basis. The information within the field will be established on the date of issue and will not change during the lifetime of the policy.

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 as required.
- Any change or modification to a variable item shall be administered in accordance with requirements in the Variability of Information section, including any requirements for prior approval of a change or modification.

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**

**MEMORANDUM OF VARIABLE MATERIAL FOR ANL-3409R-AR**  
September 25, 2012

This memorandum was prepared for use with ANL-3409R-AR, a life application for American National Insurance Company of Texas.

Variable material contained within the form denoted by use of brackets.

**Variable Material**

The form contains the following permissible variable material:

Mailing Address  
Administrative Office Address  
Home Office Address  
Telephone Number

The above noted items, if changed, will be changed in accordance with department standards. It is understood that the items noted above may be changed without notice or prior approval.

**Medical Information Bureau (MIB) Pre-notification** - the MIB pre-notice text has been denoted as variable material to allow for updates as provided by the MIB. This field will not vary on an individual basis and would only be updated should updates from the MIB, Inc. be required for new issues.

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 as required.

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**

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**MEMORANDUM OF VARIABLE MATERIAL FOR  
Form GDB12AX-DP  
September 27, 2012**

This memorandum was prepared for use with Form GDB12AX-DP, a specifications page used in conjunction with an individual whole life policy (Form MDB12AX(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.

**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: [15/08/2012]

Plan of Insurance: [GRADED BENEFIT WHOLE LIFE TO AGE 121]

Policy Year	Death Benefit		Annual Premium(1)	Cash Surrender Value
	Illness or Natural Causes	Accidental Bodily Injury		
1	\$6,000	\$20,000	\$ 1,788.80	\$0
2	\$14,000	\$20,000	\$ 1,788.80	\$ 477.20

Policy Year	Death Benefit	Annual Premium(1)	Cash Surrender Value
3	\$ 20,000	\$ 1,788.80	\$ 1,106.80
4	\$ 20,000	\$ 1,788.80	\$ 1,475.00
5	\$ 20,000	\$ 1,788.80	\$ 2,931.00
10	\$ 20,000	\$ 1,788.80	\$ 5,628.00
20	\$ 20,000	\$ 1,788.80	\$ 11,449.80
Age 65*	\$ 20,000	\$ 1,788.80	\$ 0.00

Cost Comparison Disclosure

Indexes Per \$1000	Base Policy	
	20 YR	10 YR
Surrender Cost Index	78.89	77.56
Net Payment Cost Index	96.73	101.82

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]

American National Life Insurance Company of Texas

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ANTEX

Applicant Tele-Interview Program

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*Customer Service Center*

*Life Underwriting Support (LUS)*

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# Overview

- Agent and applicant call ANTEX Life Underwriting Support (LUS) at 877.862.0759
- Service representative (SR) collects and records (via PegaREACH) agent information and other data needed to proceed with interview
- SR confirms that applicant wants to apply for insurance and accesses electronic (PDF fillable) state specific application forms
- SR conducts the interview and completes the application forms
- SR reads state specific fraud warnings
- SR plays applicable recorded statements/disclosures/agreements required for compliance purposes in the order of the application
- SR conducts and records the Agent's Statement interview
- SR documents signature lines with required voice reference information
- SR closes the telephone interview
  - *No modifications of the application can occur once the application tele-interview has been completed*
- SR orders Experian report
- SR notes and closes the call in PegaREACH, which documents the time and date of the interview
- SR emails all application forms and reports to quality assurance for review
- Quality assurance reviews for completeness and sends to ANTEX LNB

---

## *Service Number*

- ANTEX will be supported by the LUS service team
  - *877.862.0759*
- Agent and applicant initiate call
  - *If applicant not on the line, SR will dial applicant and initiate a conference call*
- The greeting will ask ANTEX agent/applicant to select “1” for a service representative
  - *Thank you for calling American National Life Insurance Company of Texas. Your call will be recorded for quality assurance. If you are calling to complete a new application, press 1. Otherwise please stay on the line for the next available representative.*

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## *PegaREACH System*

- SR greets the applicant/agent and collects initial data via Pega
    - *Agent: Name, contact number, and PC#*
    - *Applicant: Name and resident state*
    - *Plan: Product and rate quoted*
    - *Replacement: Yes or No*
      - If yes, SR will advise agent that paper application forms must be completed and submitted
  - SR advises that all parties to the contract must be present to complete the tele-interview
  - SR clicks the ANTEX link to access electronic fillable state specific PDF application forms
-

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## *Application Process*

- Agent and applicant remain on the line
  - *Agent must remain on the line to answer application questions and complete the Agent Statement*
- Florida and Washington requirements:
  - *The agent must stay on the line and ask application questions*
  - *The agent's State Insurance License Number must be obtained and documented on the application*
- SR explains the process and reminds the applicant that the conversation is being recorded
  - *Paper application forms must be submitted if applicant refuses to have the interview recorded*

---

## *Application Process*

- SR records and confirms application data as relayed by the applicant
  - *“Ms. Smith, you stated your date of birth is xx/xx/xxxx, is that correct?”*
- SSN is not required at time of tele-interview, but may be required for approval of application
- All parties to the application must be present to provide electronic signature
- SR reads required state specific fraud warning
  - *As printed on the application*

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## *Recorded Declarations & Agreement Statement*

- SR explains that the applicant must listen to some recorded statements/disclosures to complete the application process
- SR selects the required Recorded Application Statement message from a Pega link
- SR plays the recorded Application Declarations and Agreements message
  - *As contained in the application*
- SR verifies both the applicant and agent understand the statement
  - *Agent will answer any applicant questions*

---

## *Recorded Authorization Statements*

- SR selects (from a system link) each required Recorded Authorization Statement message in the order of the application and plays to the applicant
  - *Authorization to Obtain and Use Voice Signature*
  - *Authorization to Obtain, Release and Disclose Medical Information*
  - *Authorization to My Bank: PAC Authorization*
    - If payor different from insured, payor must be present at time of call to provide electronic signature

---

## *Recorded Authorization Statements*

- Applicant must verbally state “*I agree*” to continue the tele-interview process
- SR records the “Applicant Signatures” on the corresponding signature lines
  - *Telephone signature/CSR ID/Date/Time*

---

## *Recorded Disclosure Notice*

- SR selects the required Disclosure Notice message from a Pega link
- SR plays the recorded Application Disclosure Notice message
  - *As contained in the application*
- SR verifies that the applicant understands the notice
  - *Agent will answer any applicant questions*

---

## *Interview Close*

- SR closes the interview as follows:
  - *Advises the information will be submitted to underwriting for review and a decision*
  - *Reaffirms that no insurance coverage shall be issued until an underwriting decision is offered and accepted by the applicant*
  - *Advises of an approximate review time frame, if asked*
    - Usually within 5 to 10 business days
  - *Agent answers any application questions*
  - *SR answers any new business processing questions*

---

## *Agent's Statement*

- SR completes the Agent's Statement with the active writing agent
  - *The applicant can be excused from the call at this time*
    - SR will express gratitude to applicant
- SR plays the recorded authorization for voice signature message to the agent
  - *Agent must consent by saying, "I agree"*
- SR records the "Agent's Signature" on the corresponding signature line
  - *Telephone signature/CSR ID/Date/Time*

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# *Experian Report*

- SR orders Experian report
  - *Selects the Experian link from Pega*
    - [www.experian.com](http://www.experian.com)
- Prints the report as a PDF for attachment

---

## *Application Submission*

- SR reviews all forms for completeness
  - *No modifications of the application are allowed*
- SR emails the submission (with Experian report) to quality assurance
- Quality assurance checks submission for completeness
  - *Confirms all application forms are included*
- Quality assurance emails to the ANTEX new business area for processing

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## *Additional Information*

- Absolutely no modifications of the application can occur once the application tele-interview has been completed
- The tele-interview application process strictly applies to non-replacement business ONLY
- Pennsylvania is ineligible for the tele-interview application process
  - *Paper applications are required*



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

**POLICY NUMBER** [12345678] [JOHN DOE] **INSURED**

HOME OFFICE: [ ONE MOODY PLAZA, GALVESTON TX 77550 ]  
ADMINISTRATIVE OFFICE: [ ONE MOODY PLAZA, GALVESTON TX 77550 ]  
TELEPHONE NUMBER [ (877) 862-0759 ]

*(The telephone number above is available for Policyholders to make inquiries or obtain information about their coverage and to provide assistance in resolving complaints.)*

**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS** ("We", "Us", "Our") will pay the Death Benefit to the Beneficiary subject to the provisions of this Policy. The Death Benefit is payable upon receipt at Our Administrative Office in Galveston, Texas of due Proof of Death of the Insured. This Policy is issued in consideration of the Application and payment of the Premiums as described within the Policy. This Policy is a legal contract between the Owner ("You", "Your") and Us. **READ YOUR POLICY CAREFULLY.**

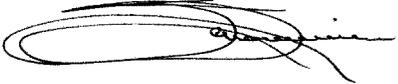
**RIGHT TO EXAMINE.** You may cancel this Policy for any reason within 30 days after this Policy is delivered. You may cancel it by returning the Policy, with a written request to cancel, to Our Administrative Office or the agent who took the Application. Any premiums paid, including any Policy Fee or other charges, will be refunded to You. The Policy will then be treated as if it were never issued.

