

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Filing at a Glance

Company: Directors Life Assurance Company
Product Name: PN_Interest Rate Change
State: Arkansas
TOI: L071 Individual Life - Whole
Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life
Filing Type: Form
Date Submitted: 11/02/2012
SERFF Tr Num: AGEE-128754774
SERFF Status: Closed-Approved-Closed
State Tr Num:
State Status: Approved-Closed
Co Tr Num: PN_2013 INTEREST RATE CHANGE

Implementation: 01/01/2013
Date Requested:
Author(s): Larry Tunnell, Crystal Lewis
Reviewer(s): Linda Bird (primary)
Disposition Date: 12/19/2012
Disposition Status: Approved-Closed
Implementation Date:

State Filing Description:

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

General Information

Project Name: 2013 PN Interest Rate Change Status of Filing in Domicile: Pending
Project Number: PN_Interest Rate Change_01 Date Approved in Domicile:
Requested Filing Mode: Domicile Status Comments: Submitted to the Domicile State of
Oklahoma
Explanation for Combination/Other: Market Type: Individual
Submission Type: New Submission Individual Market Type:
Overall Rate Impact: Filing Status Changed: 12/19/2012
State Status Changed: 11/07/2012
Deemer Date: Created By: Larry Tunnell
Submitted By: Larry Tunnell Corresponding Filing Tracking Number:
Filing Description:
November 2, 2012

Arkansas Insurance Department
Life and Health
1200 W. 3rd Street
Little Rock, AR 72201-2618

Re: Directors Life Assurance Company
Limited refiling of Policy Specifications pages due to statutory interest rate changes effective for new issues after December 31, 2012 for Policy Forms DLA-PLPL-AR-00, DLA-PLPG-AR-00, and DLA-PSPL-AR-00

Dear Sir:

This submission is being made on behalf of Directors Life Assurance Company and is a limited refiling due to the changes in the reserve valuation interest rates that will take effect on January 1, 2013.

- Policy form DLA-PLPL-AR-00 is a limited pay level death benefit participating whole life policy. Five and ten year premium paying periods are currently being sold. The John Doe sample and the sample calculations in the Statement of Methods are shown for the ten year pay because it is the maximum premium paying period that is being sold.
- Policy form DLA-PLPG-AR-00 is a limited pay graded death benefit participating whole life policy. Five and ten year premium paying periods are currently being sold. The John Doe sample and the sample calculations in the Statement of Methods are shown for the ten year pay because it is the maximum premium paying period that is being sold.
- Policy form DLA-PSPL-AR-00 is a single premium level death benefit participating whole life policy.

The only change in the Policy Specifications page is due to the changes in the maximum allowable reserve valuation interest rate and the maximum allowable nonforfeiture interest rate. Although the change in the maximum allowable nonforfeiture interest rate does not go into effect until 2014, the Company has elected to make the change in conjunction with the reserve valuation interest change.

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Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

If you have any questions or need any additional information, please feel free to contact me.

Sincerely,

Crystal Lewis

Company and Contact

Filing Contact Information

Larry Tunnell, Consulting Actuary Agtun@aol.com
 407 E. Louisiana St. 972-234-3770 [Phone]
 Suite 201 972-234-3780 [FAX]
 McKinney, TX 75069

Filing Company Information

(This filing was made by a third party - ageeandassociates)

Directors Life Assurance Company	CoCode: 73660	State of Domicile: Oklahoma
9020 N. May Ave.	Group Code:	Company Type: LAH
Suite 120	Group Name:	State ID Number:
Oklahoma City, OK 73120	FEIN Number: 73-0991729	
(405) 842-1234 ext. [Phone]		

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	Yes
Fee Explanation:	Form Filing
Per Company:	No

Company	Amount	Date Processed	Transaction #
Directors Life Assurance Company	\$50.00	11/02/2012	64519626
Directors Life Assurance Company	\$100.00	11/06/2012	64613548

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	12/19/2012	12/19/2012
Approved-Closed	Linda Bird	11/07/2012	11/07/2012

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Policy Specification Page	Note To Reviewer	Larry Tunnell	12/19/2012	12/19/2012
Policy Specification Page	Note To Filer	Linda Bird	12/19/2012	12/19/2012
Policy Specification Page	Note To Reviewer	Larry Tunnell	12/18/2012	12/18/2012
Policy Specification Page	Note To Filer	Linda Bird	12/18/2012	12/18/2012
Policy Specification Page	Note To Reviewer	Larry Tunnell	12/18/2012	12/18/2012

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Disposition

Disposition Date: 12/19/2012

Implementation Date:

Status: Approved-Closed

Comment: Correction made to the Policy Specification Page DLA-PLPG-AR-00 on the original submission.

