

**State:** Arkansas **Filing Company:** Security National Life Insurance Company  
**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life  
**Product Name:** FP1 (12/2012)-AR & FP3 (12/2012)-AR  
**Project Name/Number:** Individual Whole Life/

## Filing at a Glance

Company: Security National Life Insurance Company  
Product Name: FP1 (12/2012)-AR & FP3 (12/2012)-AR  
State: Arkansas  
TOI: L071 Individual Life - Whole  
Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life  
Filing Type: Form  
Date Submitted: 12/13/2012  
SERFF Tr Num: SENL-128809585  
SERFF Status: Closed-Approved-Closed  
State Tr Num:  
State Status: Approved-Closed  
Co Tr Num:  
  
Implementation: On Approval  
Date Requested:  
Author(s): Jeanine Larson  
Reviewer(s): Linda Bird (primary)  
Disposition Date: 12/18/2012  
Disposition Status: Approved-Closed  
Implementation Date:  
  
State Filing Description:

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

## General Information

Project Name: Individual Whole Life Status of Filing in Domicile: Authorized  
Project Number: Date Approved in Domicile: 05/05/2008  
Requested Filing Mode: Review & Approval Domicile Status Comments: Approved for use.  
Explanation for Combination/Other: Market Type: Individual  
Submission Type: New Submission Individual Market Type:  
Overall Rate Impact: Filing Status Changed: 12/18/2012  
State Status Changed: 12/18/2012  
Deemer Date: Created By: Jeanine Larson  
Submitted By: Jeanine Larson Corresponding Filing Tracking Number:

### Filing Description:

Re: First Submission: Form Filing FP1 (12/2012)-AR & FP3 (12/2012)-AR, et al  
Security National Life Insurance Company  
NAIC Company Code: 69485 0454  
Federal ID No.: 36-2610791

Dear Commissioner,

Due the change to the interest rate for valuation and non-forfeiture, and due to the fact that the change is in the policy and on the data page, it is our understanding that Arkansas requires us to re-file with a new form number. The FP1 (03/2003)-AR and the FP3 (03/2008)-AR were originally approved on February 19, 2009.

Attached, please find the above-referenced Form Filing for your review and approval; the policies, the Actuarial Memorandum, the Flesch/Readability Score Certification and Compliance Certification. We are also submitting the required Form Filing Fees of \$100.00, through EFT in SERFF

Copies of the Arkansas Guaranty Association Letter, Welcome Notice, Arkansas Notice, Important Notice and Buyer's Guide are included with all policies issued.

The following documents are included in this filing:

Form number FP1 (12/2012)-AR: is a traditional whole life plan with premiums and coverage extending through age 100 at which time the policy matures for the face amount. The death benefit ranges from \$1,000 to \$25,000. The intended market is the general public, ages 35 to 90.

Form number FP3 (12/2012)-AR: is a traditional whole life plan with premiums and coverage extending through age 100 at which time the policy matures for the face amount. During the first three years, the policy provides for a graded death benefit. If the insured death occurs during the first policy year, we will pay 25% of the Death Benefit. If such death occurs during policy years 2 or 3, we will pay 50% or 75% of the Death Benefit, respectively. The death benefit ranges from \$1,000 to \$25,000.00. The intended market is the general public, ages 35 to 85.

The FP1 (03/2008) and FP2 (03/2008) policies and application has been approved by our domicile State of Utah on May 5, 2008 will be marketed on an individual basis by licensed agents of Security National Life Insurance Company.

We will not be filing or using any Life Illustrations with the above mentioned forms.

**State:** Arkansas **Filing Company:** Security National Life Insurance Company  
**TOI/Sub-TOI:** L071 Individual Life - Whole/L071.101 Fixed/Indeterminate Premium - Single Life  
**Product Name:** FP1 (12/2012)-AR & FP3 (12/2012)-AR  
**Project Name/Number:** Individual Whole Life/

Thank you for your time and assistance in this matter. Should you need additional information, please feel free to contact me at (800) 574-7117 ext. 1101 or e-mail at jeanine.larson@securitynational.com.

Sincerely yours,

Jeanine Larson, Compliance  
 Legal Department

## Company and Contact

### Filing Contact Information

Jeanine Larson, Compliance jeanine.larson@securitynational.com  
 5300 South 360 West 800-574-7117 [Phone] 1101 [Ext]  
 Suite 250 801-265-9882 [FAX]  
 Salt Lake City, UT 84123

### Filing Company Information

Security National Life Insurance Company	CoCode: 69485	State of Domicile: Utah
5300 South 360 West	Group Code: 454	Company Type: Life, Annuity, Health and Accident
Suite 250	Group Name: N/A	State ID Number:
Salt Lake City, UT 84123	FEIN Number: 36-2610791	
(800) 574-7117 ext. [Phone]		