**IMPORTANT NOTICE: THIS IS A GRADED DEATH BENEFIT POLICY AND PAYS A REDUCED DEATH BENEFIT IF DEATH OCCURS FROM ILLNESS OR NATURAL CAUSES DURING THE FIRST TWO POLICY YEARS - PLEASE READ YOUR POLICY CAREFULLY.**

Signed at Our Administrative Office at Galveston, TX on the Issue Date.

[  ]

J. Mark Flippin  
*Secretary*

[  ]

Steven Schouweiler  
*President*

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**INDIVIDUAL WHOLE LIFE INSURANCE POLICY**

- Premium Paying Period as shown on the Data Page.
  - Nonparticipating. Dividends are not payable.
  - Death Benefit payable in lump sum or as described in the Settlement Options provision.
  - This is a Modified Endowment Contract.
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## ALPHABETICAL GUIDE TO POLICY PROVISIONS

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Additional benefits and riders (if any), a copy of the Application and any supplements are attached to this Policy.

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## CONTRACT AND INTERESTED PERSONS

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**ENTIRE CONTRACT.** This Policy, any endorsements or riders, and the attached Application form the Entire Contract. The term "Application" includes the document so labeled and any supplemental applications or applications for riders, additional benefits, or reinstatements. All statements in the Application, in the absence of fraud, will be deemed representations and not warranties. No statement will be used to contest the Policy or be used in defense of a claim under it unless:

- (a) it is contained in the written Application for the Policy or rider; and,
- (b) a copy of the Application is attached to the Policy at the Issue Date, upon the addition of any rider; or upon Reinstatement.

**EFFECTIVE DATE.** This Policy takes effect on the Issue Date shown on the Data Page or as soon thereafter as the initial Premium Payment has been received at Our Administrative Office and the Policy has been delivered to You during the Insured's lifetime and same health as stated on the Application.

**OWNER.** The Owner ("You", "Your") is named on the Data Page. If the Owner is a partnership the rights belong to the partnership as it exists when a right is exercised. Before Termination of the Policy, as stated in the Termination provision, You may exercise the rights of ownership given by this Policy.

If You are a minor or otherwise legally incompetent, first the Insured, then the Beneficiary, if living and legally competent, may exercise all rights of ownership. If You die while the Insured is living, ownership will pass to the contingent owner if one is named. If there is no contingent owner, ownership will pass to Your estate. All rights of the Owner, the contingent owner, and the Beneficiary are secondary to the rights of any Assignee of record and any Irrevocable Beneficiary.

The Owner may change the ownership of the Policy by written request. The change shall take effect on the date the request is signed, unless otherwise specified by the Owner, provided that we shall not be responsible for any payments made or actions taken by Us prior to Our receipt of such request.

**INSURED.** The Insured is the person on whose death the Death Benefit will be paid and who is named such on the Data Page. The Insured has no Ownership rights under this Policy unless the Owner and the Insured is the same person or unless the Owner is not legally competent.

**BENEFICIARY.** The Beneficiary is the person named to receive the Death Benefit of this Policy in the event of the Insured's death. The initial Beneficiary is designated in the Application. If changed, the Beneficiary is the person named on the most current written request to change the Beneficiary filed and recorded by Us.

Beneficiaries will be designated as primary (first) or contingent (secondary). All Beneficiaries named as primary or first are in one class. Those named as contingent or secondary are in a different class and will not share in the proceeds of a death claim unless no Beneficiary named as primary survives the Insured as described below. All relationships are in reference to the Insured.

Unless changed by endorsement or written request filed at Our Administrative Office:

- (a) two or more class members of the same class will share proceeds equally;
- (b) surviving class members will share equally the proceeds to which a deceased Beneficiary would have been entitled; and,
- (c) if no Beneficiary survives the Insured, proceeds will be paid to the Owner's estate.

A Beneficiary will not share in any proceeds or benefits if:

- (a) the Beneficiary dies within 30 days after the Insured's Death; and,
- (b) our Administrative Office has not received Proof of Death of the Insured.

If the Beneficiary is not a Natural Person, the Beneficiary must still exist at the time of the Insured's death. All Beneficiaries' interests are secondary to any Assignment on record at the Administrative Office.

**CHANGE OF BENEFICIARY.** If there is no Assignee or Irrevocable Beneficiary, You may change a Beneficiary by filing a written request in a form acceptable to Us at Our Administrative Office. A change will not take effect until We receive Your written request and record the change at Our Administrative Office. Once recorded, the change will be effective as of the date You signed the request. The change is superseded by and limited to:

- (a) the rights if any Assignee on record; and,
- (b) the rights of an Irrevocable Beneficiary.

**IRREVOCABLE BENEFICIARY.** An Irrevocable Beneficiary is a Beneficiary whose rights under the Policy cannot be changed without his or her written consent.

**ASSIGNEE.** This Policy may be assigned or pledged to a Natural Person or a legal entity as security for a debt. The Assignee's rights under this Policy will supersede those of the Beneficiary and the Owner.

**ASSIGNMENT.** No Assignment will bind Us until recorded at Our Administrative Office. We are not obligated to determine that an Assignment is valid or sufficient. Any claim by an Assignee is subject to proof of the validity and extent of the Assignee's interest in the Policy. Unless otherwise specified by the Owner, Assignments will take effect on the date the notice of Assignment is signed by Owner, provided that We will not be responsible for any payments made or actions taken by Us prior to Our receipt of such notice.

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## DEFINITION OF TERMS

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**ATTAINED AGE.** The Insured's age at issue plus the number of Policy Years completed.

**MODIFIED ENDOWMENT CONTRACT.** Is a policy where the Premiums paid exceed the 7 Pay Premium as defined in Section 7702A of the Internal Revenue Code. A Modified Endowment Contract will still qualify for income-tax-free treatment of the Death Benefit, but may result in the loss of favorable tax treatment and possible penalties on Loans or the Cash Surrender of this Policy.

**NATURAL PERSON.** A human being only and not a trust, a corporation, or any other legally recognized non-human entity.

**PAYEE.** A person to whom any of the proceeds of the Policy are payable.

**POLICY DEBT.** The total of all unpaid Loans plus unpaid interest on the Loans.

**POLICY MONTH.** The first Policy Month begins on the Issue Date and ends on the day preceding the same date in the next calendar month. Each succeeding Policy Month begins on the same date of each calendar month. This date is also referred to as the monthly anniversary.

**POLICY YEAR.** The period beginning on the Issue Date and ending one year later and each succeeding one year period.

**PREMIUM PAYER.** The person responsible for the payment of premiums for this Policy. The Premium Payer has no Ownership rights under this Policy unless the Premium Payer is also the Owner of this Policy.

**PROOF OF DEATH.** Includes all of the following:

- (a) a certified death certificate of the Insured or other lawful evidence providing equivalent information;
- (b) a claimant statement;
- (c) the Policy;
- (d) any other information We may reasonably require to establish the validity of the claim.

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## GENERAL PROVISIONS

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**CONFORMITY WITH STATE LAW.** This Policy was approved under the authority of the insurance commissioner of the jurisdiction where it is delivered. Any provision of this Policy which on its effective date is in conflict with state law for this product type is hereby amended to conform to the state law for this product type as of the provision's effective date.

**NONPARTICIPATING POLICY.** This Policy is nonparticipating. It does not share in Our profits or surplus.

**INCONTESTABILITY.** This Policy will be incontestable after it has been in force during the Insured's lifetime for 2 years from the Issue Date, except for nonpayment of Premium and except as to any provision or condition relating to disability benefits or additional benefits for accidental death or fraud (where permitted by the jurisdiction in which this Policy is delivered), which may be contested at any time.

An addition of a rider after this Policy's Issue Date, or Reinstatement shall be incontestable after it has been in force during the Insured's lifetime for 2 years after the date of such addition or Reinstatement, except as to any nonpayment of Premium and except as to any provision or condition relating to disability benefits or additional benefits for accidental death or fraud (if permitted by the jurisdiction in which this Policy is delivered), which may be contested at any time.

We may only contest this Policy based on material misstatements or omissions in the Application as defined in the Entire Contract provision.

**SUICIDE.** If the Insured, whether sane or insane, dies from suicide within 2 years from the Issue Date of this Policy, We are liable only for the return of any Premiums received less any Policy Debt. The provisions of this paragraph shall also apply to an addition of a rider. For 2 years following the date of an addition, We shall be liable only for the return of Premiums paid minus any Policy Debt, if any, which result from such addition.

**MISSTATEMENT OF AGE OR SEX.** If there is misstatement of age or sex of the Insured, the Death Benefit shall be that which would have been purchased by the Premium at the correct age and sex. Amounts will be based on Our rates on the Issue Date. As used in this Policy, 'age' means age last birthday.