Rate data does NOT apply to filing.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Letter of Authorization		Yes
Form	DLA-PLPL-AR-00		Yes
Form	DLA-PSPL-AR-00		Yes
Form	DLA-PLPG-AR-00		Yes

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
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Disposition

Disposition Date: 11/07/2012

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		No
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Letter of Authorization		Yes
Form	DLA-PLPL-AR-00		Yes
Form	DLA-PSPL-AR-00		Yes
Form	DLA-PLPG-AR-00		Yes

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Note To Reviewer

Created By:

Larry Tunnell on 12/19/2012 10:53 AM

Last Edited By:

Larry Tunnell

Submitted On:

12/19/2012 10:53 AM

Subject:

Policy Specification Page

Comments:

I thought I just had to uploaded it in Form Schedule Section.

Sorry, here it is.

Thanks,
Crystal

DIRECTORS LIFE ASSURANCE COMPANY
POLICY SPECIFICATIONS

INSURED: JOHN DOE POLICY NUMBER: 50025

DEATH BENEFIT: YEAR 1 \$300.00 ISSUE DATE: 1/1/2013
 YEAR 2 \$700.00
 YEAR 3 & AFTER \$1,000.00 ULTIMATE AMOUNT

ISSUE AGE: 35

MONTHLY PREM NOTICE \$12.50 ANNUAL PREMIUM: \$132.00

CLASS: GRADED DEATH BENEFIT

THIS IS A GRADED DEATH BENEFIT LIMITED PAYMENT WHOLE LIFE POLICY

THE VALUES IN THE FOLLOWING TABLE ASSUME THAT ALL PREMIUMS ARE PAID WHEN DUE AND NO POLICY LOANS ARE TAKEN. POLICY VALUES NOT ILLUSTRATED WILL BE FURNISHED UPON REQUEST.

END OF POLICY YEAR	CASH-VALUE	PAID-UP INSURANCE
1		
2	\$17.00	\$80
3	\$46.00	\$208
4	\$76.00	\$331
5	\$107.00	\$449
6	\$140.00	\$567
7	\$174.00	\$680
8	\$209.00	\$789
9	\$246.00	\$897
10	\$284.00	PAID-UP
11	\$294.00	
12	\$304.00	
13	\$315.00	
14	\$325.00	
15	\$336.00	
16	\$347.00	
17	\$359.00	
18	\$370.00	
19	\$382.00	
20	\$394.00	

CASH VALUES AND PAID-UP INSURANCE VALUES ARE BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE D, AGE LAST BIRTHDAY, USING CURTATE FUNCTIONS, AND AN ANNUAL INTEREST RATE OF 4.50%. THE RESERVES ARE CALCULATED BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE, AGE LAST BIRTHDAY, USING SEMI-CONTINUOUS FUNCTIONS AND AN ANNUAL INTEREST RATE OF 3.50%. PREMIUMS ARE PAYABLE FOR {TEN YEARS}.

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Note To Filer

Created By:

Linda Bird on 12/19/2012 10:20 AM

Last Edited By:

Linda Bird

Submitted On:

12/19/2012 10:20 AM

Subject:

Policy Specification Page

Comments:

The corrected Policy Specification Page is not attached to your submission.

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Note To Reviewer

Created By:

Larry Tunnell on 12/18/2012 03:06 PM

Last Edited By:

Larry Tunnell

Submitted On:

12/18/2012 03:06 PM

Subject:

Policy Specification Page

Comments:

I have uploaded the corrected Policy Specification Page.

Thank you very much for your help!

Crystal

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Note To Filer

Created By:

Linda Bird on 12/18/2012 02:39 PM

Last Edited By:

Linda Bird

Submitted On:

12/18/2012 02:39 PM

Subject:

Policy Specification Page

Comments:

Filing has been re-opened in order for correction to be made.

State: Arkansas **Filing Company:** Directors Life Assurance Company
TOI/Sub-TOI: L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: PN_Interest Rate Change
Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Note To Reviewer

Created By:

Larry Tunnell on 12/18/2012 11:53 AM

Last Edited By:

Larry Tunnell

Submitted On:

12/18/2012 11:53 AM

Subject:

Policy Specification Page

Comments:

I need to replace the Policy Specification Page DLA-PLPG-AR-00. The verbiage at the bottom reads payable for life and it should read payable for TEN YEARS.

Thank you,
Crystal

State: Arkansas

Filing Company:

Directors Life Assurance Company

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

Product Name: PN_Interest Rate Change

Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Form Schedule

Lead Form Number: DLA-PLPL-AR-00

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		DLA-PLPL-AR-00	DLA-PLPL-AR-00	SCH	Other	Limited refiling due to interest rate change		DLA-PLPL-AR-00_806.pdf
2		DLA-PSPL-AR-00	DLA-PSPL-AR-00	SCH	Other	Limited refiling due to interest rate change		DLA-PSPL-AR-00_892.pdf
3		DLA-PLPG-AR-00	DLA-PLPG-AR-00	SCH	Other	Limited refiling due to interest rate change		DLA-PLPG-AR-00_816.pdf

Form Type Legend:

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

DIRECTORS LIFE ASSURANCE COMPANY
POLICY SPECIFICATIONS

INSURED: JOHN DOE POLICY NUMBER: 50021
 AMOUNT: \$1,000.00 ISSUE DATE: 1/1/2013
 ISSUE AGE: 35 ANNUAL PREMIUM: \$132.00
 MONTHLY PREM NOTICE: \$12.50
 CLASS: STANDARD

THIS IS A LIMITED PAYMENT LEVEL BENEFIT WHOLE LIFE POLICY

THE VALUES IN THE FOLLOWING TABLE ASSUME THAT ALL PREMIUMS ARE PAID WHEN DUE AND NO POLICY LOANS ARE TAKEN. POLICY VALUES NOT ILLUSTRATED WILL BE FURNISHED UPON REQUEST.