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation: 2 policies at \$50.00 = \$100.00  
 Per Company: No

Company	Amount	Date Processed	Transaction #
Security National Life Insurance Company	\$100.00	12/13/2012	65698935

SERFF Tracking #:

SENL-128809585

State Tracking #:

Company Tracking #:

State:

Arkansas

Filing Company:

Security National Life Insurance Company

TOI/Sub-TOI:

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

Product Name:

FP1 (12/2012)-AR & FP3 (12/2012)-AR

Project Name/Number:

Individual Whole Life/

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	12/18/2012	12/18/2012

SERFF Tracking #:

SENL-128809585

State Tracking #:

Company Tracking #:

State:

Arkansas

Filing Company:

Security National Life Insurance Company

TOI/Sub-TOI:

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

Product Name:

FP1 (12/2012)-AR & FP3 (12/2012)-AR

Project Name/Number:

Individual Whole Life/

## Disposition

Disposition Date: 12/18/2012

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
Form	Policy		Yes
Form	Policy		Yes

SERFF Tracking #:

SENL-128809585

State Tracking #:

Company Tracking #:

State: Arkansas

Filing Company:

Security National Life Insurance Company

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

Product Name: FP1 (12/2012)-AR &amp; FP3 (12/2012)-AR

Project Name/Number: Individual Whole Life/

## Form Schedule

### Lead Form Number: FP1 (12/2012)-AR

Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Policy	FP1 (12/2012)- AR	POL	Initial		73.000	POLICY - FP1-08 (12-2012)-AR 12- 12-12.pdf
2		Policy	FP3 (12/2012)- AR	POL	Initial		72.000	POLICY - FP3-08 (12-2012)-AR 12- 12-12.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

**SECURITY NATIONAL LIFE INSURANCE COMPANY**  
5300 South 360 West, Suite 250 P.O. Box 57220 Salt Lake City, Utah 84157-0220  
Telephone: (801) 264-1060 or (800) 574-7117

Use these telephone numbers to present inquiries or obtain information concerning coverage or assistance resolving complaints.

This policy is a legal contract between the Company and the Owner.

**READ YOUR POLICY CAREFULLY**

We will pay the death benefit of this policy to the beneficiary as provided herein. We must receive at our Office due proof that the Insured died while this policy is in force. The beneficiary is as stated in the application unless changed in accordance with the provisions contained herein.

The insurance provided in this policy is granted in consideration of the application attached and the payment of the premium due on the Policy Date. The premium is shown in the Policy Data Section for the period of time elected in the application. Premiums are required to be paid on or before each succeeding period to keep the policy in force.

All payments made under this policy are subject to the provisions contained herein.

**NOTICE OF 30-DAY RIGHT TO EXAMINE POLICY**

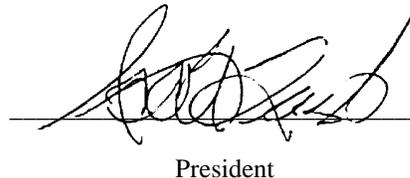
This policy may be cancelled by delivering or mailing it to Us with a Written Request to cancel. The Written Request must be received by Us or mailed before midnight of the thirtieth day after Your receipt of this policy. This policy will then be void from its Policy Date. Notice given by mail and return of the policy by mail effective on being postmarked, properly addressed and postage prepaid. We will return to You all payments made for this policy within thirty days after we receive notice of cancellation and the returned policy.

**This Policy does not constitute a prepaid funeral contract as referenced in Ark. Code Ann. §§ 23-40-101 to 23-40-118.**

This policy is signed for the Company Administrative Offices, Salt Lake City, Utah on the Policy Date.



Secretary



President

**WHOLE LIFE INSURANCE  
PROCEEDS PAYABLE AFTER THE DEATH OF THE INSURED PRIOR TO THE MATURITY DATE.  
PREMIUMS PAYABLE DURING THE LIFETIME OF THE INSURED OR UNTIL THE MATURITY DATE.  
NON-PARTICIPATING.  
NO DIVIDENDS ARE PAYABLE**

**SECURITY NATIONAL LIFE INSURANCE COMPANY**

5300 South 360 West, Suite 250 P.O. Box 57220  
Salt Lake City, Utah 84157-0220  
Phones: (801) 264-1060 or (800) 574-7117  
Whole Life Insurance