**POWER TO MODIFY.** Only Our President, a Vice President or the Secretary has the power to:

- (a) change this Policy;
- (b) extend the time for payment of Premiums;
- (c) waive any Policy provisions.

Any change in the Policy will be by an endorsement signed by one of the above-named officers.

**NOTICES.** All Notices, Applications, and other correspondence (including requests for a Policy change) required to be sent to Us under the terms of the Policy, or any attached rider must be mailed or delivered to Our Administrative Office in Galveston, Texas.

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## PREMIUMS

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**PREMIUM PAYMENT.** Premiums will be payable in advance of coverage being effective:

- (a) while the Insured is living;
- (b) starting on the Issue Date;
- (c) during the Premium Paying Period shown on the Data Page; and
- (d) at the Premium Mode and amount shown on the Data Page.

Premiums are payable to Our Administrative Office or to Our authorized agent in exchange for an official receipt. The receipt will be signed by the President or Secretary and will be countersigned by the agent. The Premium Mode may be changed with Our consent upon written request.

**GRACE PERIOD.** A Grace Period of 31 days is granted for each Premium Payment after the first. The Policy stays in force during this period. No interest is charged on the Premium Payment due during this time. If the Insured dies during the Grace Period, any Premium amount due will be deducted from the Death Benefit. Any payments sent via U.S. mail must be postmarked within the Grace Period.

**LAPSE.** If a Premium is not paid during the Grace Period, the Policy will Lapse, unless the Policy is continued as Paid-Up Insurance as provided for in the Nonforfeiture Benefits section.

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## DEATH BENEFIT

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**DEATH BENEFIT.** The Death Benefit is payable to the Beneficiary upon receipt by Us of satisfactory Proof of Death of the Insured while this Policy is in force.

If death is a result of natural causes during the first two Policy Years, a reduced Death Benefit, as shown on the Data Page, is payable. The insurance amount shown on the Data Page will be adjusted by the addition of:

- (1) any Premium paid by You past the end of the Policy Month of the Insured's death; minus
- (2) any unpaid Premium that may apply during a Grace Period; minus
- (3) any Policy Debt.

If death during the first two Policy Years is a direct result of accidental bodily injury, subject to the Exclusions to Accidental Death provision; or for death regardless of cause, in the third Policy Year or thereafter: the Death Benefit is the insurance amount as shown on the Data Page adjusted by the addition of (1) minus (2) minus (3) as defined above.

The Death Benefit payable under the terms of this Policy is also subject to any adjustments provided in the Misstatement of Age or Sex, Incontestability, and Suicide provisions.

If this Policy is in force as Paid-Up Insurance, the Death Benefit will be as described in the Nonforfeiture Benefits section.

The Death Benefit will be paid upon:

- (a) our receipt of satisfactory Proof of Death of the Insured;
- (b) our receipt of sufficient information necessary to determine the extent of the liability and the appropriate Payee legally entitled to the Death Benefit; and
- (c) removal of any legal impediments to payment of Death Benefit proceeds that result from the action of parties other than Us.

If the Death Benefit is not paid within thirty days from Our receipt and completion of the above items, interest on the Death Benefit and any refund of Premiums at death will be applied. Such interest:

- (a) will accrue from the date of death to the date of payment;
- (b) will be calculated at an effective rate of 8%.

The Death Benefit may be paid in one sum or under the Settlement Options provision of this Policy.

**EXCLUSIONS TO ACCIDENTAL DEATH.** Death as a result of accidental bodily injury during the first two Policy Years will be paid as described in the Death Benefit provision unless death was caused or contributed by any of the following:

- (1) suicide, intentionally self-inflicted injury, or any attempt thereat, while sane or insane;
- (2) the commission of a felony;
- (3) war, declared or not, while the Insured is a member of the armed services or is a civilian serving in a war zone;
- (4) participating in a riot;
- (5) travel or flight in or descent from any aircraft if the Insured acted in a capacity other than as a fare-paying passenger on a scheduled airline;
- (6) illness or disease including medical or surgical treatments; or
- (7) voluntary intake or use by any means of drugs, narcotics or hallucinogens, except those prescribed or administered by a physician and taken in accordance with the physician's instructions.

After the second Policy Year, the Exclusions regarding accidental bodily injury do not apply.

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## NONFORFEITURE BENEFITS

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**GUARANTEED NONFORFEITURE VALUES.** The Table of Nonforfeiture Values is shown on the Data Page and is referred to as "Table" in this section. The values shown in the Table are those available on the indicated Policy anniversary. They assume there is no Policy Debt and premiums have been paid to that Policy anniversary. Values on dates between Policy anniversaries will be determined with allowances made for the fractional part of the premium paid for that Policy Year. Values not shown in the Table will be furnished on request.

**NET CASH VALUE.** The Net Cash Value will be the cash value as determined from the Table or its extension, decreased by any Policy Debt. Paid-Up Insurance will have a cash value equal to the Paid-Up net single premium at the Insured's Attained Age. If You surrender this Policy within 31 days after a Policy anniversary, the Net Cash Value will not be less than on that anniversary.

**NONFORFEITURE OPTIONS AVAILABLE.** If any Premium is not paid at the end of the Grace Period, You may elect either the Cash Surrender Option or the Paid-Up Insurance Option. Election must be made in writing to Our Administrative Office within 60 days after the due date of any unpaid Premium. Any insurance continued as Paid-Up will not include additional benefits provided by any Rider attached to this Policy unless otherwise provided for in the Rider.

Cash Surrender Option. You may surrender this Policy for its Net Cash Value. We may defer payment of any cash surrender for not more than six months from the date of written request.

Paid-Up Insurance Option. You may continue Your Policy as nonparticipating Paid-Up Insurance for a reduced level amount payable under the same conditions as this Policy. The reduced level amount will be determined by dividing the Net Cash Value by the Paid-Up net single premium at the Insured's Attained Age. If the reduced level amount does not exceed \$500, then this Policy will be continued as extended term insurance. The extended term insurance amount will not include any reductions to the Death Benefit in Policy Years 1 and 2. The extended term insurance amount will be the amount shown on the Data Page for Policy Year 3 or thereafter less any indebtedness against the Policy, as of the date of default. The extended term insurance amount will be continued as in force term insurance. The term period will be that which the net cash value will provide when applied as a net single premium at the Insured's Attained Age.

**AUTOMATIC NONFORFEITURE OPTION.** The Paid-Up Insurance Option is the Automatic Nonforfeiture Option and will become effective as of the due date of the unpaid Premium unless You elect the Cash Surrender Option no later than 60 days after the due date of the premium in default.

**BASIS OF COMPUTATIONS.** The Cash Value at the end of any Policy Year is equal to the excess of (A) over (B):

- (A) the then present value of the future guaranteed life insurance benefits;  
This value does not include any additional insurance benefits provided by supplemental agreements attached to this Policy.
- (B) the then present value of the nonforfeiture factors for the remaining Premium paying period.  
The nonforfeiture factors are shown in the Table.

Cash Values and Nonforfeiture Benefits of this Policy are not less than the minimum values and benefits required by the state where this Policy is delivered. We have filed with the insurance regulators there, a detailed statement of the method used to compute cash values. Calculations are based on the mortality tables and rates of interest shown on the Data Page.

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## LOANS

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**LOANS.** Upon written request, We will make a Loan to You for all or part of the Net Cash Value of the Policy. At the time of the Loan request, all of these conditions must be met:

- (1) the Insured must be living;
- (2) the Policy must be in force other than as Extended Term Insurance;
- (3) the Policy must not then be subject to any Assignment;
- (4) you must assign the Policy to Us, as sole security for the Loan, on a form approved by Us.

Upon the Insured's death, the Death Benefit will be reduced by the amount of any Loan, including interest accrued to the date of death. We reserve the right to defer payment of any Loan for up to 6 months, except when such Loan is to pay a Premium due to Us.

**LOAN INTEREST RATE.** We will charge interest daily at a fixed Loan Interest Rate of 8.0% annually.

**LOAN INTEREST.** Loan Interest is payable:

- (1) on each anniversary of the Policy's Issue Date; or
- (2) on the date the Loan is paid in full, if that date comes first.

Any Loan Interest not paid when it is due will be added to the amount of the outstanding Loan.

**EXCESS POLICY DEBT.** If the Policy Debt exceeds the cash value, this Policy will Lapse without further value. In no event will coverage provided by this Policy terminate until the end of the Grace Period. We will mail notice of Termination to You at your last known address and to any Assignee of record 30 days prior to the actual Termination of the Policy.

**LOAN REPAYMENT.** All or part of a Loan on this Policy can be repaid at any time while this Policy is in force. However, if there is a Loan on the Policy on the last day of grace of a Premium in default, the Loan can be repaid only if the Policy is reinstated. Any payment not designated as a Premium Payment may be regarded as a Loan Repayment.