END OF POLICY YEAR	CASH-VALUE	PAID-UP INSURANCE	EXTENDED YEARS	TERM DAYS
1				
2	\$15.00	\$71	5	8
3	\$44.00	\$199	12	100
4	\$74.00	\$322	17	277
5	\$106.00	\$445	22	129
6	\$139.00	\$563	26	25
7	\$173.00	\$676	29	103
8	\$208.00	\$785	32	54
9	\$246.00	\$897	35	59
10	\$284.00	PAID UP	NOT AVAILABLE	
11	\$294.00			
12	\$304.00			
13	\$315.00			
14	\$325.00			
15	\$336.00			
16	\$347.00			
17	\$359.00			
18	\$370.00			
19	\$382.00			
20	\$394.00			

CASH VALUES AND PAID-UP INSURANCE VALUES ARE BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE D, AGE LAST BIRTHDAY, USING CURTATE FUNCTIONS, AND AN ANNUAL INTEREST RATE OF 4.50%. THE RESERVES ARE CALCULATED BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE, AGE LAST BIRTHDAY, USING SEMI-CONTINUOUS FUNCTIONS AND AN ANNUAL INTEREST RATE OF 3.50% PREMIUMS ARE PAYABLE FOR TEN YEARS.

DIRECTORS LIFE ASSURANCE COMPANY
POLICY SPECIFICATIONS

INSURED: JOHN DOE POLICY NUMBER: 50019
AMOUNT \$1,000.00 ISSUE DATE: 1/1/2013
ISSUE AGE: 35 ANNUAL PREMIUM: \$738.30
CLASS: STANDARD

THIS IS A SINGLE PAYMENT LEVEL BENEFIT WHOLE LIFE POLICY

THE VALUES IN THE FOLLOWING TABLE ASSUME THAT ALL PREMIUMS ARE PAID WHEN DUE AND NO POLICY LOANS ARE TAKEN. POLICY VALUES NOT ILLUSTRATED WILL BE FURNISHED UPON REQUEST.

END OF POLICY YEAR	CASH-VALUE
1	\$207.00
2	\$215.00
3	\$223.00
4	\$231.00
5	\$239.00
6	\$248.00
7	\$257.00
8	\$266.00
9	\$275.00
10	\$284.00
11	\$294.00
12	\$304.00
13	\$315.00
14	\$325.00
15	\$336.00
16	\$347.00
17	\$359.00
18	\$370.00
19	\$382.00
20	\$394.00

CASH VALUES ARE BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE D, AGE LAST BIRTHDAY, USING CURTATE FUNCTIONS, AND AN ANNUAL INTEREST RATE OF 4.50%. THE RESERVES ARE CALCULATED BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE, AGE LAST BIRTHDAY, USING SEMI-CONTINUOUS FUNCTIONS AND AN ANNUAL INTEREST RATE OF 3.50%. SINGLE PREMIUM LIFE.

DIRECTORS LIFE ASSURANCE COMPANY
POLICY SPECIFICATIONS

INSURED: JOHN DOE POLICY NUMBER: 50025

DEATH BENEFIT: YEAR 1 \$300.00 ISSUE DATE: 1/1/2013
 YEAR 2 \$700.00
 YEAR 3 & AFTER \$1,000.00 ULTIMATE AMOUNT

ISSUE AGE: 35

MONTHLY PREM NOTICE \$12.50 ANNUAL PREMIUM: \$132.00

CLASS: GRADED DEATH BENEFIT

THIS IS A GRADED DEATH BENEFIT LIMITED PAYMENT WHOLE LIFE POLICY

THE VALUES IN THE FOLLOWING TABLE ASSUME THAT ALL PREMIUMS ARE PAID WHEN DUE AND NO POLICY LOANS ARE TAKEN. POLICY VALUES NOT ILLUSTRATED WILL BE FURNISHED UPON REQUEST.

END OF POLICY YEAR	CASH-VALUE	PAID-UP INSURANCE
1		
2	\$17.00	\$80
3	\$46.00	\$208
4	\$76.00	\$331
5	\$107.00	\$449
6	\$140.00	\$567
7	\$174.00	\$680
8	\$209.00	\$789
9	\$246.00	\$897
10	\$284.00	PAID-UP
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16	\$347.00	
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20	\$394.00	

CASH VALUES AND PAID-UP INSURANCE VALUES ARE BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE D, AGE LAST BIRTHDAY, USING CURTATE FUNCTIONS, AND AN ANNUAL INTEREST RATE OF 4.50%. THE RESERVES ARE CALCULATED BASED ON THE 1980 COMMISSIONER'S STANDARD ORDINARY MORTALITY TABLE, AGE LAST BIRTHDAY, USING SEMI-CONTINUOUS FUNCTIONS AND AN ANNUAL INTEREST RATE OF 3.50%. PREMIUMS ARE PAYABLE FOR LIFE.