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## TERMINATION AND REINSTATEMENT

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**TERMINATION.** Coverage under this Policy will terminate on the first to occur of:

- (a) the Insured's death;
- (b) cessation of Premium Payments without a positive cash value;
- (c) expiration of the Grace Period;
- (d) our receipt of the Policy and Your written request for surrender of the full cash value.

**REINSTATEMENT.** You may reinstate this Policy after it has Lapsed. All of the following conditions must be met:

- (a) the Reinstatement must be within 5 years of the date of Termination;
- (b) you must complete a Reinstatement Application and any additionally required questionnaires to prove the Insured is insurable for the Policy at the same classification as on the Issue Date;
- (c) you must not have surrendered the Policy for its Cash Value;
- (d) all Premiums in arrears must be paid with compound interest (the interest rate will be 6% per year);
- (e) any Policy Debt must be reinstated or paid back with interest. The interest rate for Reinstatement of Policy Debt will be 6% per year. If the Policy Debt with interest would exceed the Cash Value of the reinstated Policy, the excess must be paid before Reinstatement will be approved.

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## SETTLEMENT OPTIONS

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**AVAILABILITY OF SETTLEMENT OPTIONS.** All or a part of the Death Benefit proceeds may be applied to any of the following options. We will first discharge in a single sum any liability under an Assignment of the Policy and any applicable Premium-related taxes, fees, or assessments imposed by any Federal, State, Municipal or other taxing authority. The remaining amount is the net sum payable. Other options can be used if agreed to by Us. If You have not elected a Settlement Option before the Insured's death, Option 2 with a certain period of 10 years will become effective. Any Settlement Option election must be written in a form that satisfies Us. Our consent is required for any of the following:

- (a) any payment to joint or successive Payees;
- (b) any payment to a corporation, association, partnership, trustee, or estate; or
- (c) any change in an option previously elected.

We do not have to apply an option on a net sum payable of less than \$5,000 for any Payee.

**SETTLEMENT OPTIONS.** Periodic annuity payments may be made on an annual, semi-annual, quarterly, or monthly basis. You may select any basis such that the periodic payment is at least \$100. The Annuity Option tables illustrate minimum guaranteed monthly payments per \$1,000. The options are:

Option 1. Payments for a Fixed Period - Equal periodic payments will be paid for a fixed number of years. The amount of the payments will be based on Table A. At Our option, additional interest may be used in the calculation of the periodic payment.

Option 2. Life Annuity with 10 or 20 Years Certain - Equal periodic payments will be paid for as long as the Payee lives with payments certain for a fixed period of 10 years under Table B or 20 years under Table C.

Option 3. Life Annuity - Equal periodic payments under Table D will be paid for as long as the Payee lives with no payments certain; We have no liability upon the Payee's death.

Option 4. Payments of a Fixed Amount - Equal periodic payments will be paid. Payments will be paid until the total of the following amounts is exhausted:

- (1) the amount applied to this option, plus
- (2) interest at the effective rate of 1.5% per year (additional interest may be used in the calculation of the periodic payment at Our discretion).

The sum of installments paid in a year must be at least \$40 for each \$1,000 of the net sum payable. The final payment will be the balance of the amount applied to this option plus interest. It may be more or less than the other payments.

Option 5: Interest Payments - We will hold the amount applied to this option at interest. Under this option, the first payment may be postponed for up to 10 years with Our consent. Interest will be paid at the effective rate of 1.5% per year (additional interest may be paid at Our discretion). On interest due dates, the Payee may make a withdrawal from the amount held. If such a withdrawal occurs, it must be for an amount of at least \$100. If the amount held falls below \$2,000, We may pay the entire amount held to the Payee and will have no further liability. You may select the payment mode for interest due dates. The available payment modes are: monthly, quarterly, semi-annual, or annual.

**GENERAL PROVISIONS RELATING TO SETTLEMENT OPTIONS.** You may surrender this Policy after You have established a Settlement Option or before the commencement of any distribution. The first payment under Option 1, 2, 3, or 4 is paid on the date the amount is applied to the option. The first payment under Option 5 is paid at the end of the first interest period. The first payment may be postponed for up to 10 years with Our consent. If so, the amount applied to the option will accumulate with compound interest at the effective rate of 1.5% per year. To avoid making payments of less than \$100 each, We can do either or both of the following:

1. change the payments to a quarterly, semi-annual, or annual basis; or
2. reduce the number of payments.

You may withhold the Beneficiary's right to assign, encumber, or commute any unpaid amount. Except to the extent permitted by law, unpaid amounts are not subject to any claims of a Beneficiary's creditor.

**COMMUTATION OF SETTLEMENT OPTIONS.** Commutation is the payment by Us of a lump sum in lieu of any future Annuity Payments. In no case may any life-contingent payments under Options 2 or 3 be commuted. At Our option, payments under the other options may be commuted. When an option is commuted, the effective interest rate used to compute the settlement option plus 1% will be used to calculate the present value of the future Annuity Payments.

If the Payee under Options 1, 2, 4 or 5 dies after payments under the option have started, We will:

- (a) under Options 1 and 2, pay the commuted value of any unpaid fixed period payments to the Payee's estate; or
- (b) under Options 4 or 5, pay any balance held by Us to the Payee's estate. With Our consent, the option elected may provide for payment in another manner.

**BASIS OF CALCULATIONS.** The payment amounts illustrated in the Settlement Option Tables are based on the Annuity 2000 Mortality Table (no projection scale used) and 1.5% interest. The attained age of the Payee when the settlement option is elected will be adjusted downward by one year for each full five year period that has elapsed since January 1, 2000. Benefits at the time of their commencement will not be less than those that would be provided by the application of the surrender value to purchase a single consideration immediate annuity contract at purchase rates offered by Us at the same time to the same class of annuitants.

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**SETTLEMENT OPTION TABLES**

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**OPTION 1 - TABLE A.****MONTHLY PAYMENTS FOR EACH \$1,000.00 OF THE NET SUM PAYABLE.**

Multiply the monthly payment by 2.993 to obtain the quarterly payment, by 5.969 to obtain the semi-annual payment, and by 11.868 to obtain the annual payment.

<b>Years</b>	<b>\$</b>	<b>Years</b>	<b>\$</b>	<b>Years</b>	<b>\$</b>
1	83.90	11	8.21	21	4.62
2	42.26	12	7.58	22	4.44
3	28.39	13	7.05	23	4.28
4	21.45	14	6.59	24	4.13
5	17.28	15	6.20	25	3.99
6	14.51	16	5.85	26	3.86
7	12.53	17	5.55	27	3.75
8	11.04	18	5.27	28	3.64
9	9.89	19	5.03	29	3.54
10	8.96	20	4.81	30	3.44

**OPTION 2 OR 3 - TABLES B, C, AND D.**

**MONTHLY PAYMENTS FOR LIFE FOR EACH \$1,000.00 OF THE NET SUM PAYABLE.**

Age in years means age of Payee on birthday prior to the due date of the first payment. For Tables B and C, multiply the monthly payment by 2.993 to obtain the quarterly payment, by 5.969 to obtain the semi-annual payment, and by 11.868 to obtain the annual payment.

AGE IN YEARS MALE	TABLE B Guaranteed Period 10 Years	TABLE C Guaranteed Period 20 Years	TABLE D Life Only	AGE IN YEARS FEMALE	TABLE B Guaranteed Period 10 Years	TABLE C Guaranteed Period 20 Years	TABLE D Life Only
	\$	\$	\$		\$	\$	\$
46	2.98	2.93	2.99	46	2.78	2.76	2.79
47	3.04	2.98	3.05	47	2.83	2.80	2.84
48	3.10	3.03	3.11	48	2.88	2.85	2.89
49	3.16	3.09	3.18	49	2.94	2.90	2.94
50	3.22	3.14	3.25	50	2.99	2.95	3.00
51	3.29	3.20	3.32	51	3.05	3.00	3.06
52	3.36	3.26	3.39	52	3.11	3.06	3.13
53	3.44	3.32	3.47	53	3.18	3.12	3.19
54	3.51	3.39	3.55	54	3.25	3.18	3.26
55	3.60	3.45	3.64	55	3.32	3.24	3.34
56	3.68	3.52	3.73	56	3.39	3.30	3.42
57	3.77	3.58	3.82	57	3.47	3.37	3.50
58	3.87	3.65	3.93	58	3.56	3.44	3.59
59	3.97	3.72	4.03	59	3.64	3.51	3.68
60	4.08	3.79	4.15	60	3.74	3.58	3.78
61	4.19	3.86	4.27	61	3.84	3.66	3.88
62	4.30	3.93	4.40	62	3.94	3.73	3.99
63	4.43	4.00	4.54	63	4.05	3.81	4.11
64	4.56	4.07	4.69	64	4.16	3.88	4.23
65	4.69	4.14	4.85	65	4.29	3.96	4.37
66	4.83	4.21	5.02	66	4.41	4.04	4.51
67	4.98	4.27	5.20	67	4.55	4.11	4.66
68	5.13	4.33	5.40	68	4.69	4.19	4.83
69	5.29	4.39	5.60	69	4.84	4.26	5.00
70	5.45	4.44	5.82	70	5.00	4.33	5.19
71	5.62	4.49	6.06	71	5.17	4.39	5.40
72	5.79	4.54	6.30	72	5.34	4.45	5.62
73	5.97	4.58	6.57	73	5.53	4.51	5.86
74	6.15	4.62	6.85	74	5.72	4.55	6.11
75	6.33	4.65	7.16	75	5.91	4.60	6.39
76	6.51	4.68	7.48	76	6.11	4.64	6.69
77	6.69	4.71	7.83	77	6.32	4.67	7.02
78	6.87	4.73	8.20	78	6.52	4.70	7.37
79	7.05	4.75	8.60	79	6.73	4.73	7.75
80**	7.23	4.76	9.02	80**	6.94	4.75	8.17