SERFF Tracking #:

AGEE-128754774

State Tracking #:

Company Tracking #:

PN_2013 INTEREST RATE CHANGE

State: Arkansas

Filing Company:

Directors Life Assurance Company

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

Product Name: PN_Interest Rate Change

Project Name/Number: 2013 PN Interest Rate Change/PN_Interest Rate Change_01

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Life & Annuity - Acturial Memo		
Comments:	Please see the attached Actuarial Memo's		
Attachment(s):			
SOM_DLA-PLPL-AR-00.pdf			
SOM_DLA-PLPG-AR-00.pdf			
SOM_DLA-PSPL-AR-00.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Letter of Authorization		
Comments:	Please see attached Letter of Authorization from DLA.		
Attachment(s):			
Letter of Authorization.pdf			

**DIRECTORS LIFE ASSURANCE COMPANY
OKLAHOMA CITY, OK**

LIMITED PAYMENT INCREASING WHOLE LIFE

ACTUARIAL STATEMENT OF METHODS

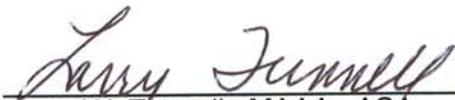
POLICY FORM
DLA-PLPL-AR-00

November 2, 2012

DESCRIPTION OF POLICY

Type:	Limited Payment Whole Life
Mortality Reserves:	1980 CSO ALB Sex Distinct
Mortality Cash Values:	1980 CSO ALB Table D
Interest Reserves:	3.50%
Interest Cash Values:	4.50%
Benefits:	Death benefit is \$1,000 first policy year increasing by \$60 per \$1,000 per year thereafter.
Premiums:	Payable for the number of years shown on POLICY SPECIFICATIONS page
Nonforfeiture Values:	Cash Value: Minimum per Standard. Nonforfeiture Law. Using Curtate Functions. High Dollar
Reduced Paid Up:	Level death benefit in the year of lapse. High Dollar
ETI:	Level death benefit in the year of lapse. 1980 CET ALB Table D High Day
Reserves:	Terminal: CRVM using Semi-Continuous Functions. Near Cent Mean: Near Dollar

To the best of the undersigned's knowledge and belief, the nonforfeiture values and reserves developed herein equal or exceed the minimum requirements of the state in which this form is being filed.



Larry W. Tunnell, MAAA, ASA

November 2, 2012

LIMITED PAYMENT INCREASING WHOLE LIFE

GENERAL FORMULAE

1. Nonforfeiture Values:

A. Nonforfeiture Factor:

$$P_x^a = (PVFB_x + E_x) / \ddot{a}_{x:\overline{n}|}, \text{ where } P_x^a = \text{Nonforfeiture factor for issue age } x.$$

$$E_x = .01 * \left(\sum_{s=1}^{10} {}_sDB_x \right) / 10 + 1.25 * \left\{ \begin{array}{l} P_x^{NL} \\ .04 * \left(\sum_{s=1}^{10} {}_sDB_x \right) / 10 \end{array} \right\}, \text{ Use smaller amount in } \{ \}$$

where ${}_sDB_x$ = death benefit in policy year s

$$P_x^{NL} = PVFB_x / \ddot{a}_{x:\overline{n}|}$$

B. Cash Surrender Value:

$${}_tCV_x = PVFB_{x+t} - P_x^a * \ddot{a}_{x+t:\overline{n-t}|}$$

C. Paid-Up Insurance: Round to high dollar

$${}_tPU_x = 1000 * {}_tCV_x / A_{x+t}$$

D. Extended Term Insurance: Round to high dollar

Y = Number of years of extended term

$$\text{Find } Y \text{ such that } {}_{t+1}DB_x * A_{x+t:\overline{y}|}^I < {}_tCV_x; \quad \text{and} \quad {}_{t+1}DB_x * A_{x+t:\overline{y+1}|}^I > {}_tCV_x$$

$$D = \text{Number of days extended term} = 365 * ({}_tCV_x - {}_{t+1}DB_x * A_{x+t:\overline{y}|}^I) / ({}_{t+1}DB_x * C_{x+t+y} / D_{x+t})$$

Extended term period equals Y years and D days

2. Reserves and Net Premiums:

A. Net Premiums:

1. First Year:

$$\alpha_x^{CRV} = DB_1 * \overline{C}_x / D_x, \text{ when } \beta_x^{FPT} < 9_YR_AVEDB_{19}P_{x+1}, \text{ otherwise}$$

$$\alpha_x^{CRV} = \beta_x^{CRV} - (9_YR_AVEDB_{19}P_{x+1} - DB_1 * \overline{C}_x / D_x)$$

Where α_x^{CRV} = First year net premium for issue age x and β_x^{CRV} = Renewal net premium for issue age x .

$${}_{19}P_{x+1} = 9_YR_AVEDB * A_{x+1} / \ddot{a}_{x+1:\overline{19}|}$$

LIMITED PAYMENT INCREASING WHOLE LIFE

GENERAL FORMULAE

(continued)

2. Renewal Years:

$$\beta_x^{CRV} = \left(PVFB_x + \left\{ \begin{array}{l} \beta_x^{FPT} \\ 9_YR_AVEDB_{19}P_{x+1} \end{array} \right\} - DB1 * \bar{c}_x \right) / \ddot{a}_{x:n}, \text{ Use smaller amt in } \{ \}$$

$$\beta_x^{FPT} = 9_YR_AVEDB * A_{x+1} / \ddot{a}_{x+1:n-1}$$

B. Terminal Reserves: Round to near cent

$$\text{For } t=0, {}_0V_x = 0.00$$

$$\text{For } 0 < t < n, {}_tV_x = PVFB_{x+t} - \beta_x^{CRV} * \ddot{a}_{x+t:n}$$

$$\text{For } t \geq n, {}_tV_x = PVFB_{x+t}$$

C. Mean Reserves: Round to near dollar:

$$\text{For duration } t=1, {}_1MR_x = .5 * ({}_0V_x + {}_1V_x + \alpha_x^{CRV})$$

$$\text{For duration } 1 < t \leq n, {}_tMR_x = .5 * ({}_{t-1}V_x + {}_tV_x + \beta_x^{CRV})$$

$$\text{For duration } t > n, {}_tMR_x = .5 * ({}_{t-1}V_x + {}_tV_x)$$

SAMPLE CALCULATIONS

1980 CSO MALE ALB, 3.50% RESERVES, SEMI-CONTINUOUS
1980 CSO TABLE D ALB, 4.50% NON-FORFEITURE VALUES, CURTATE
(ETI USE 1980 CET TABLE D ALB)

Issue Age: 35 n = 10 Sex: Male Initial Death Benefit: \$1,000.00

1. Nonforfeiture Values:

A. Nonforfeiture Factor:

$$P_{35}^a = (PVFB_{35} + E_{35}) / \ddot{a}_{35:10} = (199.08451 + 10.00 + 1.25 * 24.31448) / 8.187900 = 29.24774$$

$$\text{and } E_{35} = .01 * \left(\sum_{s=1}^{10} {}_sDB_{35} \right) / 10 + 1.25 * \left\{ \begin{array}{l} P_{35}^{NL} \\ 10 \\ (.04 * \sum_{s=1}^{10} {}_sDB_{35}) / 10 \end{array} \right\}, \text{ Use smaller amount in } \{ \}$$

${}_sDB_{35}$ = death benefit in policy year s

$$E_{35} = 10.00 + 1.25 * 24.31448 = 40.39$$

$$P_{35}^{NL} = PVFB_{35} / \ddot{a}_{35:10} = 24.31448$$

LIMITED PAYMENT INCREASING WHOLE LIFE

SAMPLE CALCULATIONS

B. Cash Surrender Value: Round to high dollar

$$\begin{aligned}
 {}_5CV_{35} &= PVFB_{40} - P_{35}^a \cdot \ddot{a}_{40:\overline{5}|} \\
 &= 238.58529 - 29.24774 \cdot 4.560521 \\
 &= 105.20 = 106 \quad \text{to high dollar}
 \end{aligned}$$

C. Paid-Up Insurance: Round to high dollar

$${}_5PU_{35} = {}_5CV_{35} / A_{40} = 1000 \cdot 106 / 238.58529 = 444.29, \text{ rounded to high dollar} = 445$$

D. Extended Term Insurance (CET table): Round to high day

Y = Number of years of extended term

$$22 \text{ is such that } 1000 \cdot A_{40:\overline{22}|}^1 = 103.88728 < {}_6CV_{35} \text{ and } 1000 \cdot A_{40:\overline{23}|}^1 = 109.90733 > {}_6CV_{35}$$

$$Y = 22$$

D = Number of Days of extended term

$$D = 365 \cdot ({}_5CV_{35} - 1000 \cdot A_{40:\overline{22}|}^1) / (1000 \cdot C_{62} / D_{40})$$

$$D = 365 \cdot (106.00 - 103.88728) / 6.02005 = 128.09584 = 129 \quad \text{to high day}$$

Extended term period equals 22 years and 129 days

2. Reserves and Net Premiums:

A. Net Premiums:

$$\begin{aligned}
 1. \text{ First Year: } \alpha_{35}^{CRV} &= \beta_{35}^{CRV} - (9_YR_AVEDB_{19}P_{36} - DB_1 \cdot \overline{C}_{35} / D_{35}) \\
 &= 17.22929
 \end{aligned}$$