\*\* and over



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

HOME OFFICE: [ONE MOODY PLAZA, GALVESTON TX 77550 ]  
ADMINISTRATIVE OFFICE: [ONE MOODY PLAZA, GALVESTON TX 77550 ]  
TELEPHONE NUMBER [ (877) 862-0759 ]

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**INDIVIDUAL WHOLE LIFE INSURANCE POLICY**

- Premium Paying Period as shown on the Data Page.
  - Nonparticipating. Dividends are not payable.
  - Death Benefit is reduced if death of the Insured occurs within the first two Policy Years as described in the Death Benefit provision.
  - Death Benefit payable in lump sum or as described in the Settlement Options provision.
  - This is a Modified Endowment Contract.
-



AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS

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## CERTIFICATION OF COMPLIANCE

The Company has reviewed the captioned form(s) below, and certifies that to the best of its knowledge and belief, the form(s) submitted is (are) in compliance with the following:

Rule & Regulation 19  
Rule & Regulation 49  
ACA 23-79-138 and Bulletin 15-2009  
ACA 23-80-206 (Flesch Certification, minimum of 40)

<u>Form</u>	<u>Form Name</u>	<u>Scoring(s)</u>
Form MDB12AX(10)	Individual Whole Life Insurance Policy	58.0
Form GDB12AX-DP(10)	Specifications Page used with Form MDB12AX(10)	

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

**State:** Arkansas **Filing Company:** American National Life Insurance Company of Texas  
**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.201 Early Duration Reduced Benefit - Level Premium - Any Policy Design  
**Product Name:** MDB12AX  
**Project Name/Number:** MDB12AX/MDB12AX

## 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	Form	Individual Whole Life Insurance Policy	10/16/2012	Form MDB12AX(10).PDF (Superseded)
09/27/2012	Form	Specifiications Page used with Form MDB12AX(10)	10/16/2012	Form GDB12AX-DP AR.PDF (Superseded)



AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS

POLICY NUMBER [12345678] [JOHN DOE] INSURED

HOME OFFICE: [ ONE MOODY PLAZA, GALVESTON TX 77550 ]  
ADMINISTRATIVE OFFICE: [ ONE MOODY PLAZA, GALVESTON TX 77550 ]  
TELEPHONE NUMBER [ (877) 862-0759 ]

*(The telephone number above is available for Policyholders to make inquiries or obtain information about their coverage and to provide assistance in resolving complaints.)*

**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS** ("We", "Us", "Our") will pay the Death Benefit to the Beneficiary subject to the provisions of this Policy. The Death Benefit is payable upon receipt at Our Administrative Office in Galveston, Texas of due Proof of Death of the Insured. This Policy is issued in consideration of the Application and payment of the Premiums as described within the Policy. This Policy is a legal contract between the Owner ("You", "Your") and Us. **READ YOUR POLICY CAREFULLY.**

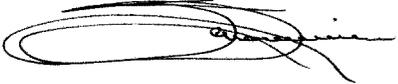
**RIGHT TO EXAMINE.** You may cancel this Policy for any reason within 30 days after this Policy is delivered. You may cancel it by returning the Policy, with a written request to cancel, to Our Administrative Office or the agent who took the Application. Any premiums paid, including any Policy Fee or other charges, will be refunded to You. The Policy will then be treated as if it were never issued.

**IMPORTANT NOTICE: THIS IS A GRADED DEATH BENEFIT POLICY AND PAYS A REDUCED DEATH BENEFIT IF DEATH OCCURS FROM ILLNESS OR NATURAL CAUSES DURING THE FIRST TWO POLICY YEARS - PLEASE READ YOUR POLICY CAREFULLY.**

Signed at Our Administrative Office at Galveston, TX on the Issue Date.

[  ]

J. Mark Flippin  
Secretary

[  ]

Steven Schouweiler  
President

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**INDIVIDUAL WHOLE LIFE INSURANCE POLICY**

- Premium Paying Period as shown on the Data Page.
  - Nonparticipating. Dividends are not payable.
  - Death Benefit payable in lump sum or as described in the Settlement Options provision.
  - This is a Modified Endowment Contract.
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## ALPHABETICAL GUIDE TO POLICY PROVISIONS

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Additional benefits and riders (if any), a copy of the Application and any supplements are attached to this Policy.

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## CONTRACT AND INTERESTED PERSONS

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**ENTIRE CONTRACT.** This Policy, any endorsements or riders, and the attached Application form the Entire Contract. The term "Application" includes the document so labeled and any supplemental applications or applications for riders, additional benefits, or reinstatements. All statements in the Application, in the absence of fraud, will be deemed representations and not warranties. No statement will be used to contest the Policy or be used in defense of a claim under it unless:

- (a) it is contained in the written Application for the Policy or rider; and,
- (b) a copy of the Application is attached to the Policy at the Issue Date, upon the addition of any rider; or upon Reinstatement.

**EFFECTIVE DATE.** This Policy takes effect on the Issue Date shown on the Data Page or as soon thereafter as the initial Premium Payment has been received at Our Administrative Office and the Policy has been delivered to You during the Insured's lifetime and same health as stated on the Application.

**OWNER.** The Owner ("You", "Your") is named on the Data Page. If the Owner is a partnership the rights belong to the partnership as it exists when a right is exercised. Before Termination of the Policy, as stated in the Termination provision, You may exercise the rights of ownership given by this Policy.

If You are a minor or otherwise legally incompetent, first the Insured, then the Beneficiary, if living and legally competent, may exercise all rights of ownership. If You die while the Insured is living, ownership will pass to the contingent owner if one is named. If there is no contingent owner, ownership will pass to Your estate. All rights of the Owner, the contingent owner, and the Beneficiary are secondary to the rights of any Assignee of record and any Irrevocable Beneficiary.

The Owner may change the ownership of the Policy by written request. The change shall take effect on the date the request is signed, unless otherwise specified by the Owner, provided that we shall not be responsible for any payments made or actions taken by Us prior to Our receipt of such request.

**INSURED.** The Insured is the person on whose death the Death Benefit will be paid and who is named such on the Data Page. The Insured has no Ownership rights under this Policy unless the Owner and the Insured is the same person or unless the Owner is not legally competent.

**BENEFICIARY.** The Beneficiary is the person named to receive the Death Benefit of this Policy in the event of the Insured's death. The initial Beneficiary is designated in the Application. If changed, the Beneficiary is the person named on the most current written request to change the Beneficiary filed and recorded by Us.

Beneficiaries will be designated as primary (first) or contingent (secondary). All Beneficiaries named as primary or first are in one class. Those named as contingent or secondary are in a different class and will not share in the proceeds of a death claim unless no Beneficiary named as primary survives the Insured as described below. All relationships are in reference to the Insured.

Unless changed by endorsement or written request filed at Our Administrative Office:

- (a) two or more class members of the same class will share proceeds equally;
- (b) surviving class members will share equally the proceeds to which a deceased Beneficiary would have been entitled; and,
- (c) if no Beneficiary survives the Insured, proceeds will be paid to the Owner's estate.

A Beneficiary will not share in any proceeds or benefits if:

- (a) the Beneficiary dies within 30 days after the Insured's Death; and,
- (b) our Administrative Office has not received Proof of Death of the Insured.

If the Beneficiary is not a Natural Person, the Beneficiary must still exist at the time of the Insured's death. All Beneficiaries' interests are secondary to any Assignment on record at the Administrative Office.

**CHANGE OF BENEFICIARY.** If there is no Assignee or Irrevocable Beneficiary, You may change a Beneficiary by filing a written request in a form acceptable to Us at Our Administrative Office. A change will not take effect until We receive Your written request and record the change at Our Administrative Office. Once recorded, the change will be effective as of the date You signed the request. The change is superseded by and limited to:

- (a) the rights if any Assignee on record; and,
- (b) the rights of an Irrevocable Beneficiary.

**IRREVOCABLE BENEFICIARY.** An Irrevocable Beneficiary is a Beneficiary whose rights under the Policy cannot be changed without his or her written consent.

**ASSIGNEE.** This Policy may be assigned or pledged to a Natural Person or a legal entity as security for a debt. The Assignee's rights under this Policy will supersede those of the Beneficiary and the Owner.

**ASSIGNMENT.** No Assignment will bind Us until recorded at Our Administrative Office. We are not obligated to determine that an Assignment is valid or sufficient. Any claim by an Assignee is subject to proof of the validity and extent of the Assignee's interest in the Policy. Unless otherwise specified by the Owner, Assignments will take effect on the date the notice of Assignment is signed by Owner, provided that We will not be responsible for any payments made or actions taken by Us prior to Our receipt of such notice.

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## DEFINITION OF TERMS

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**ATTAINED AGE.** The Insured's age at issue plus the number of Policy Years completed.

**MODIFIED ENDOWMENT CONTRACT.** Is a policy where the Premiums paid exceed the 7 Pay Premium as defined in Section 7702A of the Internal Revenue Code. A Modified Endowment Contract will still qualify for income-tax-free treatment of the Death Benefit, but may result in the loss of favorable tax treatment and possible penalties on Loans or the Cash Surrender of this Policy.

**NATURAL PERSON.** A human being only and not a trust, a corporation, or any other legally recognized non-human entity.

**PAYEE.** A person to whom any of the proceeds of the Policy are payable.

**POLICY DEBT.** The total of all unpaid Loans plus unpaid interest on the Loans.

**POLICY MONTH.** The first Policy Month begins on the Issue Date and ends on the day preceding the same date in the next calendar month. Each succeeding Policy Month begins on the same date of each calendar month. This date is also referred to as the monthly anniversary.

**POLICY YEAR.** The period beginning on the Issue Date and ending one year later and each succeeding one year period.

**PREMIUM PAYER.** The person responsible for the payment of premiums for this Policy. The Premium Payer has no Ownership rights under this Policy unless the Premium Payer is also the Owner of this Policy.

**PROOF OF DEATH.** Includes all of the following:

- (a) a certified death certificate of the Insured or other lawful evidence providing equivalent information;
- (b) a claimant statement;
- (c) the Policy;
- (d) any other information We may reasonably require to establish the validity of the claim.

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## GENERAL PROVISIONS

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**CONFORMITY WITH STATE LAW.** This Policy was approved under the authority of the insurance commissioner of the jurisdiction where it is delivered. Any provision of this Policy which on its effective date is in conflict with state law for this product type is hereby amended to conform to the state law for this product type as of the provision's effective date.

**NONPARTICIPATING POLICY.** This Policy is nonparticipating. It does not share in Our profits or surplus.

**INCONTESTABILITY.** This Policy will be incontestable after it has been in force during the Insured's lifetime for 2 years from the Issue Date, except for nonpayment of Premium and except as to any provision or condition relating to disability benefits or additional benefits for accidental death or fraud (where permitted by the jurisdiction in which this Policy is delivered), which may be contested at any time.

An addition of a rider after this Policy's Issue Date, or Reinstatement shall be incontestable after it has been in force during the Insured's lifetime for 2 years after the date of such addition or Reinstatement, except as to any nonpayment of Premium and except as to any provision or condition relating to disability benefits or additional benefits for accidental death or fraud (if permitted by the jurisdiction in which this Policy is delivered), which may be contested at any time.

We may only contest this Policy based on material misstatements or omissions in the Application as defined in the Entire Contract provision.

**SUICIDE.** If the Insured, whether sane or insane, dies from suicide within 2 years from the Issue Date of this Policy, We are liable only for the return of any Premiums received less any Policy Debt. The provisions of this paragraph shall also apply to an addition of a rider. For 2 years following the date of an addition, We shall be liable only for the return of Premiums paid minus any Policy Debt, if any, which result from such addition.

**MISSTATEMENT OF AGE OR SEX.** If there is misstatement of age or sex of the Insured, the Death Benefit shall be that which would have been purchased by the Premium at the correct age and sex. Amounts will be based on Our rates on the Issue Date. As used in this Policy, 'age' means age last birthday.

**POWER TO MODIFY.** Only Our President, a Vice President or the Secretary has the power to:

- (a) change this Policy;
- (b) extend the time for payment of Premiums;
- (c) waive any Policy provisions.

Any change in the Policy will be by an endorsement signed by one of the above-named officers.

**NOTICES.** All Notices, Applications, and other correspondence (including requests for a Policy change) required to be sent to Us under the terms of the Policy, or any attached rider must be mailed or delivered to Our Administrative Office in Galveston, Texas.

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## PREMIUMS

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**PREMIUM PAYMENT.** Premiums will be payable in advance of coverage being effective:

- (a) while the Insured is living;
- (b) starting on the Issue Date;
- (c) during the Premium Paying Period shown on the Data Page; and
- (d) at the Premium Mode and amount shown on the Data Page.

Premiums are payable to Our Administrative Office or to Our authorized agent in exchange for an official receipt. The receipt will be signed by the President or Secretary and will be countersigned by the agent. The Premium Mode may be changed with Our consent upon written request.

**GRACE PERIOD.** A Grace Period of 31 days is granted for each Premium Payment after the first. The Policy stays in force during this period. No interest is charged on the Premium Payment due during this time. If the Insured dies during the Grace Period, any Premium amount due will be deducted from the Death Benefit. Any payments sent via U.S. mail must be postmarked within the Grace Period.

**LAPSE.** If a Premium is not paid during the Grace Period, the Policy will Lapse, unless the Policy is continued as Paid-Up Insurance as provided for in the Nonforfeiture Benefits section.

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## DEATH BENEFIT

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**DEATH BENEFIT.** The Death Benefit is payable to the Beneficiary upon receipt by Us of satisfactory Proof of Death of the Insured while this Policy is in force.

If death is a result of natural causes during the first two Policy Years, a reduced Death Benefit, as shown on the Data Page, is payable. The insurance amount shown on the Data Page will be adjusted by the addition of:

- (1) any Premium paid by You past the end of the Policy Month of the Insured's death; minus
- (2) any unpaid Premium that may apply during a Grace Period; minus
- (3) any Policy Debt.

If death during the first two Policy Years is a direct result of accidental bodily injury, subject to the Exclusions to Accidental Death provision; or for death regardless of cause, in the third Policy Year or thereafter: the Death Benefit is the insurance amount as shown on the Data Page adjusted by the addition of (1) minus (2) minus (3) as defined above.

The Death Benefit payable under the terms of this Policy is also subject to any adjustments provided in the Misstatement of Age or Sex, Incontestability, and Suicide provisions.

If this Policy is in force as Paid-Up Insurance, the Death Benefit will be as described in the Nonforfeiture Benefits section.

The Death Benefit will be paid upon:

- (a) our receipt of satisfactory Proof of Death of the Insured;
- (b) our receipt of sufficient information necessary to determine the extent of the liability and the appropriate Payee legally entitled to the Death Benefit; and
- (c) removal of any legal impediments to payment of Death Benefit proceeds that result from the action of parties other than Us.

If the Death Benefit is not paid within thirty days from Our receipt and completion of the above items, interest on the Death Benefit and any refund of Premiums at death will be applied. Such interest:

- (a) will accrue from the date of death to the date of payment;
- (b) will be calculated at an effective rate of 8%.

The Death Benefit may be paid in one sum or under the Settlement Options provision of this Policy.

**EXCLUSIONS TO ACCIDENTAL DEATH.** Death as a result of accidental bodily injury during the first two Policy Years will be paid as described in the Death Benefit provision unless death was caused or contributed by any of the following:

- (1) suicide, intentionally self-inflicted injury, or any attempt thereat, while sane or insane;
- (2) the commission of a felony;
- (3) war, declared or not, while the Insured is a member of the armed services or is a civilian serving in a war zone;
- (4) participating in a riot;
- (5) travel or flight in or descent from any aircraft if the Insured acted in a capacity other than as a fare-paying passenger on a scheduled airline;
- (6) illness or disease including medical or surgical treatments; or
- (7) voluntary intake or use by any means of drugs, narcotics or hallucinogens, except those prescribed or administered by a physician and taken in accordance with the physician's instructions.

After the second Policy Year, the Exclusions regarding accidental bodily injury do not apply.

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## NONFORFEITURE BENEFITS

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**GUARANTEED NONFORFEITURE VALUES.** The Table of Nonforfeiture Values is shown on the Data Page and is referred to as "Table" in this section. The values shown in the Table are those available on the indicated Policy anniversary. They assume there is no Policy Debt and premiums have been paid to that Policy anniversary. Values on dates between Policy anniversaries will be determined with allowances made for the fractional part of the premium paid for that Policy Year. Values not shown in the Table will be furnished on request.

**NET CASH VALUE.** The Net Cash Value will be the cash value as determined from the Table or its extension, decreased by any Policy Debt. Paid-Up Insurance will have a cash value equal to the Paid-Up net single premium at the Insured's Attained Age. If You surrender this Policy within 31 days after a Policy anniversary, the Net Cash Value will not be less than on that anniversary.