2. Renewal Years:

$$\begin{aligned}
 \beta_{35}^{CRV} &= \left(PVFB_{35} + \left\{ \begin{array}{l} \beta_{35}^{FPT} \\ 9_YR_AVEDB_{19}P_{x+1} \end{array} \right\} - 1000 \cdot \overline{c}_{35} \right) / \ddot{a}_{35:\overline{10}|}, \text{ Use smaller amt in } \{ \} \\
 &= \{ 297.93997 + 22.27193 - 2.13270 \} / 8.511956 \\
 &= 37.36852
 \end{aligned}$$

$$9_YR_AVEDB_{19}P_{36} = 22.27193$$

$$\beta_{35}^{FPT} = PVFB_{36} / \ddot{a}_{36:\overline{9}|} = 39.3782$$

LIMITED PAYMENT INCREASING WHOLE LIFE

SAMPLE CALCULATIONS

(continued)

B. Terminal Reserves: Round to near cent

$$\text{For } t = 5, {}_5V_{35} = PVFB_{35} - \beta_{35}^{CRV} * \ddot{a}_{40:\overline{5}|} = 344.5961 - 37.36852 * 4.642268 = 171.12$$

C. Mean Reserves: Round to near dollar:

$$\begin{aligned} \text{For duration } t = 5, {}_5MR_{35} &= .5 * ({}_4V_{35} + {}_5V_{35} + \beta_{35}^{CRV}) = 0.5 * (130.34 + 171.12 + 37.36852) = 169.41 \\ &= 169 \text{ to near dollar} \end{aligned}$$

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**DIRECTORS LIFE ASSURANCE COMPANY
OKLAHOMA CITY, OK**

GRADED DEATH BENEFIT LIMITED PAYMENT WHOLE LIFE

ACTUARIAL STATEMENT OF METHODS

POLICY FORM
DLA-PLPG-AR-00

November 2, 2012

DESCRIPTION OF POLICY

Type:	Graded Death Benefit Limited Payment Whole Life
Mortality Reserves:	1980 CSO ALB Sex Distinct
Mortality Nonforfeiture Values:	1980 CSO ALB Table D
Interest Reserves:	3.50%
Interest Nonforfeiture Values:	4.50%
Benefits:	Death benefit is graded first two policy years
Premiums:	Payable for the number of years shown on Policy Data Page.
Nonforfeiture Values:	Cash Value: Minimum per Standard Nonforfeiture Law. Using Curtate functions. High Dollar
Reduced Paid Up:	Level death benefit in the year of lapse. High Dollar
ETI:	Not Available
Reserves:	Terminal: CRVM using Semi-continuous Functions Near Cent Mean: Near Dollar

To the best of the undersigned's knowledge and belief, the nonforfeiture values and reserves developed herein equal or exceed the minimum requirements of the state in which this form is being filed.


Larry W. Turnell, MAAA, ASA

November 2, 2012

GRADED DEATH BENEFIT LIMITED PAYMENT WHOLE LIFE

GENERAL FORMULAE

1. Nonforfeiture Values:

A. Nonforfeiture Factor:

$$P_x^a = (ELA_x * A_x + E_x) / \ddot{a}_{x:\overline{n}|}, \text{ where } P_x^a = \text{Nonforfeiture factor for issue age } x.$$

$$E_x = .01 * \left(\sum_{s=1}^{10} {}_sDB_x \right) / 10 + 1.25 * \left\{ \begin{array}{l} P_x^{NL} \\ .04 * \left(\sum_{s=1}^{10} {}_sDB_x \right) / 10 \end{array} \right\}, \text{ Use smaller amount in } \{ \}$$

where ${}_sDB_x$ = death benefit in policy year s

$$P_x^{NL} = ELA_x * A_x / \ddot{a}_{x:\overline{n}|}$$

B. Cash Surrender Value:

$${}_tCV_x = PVFB_{x+t} - P_x^a * \ddot{a}_{x+t:\overline{n-t}|}, \text{ where } t < n$$

$${}_tCV_x = PVFB_{x+t}, \text{ where } t \leq n$$

C. Paid-Up Insurance: Round to high dollar

$${}_tPU_x = 1000 * {}_tCV_x / PVFB_{x+t}$$

2. Reserves and Net Premiums:

A. Net Premiums:

1. First Year:

$$\alpha_x^{CRV} = DB_1 * \bar{C}_x / D_x, \text{ when } \beta_x^{FPT} < 9_YR_AVEDB_{19}P_{x+1}, \text{ otherwise}$$

$$\alpha_x^{CRV} = \beta_x^{CRV} - (9_YR_AVEDB_{19}P_{x+1} - DB_1 * \bar{C}_x / D_x)$$

Where α_x^{CRV} = First year net premium for issue age x and β_x^{CRV} = Renewal net premium for issue age x .