**NONFORFEITURE OPTIONS AVAILABLE.** If any Premium is not paid at the end of the Grace Period, You may elect either the Cash Surrender Option or the Paid-Up Insurance Option. Election must be made in writing to Our Administrative Office within 60 days after the due date of any unpaid Premium. Any insurance continued as Paid-Up will not include additional benefits provided by any Rider attached to this Policy unless otherwise provided for in the Rider.

Cash Surrender Option. You may surrender this Policy for its Net Cash Value. We may defer payment of any cash surrender for not more than six months from the date of written request.

Paid-Up Insurance Option. You may continue Your Policy as nonparticipating Paid-Up Insurance for a reduced level amount payable under the same conditions as this Policy. The reduced level amount will be determined by dividing the Net Cash Value by the Paid-Up net single premium at the Insured's Attained Age. If the reduced level amount does not exceed \$500, then this Policy will be continued as extended term insurance. The extended term insurance amount will not include any reductions to the Death Benefit in Policy Years 1 and 2. The extended term insurance amount will be the amount shown on the Data Page for Policy Year 3 or thereafter less any indebtedness against the Policy, as of the date of default. The extended term insurance amount will be continued as in force term insurance. The term period will be that which the net cash value will provide when applied as a net single premium at the Insured's Attained Age.

**AUTOMATIC NONFORFEITURE OPTION.** The Paid-Up Insurance Option is the Automatic Nonforfeiture Option and will become effective as of the due date of the unpaid Premium unless You elect the Cash Surrender Option no later than 60 days after the due date of the premium in default.

**BASIS OF COMPUTATIONS.** The Cash Value at the end of any Policy Year is equal to the excess of (A) over (B):

- (A) the then present value of the future guaranteed life insurance benefits;  
This value does not include any additional insurance benefits provided by supplemental agreements attached to this Policy.
- (B) the then present value of the nonforfeiture factors for the remaining Premium paying period.  
The nonforfeiture factors are shown in the Table.

Cash Values and Nonforfeiture Benefits of this Policy are not less than the minimum values and benefits required by the state where this Policy is delivered. We have filed with the insurance regulators there, a detailed statement of the method used to compute cash values. Calculations are based on the mortality tables and rates of interest shown on the Data Page.

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## LOANS

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**LOANS.** Upon written request, We will make a Loan to You for all or part of the Net Cash Value of the Policy. At the time of the Loan request, all of these conditions must be met:

- (1) the Insured must be living;
- (2) the Policy must be in force other than as Extended Term Insurance;
- (3) the Policy must not then be subject to any Assignment;
- (4) you must assign the Policy to Us, as sole security for the Loan, on a form approved by Us.

Upon the Insured's death, the Death Benefit will be reduced by the amount of any Loan, including interest accrued to the date of death. We reserve the right to defer payment of any Loan for up to 6 months, except when such Loan is to pay a Premium due to Us.

**LOAN INTEREST RATE.** We will charge interest daily at a fixed Loan Interest Rate of 8.0% annually.

**LOAN INTEREST.** Loan Interest is payable:

- (1) on each anniversary of the Policy's Issue Date; or
- (2) on the date the Loan is paid in full, if that date comes first.

Any Loan Interest not paid when it is due will be added to the amount of the outstanding Loan.

**EXCESS POLICY DEBT.** If the Policy Debt exceeds the cash value, this Policy will Lapse without further value. In no event will coverage provided by this Policy terminate until the end of the Grace Period. We will mail notice of Termination to You at your last known address and to any Assignee of record 30 days prior to the actual Termination of the Policy.

**LOAN REPAYMENT.** All or part of a Loan on this Policy can be repaid at any time while this Policy is in force. However, if there is a Loan on the Policy on the last day of grace of a Premium in default, the Loan can be repaid only if the Policy is reinstated. Any payment not designated as a Premium Payment may be regarded as a Loan Repayment.

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## TERMINATION AND REINSTATEMENT

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**TERMINATION.** Coverage under this Policy will terminate on the first to occur of:

- (a) the Insured's death;
- (b) cessation of Premium Payments without a positive cash value;
- (c) expiration of the Grace Period;
- (d) our receipt of the Policy and Your written request for surrender of the full cash value.

**REINSTATEMENT.** You may reinstate this Policy after it has Lapsed. All of the following conditions must be met:

- (a) the Reinstatement must be within 5 years of the date of Termination;
- (b) you must complete a Reinstatement Application and any additionally required questionnaires to prove the Insured is insurable for the Policy at the same classification as on the Issue Date;
- (c) you must not have surrendered the Policy for its Cash Value;
- (d) all Premiums in arrears must be paid with compound interest (the interest rate will be 6% per year);
- (e) any Policy Debt must be reinstated or paid back with interest. The interest rate for Reinstatement of Policy Debt will be 6% per year. If the Policy Debt with interest would exceed the Cash Value of the reinstated Policy, the excess must be paid before Reinstatement will be approved.

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## SETTLEMENT OPTIONS

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**AVAILABILITY OF SETTLEMENT OPTIONS.** All or a part of the Death Benefit proceeds may be applied to any of the following options. We will first discharge in a single sum any liability under an Assignment of the Policy and any applicable Premium-related taxes, fees, or assessments imposed by any Federal, State, Municipal or other taxing authority. The remaining amount is the net sum payable. Other options can be used if agreed to by Us. If You have not elected a Settlement Option before the Insured's death, Option 2 with a certain period of 10 years will become effective. Any Settlement Option election must be written in a form that satisfies Us. Our consent is required for any of the following:

- (a) any payment to joint or successive Payees;
- (b) any payment to a corporation, association, partnership, trustee, or estate; or
- (c) any change in an option previously elected.

We do not have to apply an option on a net sum payable of less than \$5,000 for any Payee.

**SETTLEMENT OPTIONS.** Periodic annuity payments may be made on an annual, semi-annual, quarterly, or monthly basis. You may select any basis such that the periodic payment is at least \$100. The Annuity Option tables illustrate minimum guaranteed monthly payments per \$1,000. The options are:

Option 1. Payments for a Fixed Period - Equal periodic payments will be paid for a fixed number of years. The amount of the payments will be based on Table A. At Our option, additional interest may be used in the calculation of the periodic payment.

Option 2. Life Annuity with 10 or 20 Years Certain - Equal periodic payments will be paid for as long as the Payee lives with payments certain for a fixed period of 10 years under Table B or 20 years under Table C.

Option 3. Life Annuity - Equal periodic payments under Table D will be paid for as long as the Payee lives with no payments certain; We have no liability upon the Payee's death.

Option 4. Payments of a Fixed Amount - Equal periodic payments will be paid. Payments will be paid until the total of the following amounts is exhausted:

- (1) the amount applied to this option, plus
- (2) interest at the effective rate of 1.5% per year (additional interest may be used in the calculation of the periodic payment at Our discretion).

The sum of installments paid in a year must be at least \$40 for each \$1,000 of the net sum payable. The final payment will be the balance of the amount applied to this option plus interest. It may be more or less than the other payments.

Option 5: Interest Payments - We will hold the amount applied to this option at interest. Under this option, the first payment may be postponed for up to 10 years with Our consent. Interest will be paid at the effective rate of 1.5% per year (additional interest may be paid at Our discretion). On interest due dates, the Payee may make a withdrawal from the amount held. If such a withdrawal occurs, it must be for an amount of at least \$100. If the amount held falls below \$2,000, We may pay the entire amount held to the Payee and will have no further liability. You may select the payment mode for interest due dates. The available payment modes are: monthly, quarterly, semi-annual, or annual.

**GENERAL PROVISIONS RELATING TO SETTLEMENT OPTIONS.** You may surrender this Policy after You have established a Settlement Option or before the commencement of any distribution. The first payment under Option 1, 2, 3, or 4 is paid on the date the amount is applied to the option. The first payment under Option 5 is paid at the end of the first interest period. The first payment may be postponed for up to 10 years with Our consent. If so, the amount applied to the option will accumulate with compound interest at the effective rate of 1.5% per year. To avoid making payments of less than \$100 each, We can do either or both of the following:

1. change the payments to a quarterly, semi-annual, or annual basis; or
2. reduce the number of payments.

You may withhold the Beneficiary's right to assign, encumber, or commute any unpaid amount. Except to the extent permitted by law, unpaid amounts are not subject to any claims of a Beneficiary's creditor.

**COMMUTATION OF SETTLEMENT OPTIONS.** Commutation is the payment by Us of a lump sum in lieu of any future Annuity Payments. In no case may any life-contingent payments under Options 2 or 3 be commuted. At Our option, payments under the other options may be commuted. When an option is commuted, the effective interest rate used to compute the settlement option plus 1% will be used to calculate the present value of the future Annuity Payments.

If the Payee under Options 1, 2, 4 or 5 dies after payments under the option have started, We will:

- (a) under Options 1 and 2, pay the commuted value of any unpaid fixed period payments to the Payee's estate; or
- (b) under Options 4 or 5, pay any balance held by Us to the Payee's estate. With Our consent, the option elected may provide for payment in another manner.