$$9_YR_AVEDB_{19}P_{x+1} = PVFB_{x+1} / \ddot{a}_{x+1:\overline{19}|}$$

2. Renewal Years:

$$\beta_x^{CRV} = \left(PVFB_x + \left\{ \begin{array}{l} \beta_x^{FPT} \\ 9_YR_AVEDB_{19}P_{x+1} \end{array} \right\} - DB_1 * \bar{c}_x \right) / \ddot{a}_{x:\overline{n}|}, \text{ Use smaller amount in } \{ \}$$

$$\beta_x^{FPT} = PVFB_{x+1} / \ddot{a}_{x+1:\overline{n-1}|}$$

B. Terminal Reserves: Round to near cent

$$\text{For } t=0, {}_0V_x = 0.00$$

$$\text{For } 0 < t < n, {}_tV_x = PVFB_{x+t} - \beta_x^{CRV} * \ddot{a}_{x+t:\overline{n-t}|}$$

$$\text{For } t \geq n, {}_tV_x = PVFB_{x+t}$$

GRADED DEATH BENEFIT LIMITED PAYMENT WHOLE LIFE

GENERAL FORMULAE

(continued)

C. Mean Reserves: Round to near dollar:

$$\text{For duration } t=1, {}_1MR_x = .5 * ({}_0V_x + {}_1V_x + \alpha_x^{CRV})$$

$$\text{For duration } 1 < t \leq n, {}_tMR_x = .5 * ({}_{t-1}V_x + {}_tV_x + \beta_x^{CRV})$$

$$\text{For duration } t > n, {}_tMR_x = .5 * ({}_{t-1}V_x + {}_tV_x)$$

SAMPLE CALCULATIONS

1980 CSO MALE ALB, 3.50% RESERVES, SEMI-CONTINUOUS

1980 CSO TABLE D ALB, 4.50% NON-FORFEITURE VALUES, CURTATE

Issue Age: 35

Sex: Male n = 10

Death Benefit:	\$300.00	Year 1
	\$700.00	Year 2
	\$1,000.00	Thereafter

1. Nonforfeiture Values:

A. Nonforfeiture Factor:

$$P_{35}^a = (ELA_{35} * A_{35} + E_{35}) / \ddot{a}_{35:\overline{10}|} = (197.21561 + 9.00 + 1.25 * 24.0862261) / 8.187900 = 28.86252$$

$$\text{and } E_{35} = .01 * \left(\sum_{s=1}^{10} {}_sDB_{35} \right) / 10 + 1.25 * \left\{ \begin{array}{l} P_{35}^{NL} \\ 10 \\ (.04 * \sum_{s=1}^{10} {}_sDB_{35}) / 10 \end{array} \right\}, \text{ Use smaller amount in } \{ \}$$

${}_sDB_{35}$ = death benefit in policy year s

$$E_{35} = 9.00 + 1.25 * 24.08623 = 39.10778$$

$$P_{35}^{NL} = ELA_{35} * A_{35} / \ddot{a}_{35:\overline{10}|} = 24.08623$$

B. Cash Surrender Value: Round to high dollar

$$\begin{aligned} {}_5CV_{35} &= PVFB_{40} - P_{35}^a * \ddot{a}_{40:\overline{5}|} \\ &= 238.58529 - 28.86252 * 4.560521 \\ &= 106.96 = 107 \text{ to high dollar} \end{aligned}$$

C. Paid-Up Insurance: Round to high dollar

$${}_5PU_{35} = {}_5CV_{35} / PVFB_{40} = 107 / 0.23858529 = 448.47694 = 449 \text{ to high dollar}$$

2. Reserves and Net Premiums:

A. Net Premiums:

$$\begin{aligned} \text{1. First Year: } \alpha_{35}^{CRV} &= \beta_{35}^{CRV} - (9_YR_AVEDB_{19} P_{36} - DB_1 * C_{35} / D_{35}) \\ &= 37.2038 - (21.529531 - 0.63981) = 16.31412 \end{aligned}$$

GRADED DEATH BENEFIT LIMITED PAYMENT WHOLE LIFE

SAMPLE CALCULATIONS

(continued)

2. Renewal Years:

$$\beta_{35}^{CRV} = \left(PVFB_{35} + \left\{ \begin{array}{l} \beta_{40}^{FPT} \\ 9_YR_AVEDB_{19}P_{x+1} \end{array} \right\} - 300 * C_{35} \right) / a_{35:10} \quad , \text{ Use smaller amount in } \{ \}$$
$$= \{ 295.7877 + 21.52953 - 0.63981 \} / 8.511956$$
$$= 37.20384$$

$$9_YR_AVEDB_{19}P_{x+1} = 21.52953$$

$$\beta_{35}^{FPT} = PVFB_{35} / a_{35:19} = 39.29042$$

B. Terminal Reserves: Round to near cent

$$\text{For } t = 5, {}_5V_{35} = PVFB_{40} - \beta_{35}^{CRV} * a_{40:5} = 344.5961 - 37.20384 * 4.642268 = 171.89$$

C. Mean Reserves: Round to near dollar:

$$\text{For duration } t = 5, {}_5MR_{35} = .5 * ({}_4V_{35} + {}_5V_{35} + \beta_{35}^{CRV}) = 0.5 * (131.24 + 171.89 + 37.20384) = 170.17$$
$$= 170 \quad \text{to near dollar}$$

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**DIRECTORS LIFE ASSURANCE COMPANY
OKLAHOMA CITY, OK**

SINGLE PREMIUM WHOLE LIFE

ACTUARIAL STATEMENT OF METHODS

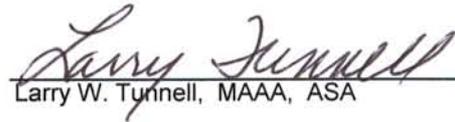
POLICY FORM
DLA-PSPL-AR-00

November 2, 2012

DESCRIPTION OF POLICY

Type:	Single Premium Whole Life
Mortality Reserves:	1980 CSO ALB Sex Distinct
Mortality Cash Values:	1980 CSO ALB Table D
Interest Reserves:	3.50%
Interest Nonforfeiture Values:	4.50%
Benefits:	Level death benefit
Premiums:	Single Premium as stated on POLICY SPECIFICATIONS page.
Nonforfeiture Values:	Cash Value: Minimum per Standard Nonforfeiture Law. Using Curtate functions. High Dollar
Reserves:	Terminal: CRVM using Semi-continuous Functions Near Cent Mean: Near Dollar

To the best of the undersigned's knowledge and belief, the nonforfeiture values and reserves developed herein equal or exceed the minimum requirements of the state in which this form is being filed.



Larry W. Tunnell, MAAA, ASA

November 2, 2012

LIMITED PAY WHOLE LIFE
GENERAL FORMULAE

1. Nonforfeiture Values:

A. Nonforfeiture Factor:

$$P_x^a = (ELA_x * A_x + E_x) , \text{ where } P_x^a = \text{Nonforfeiture factor for issue age } x.$$

$$E_x = .01 * \left(\sum_{s=1}^{10} {}_sDB_x \right) / 10 + 1.25 * \left\{ \begin{array}{c} P_x^{NL} \\ 10 \\ .04 * \left(\sum_{s=1}^{10} {}_sDB_x \right) / 10 \end{array} \right\} , \text{ Use smaller amount in } \{ \}$$

where ${}_sDB_x$ = death benefit in policy year s

$$P_x^{NL} = ELA_x * A_x$$

B. Cash Surrender Value:

$${}_tCV_x = PVFB_{x+t}$$

2. Reserves and Net Premiums:

A. Net Premiums:

$$NSP_x = ELA_x * A_x$$

SAMPLE CALCULATIONS

1980 CSO MALE ALB. 3.50% RESERVES, SEMI-CONTINUOUS
1980 CSO TABLE D ALB. 4.50% NON-FORFEITURE VALUES, CURTATE

Issue Age: 35 Sex: Male Single Premium Death Benefit: \$1,000.00

1. Nonforfeiture Values:

A. Nonforfeiture Factor:

$$P_{35}^a = (ELA_{35} * A_{35} + E_{35}) = (199.08451 + 10.00 + 1.25 * 40) = 259.08451$$

$$\text{and } E_{35} = .01 * \left(\sum_{s=1}^{10} {}_sDB_{35} \right) / 10 + 1.25 * \left\{ \begin{array}{c} P_{35}^{NL} \\ 10 \\ (.04 * \sum_{s=1}^{10} {}_sDB_{35}) / 10 \end{array} \right\} , \text{ Use smaller amount in } \{ \}$$

${}_sDB_{35}$ = death benefit in policy year s

$$E_{35} = 10.00 + 1.25 * 40.00000 = 60.00 \quad P_{35}^{NL} = ELA_{35} * A_{35} = 199.08451$$

B. Cash Surrender Value: Round to high dollar

$${}_5CV_{35} = PVFB_{40} = 238.58529 = 239 \text{ to high dollar}$$

2. Reserves and Net Premiums:

A. Net Premiums: $NSP_{35} = 297.93997$

B. Terminal Reserves: Round to near cent For t = 5, ${}_5V_{35} = PVFB_{40} = 344.60$

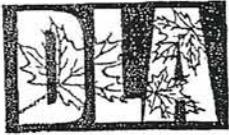
C. Mean Reserves: Round to near dollar:

$$\text{For duration } t=5, {}_5MR_{35} = .5 * ({}_4V_{35} + {}_5V_{35}) = 0.5 * (334.83 + 344.60) = 340 \text{ to near dollar}$$

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May 20, 2008

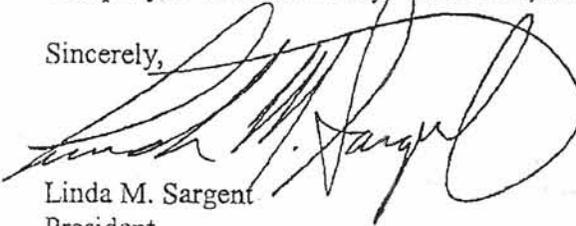
Texas Insurance Department
Life & Health Division, Mail Code 106-1A
333 Guadalupe
Austin, Texas 78714-9104

RE: Letter of Authorization

Dear Sir:

The actuarial firm of Agee and Associates has the authority to submit Policy Forms and related forms to the Texas Department for approval on behalf of Directors Life Assurance Company in Oklahoma City, Oklahoma, until further notice otherwise.

Sincerely,



Linda M. Sargent
President