**BASIS OF CALCULATIONS.** The payment amounts illustrated in the Settlement Option Tables are based on the Annuity 2000 Mortality Table (no projection scale used) and 1.5% interest. The attained age of the Payee when the settlement option is elected will be adjusted downward by one year for each full five year period that has elapsed since January 1, 2000. Benefits at the time of their commencement will not be less than those that would be provided by the application of the surrender value to purchase a single consideration immediate annuity contract at purchase rates offered by Us at the same time to the same class of annuitants.

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**SETTLEMENT OPTION TABLES**

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**OPTION 1 - TABLE A.****MONTHLY PAYMENTS FOR EACH \$1,000.00 OF THE NET SUM PAYABLE.**

Multiply the monthly payment by 2.993 to obtain the quarterly payment, by 5.969 to obtain the semi-annual payment, and by 11.868 to obtain the annual payment.

<b>Years</b>	<b>\$</b>	<b>Years</b>	<b>\$</b>	<b>Years</b>	<b>\$</b>
1	83.90	11	8.21	21	4.62
2	42.26	12	7.58	22	4.44
3	28.39	13	7.05	23	4.28
4	21.45	14	6.59	24	4.13
5	17.28	15	6.20	25	3.99
6	14.51	16	5.85	26	3.86
7	12.53	17	5.55	27	3.75
8	11.04	18	5.27	28	3.64
9	9.89	19	5.03	29	3.54
10	8.96	20	4.81	30	3.44

**OPTION 2 OR 3 - TABLES B, C, AND D.**

**MONTHLY PAYMENTS FOR LIFE FOR EACH \$1,000.00 OF THE NET SUM PAYABLE.**

Age in years means age of Payee on birthday prior to the due date of the first payment. For Tables B and C, multiply the monthly payment by 2.993 to obtain the quarterly payment, by 5.969 to obtain the semi-annual payment, and by 11.868 to obtain the annual payment.

AGE IN YEARS MALE	TABLE B Guaranteed Period 10 Years	TABLE C Guaranteed Period 20 Years	TABLE D Life Only	AGE IN YEARS FEMALE	TABLE B Guaranteed Period 10 Years	TABLE C Guaranteed Period 20 Years	TABLE D Life Only
	\$	\$	\$		\$	\$	\$
46	2.98	2.93	2.99	46	2.78	2.76	2.79
47	3.04	2.98	3.05	47	2.83	2.80	2.84
48	3.10	3.03	3.11	48	2.88	2.85	2.89
49	3.16	3.09	3.18	49	2.94	2.90	2.94
50	3.22	3.14	3.25	50	2.99	2.95	3.00
51	3.29	3.20	3.32	51	3.05	3.00	3.06
52	3.36	3.26	3.39	52	3.11	3.06	3.13
53	3.44	3.32	3.47	53	3.18	3.12	3.19
54	3.51	3.39	3.55	54	3.25	3.18	3.26
55	3.60	3.45	3.64	55	3.32	3.24	3.34
56	3.68	3.52	3.73	56	3.39	3.30	3.42
57	3.77	3.58	3.82	57	3.47	3.37	3.50
58	3.87	3.65	3.93	58	3.56	3.44	3.59
59	3.97	3.72	4.03	59	3.64	3.51	3.68
60	4.08	3.79	4.15	60	3.74	3.58	3.78
61	4.19	3.86	4.27	61	3.84	3.66	3.88
62	4.30	3.93	4.40	62	3.94	3.73	3.99
63	4.43	4.00	4.54	63	4.05	3.81	4.11
64	4.56	4.07	4.69	64	4.16	3.88	4.23
65	4.69	4.14	4.85	65	4.29	3.96	4.37
66	4.83	4.21	5.02	66	4.41	4.04	4.51
67	4.98	4.27	5.20	67	4.55	4.11	4.66
68	5.13	4.33	5.40	68	4.69	4.19	4.83
69	5.29	4.39	5.60	69	4.84	4.26	5.00
70	5.45	4.44	5.82	70	5.00	4.33	5.19
71	5.62	4.49	6.06	71	5.17	4.39	5.40
72	5.79	4.54	6.30	72	5.34	4.45	5.62
73	5.97	4.58	6.57	73	5.53	4.51	5.86
74	6.15	4.62	6.85	74	5.72	4.55	6.11
75	6.33	4.65	7.16	75	5.91	4.60	6.39
76	6.51	4.68	7.48	76	6.11	4.64	6.69
77	6.69	4.71	7.83	77	6.32	4.67	7.02
78	6.87	4.73	8.20	78	6.52	4.70	7.37
79	7.05	4.75	8.60	79	6.73	4.73	7.75
80**	7.23	4.76	9.02	80**	6.94	4.75	8.17

\*\* and over



**AMERICAN NATIONAL LIFE INSURANCE COMPANY OF TEXAS**

HOME OFFICE: [ONE MOODY PLAZA, GALVESTON TX 77550 ]  
ADMINISTRATIVE OFFICE: [ONE MOODY PLAZA, GALVESTON TX 77550 ]  
TELEPHONE NUMBER [ (877) 862-0759 ]

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**INDIVIDUAL WHOLE LIFE INSURANCE POLICY**

- Premium Paying Period as shown on the Data Page.
  - Nonparticipating. Dividends are not payable.
  - Death Benefit is reduced if death of the Insured occurs within the first two Policy Years as described in the Death Benefit provision.
  - Death Benefit payable in lump sum or as described in the Settlement Options provision.
  - This is a Modified Endowment Contract.
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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]		

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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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**INSURANCE AMOUNT**

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The insurance amount payable will be one of the following, depending on the Policy Year in which the Insured dies and the cause of death.

<b>POLICY YEAR</b>	<b>ILLNESS OR OTHER NATURAL CAUSES</b>	<b>ACCIDENTAL BODILY INJURY</b>
<b>1</b>	[\$3,000]	[\$10,000]
<b>2</b>	[\$7,000]	[\$10,000]
<b>3 AND THEREAFTER</b>	[\$10,000]	[\$10,000]

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**PREMIUMS**

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<b>BENEFIT DESCRIPTION</b>	<b>INITIAL ANNUAL PREMIUM</b>	<b>PREMIUM PAYING PERIOD (YEARS)</b>
GRADED BENEFIT WHOLE LIFE TO AGE 121	[\$914.410]	[57]
Form	Form MDB12AX (10)	
Maturity Date	[September 5, 2069]	
<b>TOTAL INITIAL ANNUAL PREMIUM</b>	<b>[\$914.40]</b>	

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**MODAL PREMIUMS**

INCLUDES PREMIUMS FOR Form MDB12AX (10) AND AN ANNUAL POLICY FEE OF \$[40.00]  
YOUR CURRENT PREMIUM MODE IS: [ANNUAL]

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<b>ANNUAL</b>	<b>SEMI-ANNUAL</b>	<b>QUARTERLY</b>	<b>SPECIAL MONTHLY</b>	<b>MONTHLY</b>
[\$914.40]	[\$475.49]	[\$246.89]	[\$81.84]	[\$91.44]

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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:**                      [47.05]

**NONFORFEITURE INTEREST RATE**                      4.50%

**PAID UP INSURANCE**

END OF POLICY YEAR	CASH OR LOAN VALUE	REDUCED LEVEL AMOUNT	EXTENDED INSURANCE	
			YEARS	DAYS
1	[\$0.00]	[ ]	[0]	[0]
2	[\$238.60]	[ ]	[1]	[92]
3	[\$553.40]	[\$997.40]	[ ]	[ ]
4	[\$872.50]	[\$1,529.90]	[ ]	[ ]
5	[\$1,195.50]	[\$2,040.50]	[ ]	[ ]
6	[\$1,521.00]	[\$2,528.10]	[ ]	[ ]
7	[\$1,846.60]	[\$2,991.00]	[ ]	[ ]
8	[\$2,170.30]	[\$3,428.40]	[ ]	[ ]
9	[\$2,492.70]	[\$3,843.10]	[ ]	[ ]
10	[\$2,814.00]	[\$4,237.00]	[ ]	[ ]
11	[\$3,134.30]	[\$4,611.80]	[ ]	[ ]
12	[\$3,452.40]	[\$4,967.40]	[ ]	[ ]
13	[\$3,766.10]	[\$5,303.00]	[ ]	[ ]
14	[\$4,073.20]	[\$5,618.10]	[ ]	[ ]
15	[\$4,372.10]	[\$5,912.50]	[ ]	[ ]
16	[\$4,661.50]	[\$6,186.80]	[ ]	[ ]
17	[\$4,941.30]	[\$6,442.50]	[ ]	[ ]
18	[\$5,212.20]	[\$6,681.60]	[ ]	[ ]
19	[\$5,473.80]	[\$6,905.00]	[ ]	[ ]
20	[\$5,724.90]	[\$7,112.90]	[ ]	[ ]