**STATEMENT OF POLICY COST AND BENEFIT INFORMATION FOR POLICY 111111**

**INSURED:** SAMPLE SAMPLE

**AGE:** 50 Female **POLICY DATE:** JANUARY 10, 2013

**DEATH BENEFIT:** \$5,000 **MATURITY DATE:** JANUARY 10, 2063

**PREMIUM FREQUENCY:** Pre-Authorized Check Monthly

**PREMIUM CLASS:** Non Smoker **POLICY FORM:** FP1 (03/2008)-AR

**PLAN:** FP1-08 – WHOLE LIFE INSURANCE TO THE MATURITY DATE SPECIFIED ABOVE.

YEAR	BENEFIT	ANNUAL PREMIUM	CASH VALUE	LOAN VALUE	PAID-UP BENEFIT
1	\$5,000	\$163.55	\$0.00	\$0.00	\$0
2	\$5,000	\$163.55	\$0.00	\$0.00	\$0
3	\$5,000	\$163.55	\$73.05	\$73.05	\$220
4	\$5,000	\$163.55	\$156.55	\$156.88	\$456
5	\$5,000	\$163.55	\$242.25	\$242.25	\$683
6	\$5,000	\$163.55	\$330.15	\$330.15	\$900
7	\$5,000	\$163.55	\$420.45	\$420.45	\$1,110
8	\$5,000	\$163.55	\$513.50	\$513.50	\$1,312
9	\$5,000	\$163.55	\$609.40	\$609.40	\$1,507
10	\$5,000	\$163.55	\$708.20	\$708.20	\$1,695
11	\$5,000	\$163.55	\$809.80	\$809.80	\$1,876
12	\$5,000	\$163.55	\$913.85	\$913.85	\$2,050
13	\$5,000	\$163.55	\$1,019.90	\$1,019.90	\$2,216
14	\$5,000	\$163.55	\$1,127.50	\$1,127.50	\$2,375
15	\$5,000	\$163.55	\$1,236.45	\$1,236.45	\$2,526
16	\$5,000	\$163.55	\$1,346.70	\$1,346.70	\$2,669
17	\$5,000	\$163.55	\$1,458.50	\$1,458.50	\$2,807
18	\$5,000	\$163.55	\$1,572.10	\$1,572.10	\$2,938
19	\$5,000	\$163.55	\$1,687.85	\$1,687.85	\$3,065
20	\$5,000	\$163.55	\$1,805.65	\$1,805.65	\$3,186

**INTEREST ADJUSTED INDEXES BASED ON A 4.5% INTEREST RATE**

	10 Years	20 Years
Life Insurance Net Payment Cost Index	32.71	32.71
Life Insurance Surrender Index	21.99	22.31

The policy is an endowment policy with premiums payable to age 100. The death benefit is payable at the date of the death of the insured. The policy endows at age 100 for the cash value less any policy loans.

The illustration does not recognize that, because of interest, a dollar in the future has less value than a dollar today.

Premiums paid over several years may exceed the death benefit.

This Statement is not valid unless all pages are present.

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**POLICY DATA PAGE**

**POLICY** 111111

**INSURED:** SAMPLE SAMPLE  
**AGE:** 50 Female **POLICY DATE:** JANUARY 10, 2013  
**DEATH BENEFIT:** \$5,000 **MATURITY DATE:** JANUARY 10, 2063  
**TOTAL PREMIUM:** \$13.90 **FREQUENCY:** Pre-Authorized Check Monthly  
**PREMIUM CLASS:** Non Smoker **POLICY FORM:** FP1 - (03/2008)-AR  
**PLAN:** WHOLE LIFE INSURANCE TO THE MATURITY DATE SPECIFIED ABOVE.

**COVERAGES**

<b>Coverage Description</b>	<b>Death Benefit</b>	<b>Annual Premium</b>	<b>Years To Pay</b>	<b>Form Number</b>
Family Protector I	\$5,000	163.55	50 Years	FP1 (03/2008)-AR

Premium Schedule

Annual	Semi-Annual	Quarterly	PAC Monthly	Monthly
\$163.55	\$85.05	\$43.34	\$13.90	\$14.72

## TABLE OF GUARANTEED VALUES

### Age 50 - Female – Non Smoker

Policy Number 111111

YEAR	CASH VALUE	PAID-UP INS	YEAR	CASH VALUE	PAID-UP INS
1	0	0	21	1,925	3,303
2	0	0	22	2,045	3,463
3	73	220	23	2,166	3,519
4	156	456	24	2,286	3,618
5	242	683	25	2,404	3,711
6	330	900	26	2,521	3,798
7	420	1,110	27	2,636	3,880
8	513	1,312	28	2,749	3,957
9	609	1,507	29	2,861	4,030
10	708	1,695	30	2,971	4,099
11	809	1,876	31	3,080	4,164
12	913	2,050	32	3,185	4,225
13	1,019	2,216	33	3,287	4,282
14	1,127	2,375	34	3,385	4,334
15	1,236	2,526	35	3,479	4,383
16	1,346	2,669	36	3,568	4,428
17	1,458	2,807	37	3,653	4,470
18	1,572	2,938	38	3,735	4,509
19	1,687	3,065	39	3,814	4,545
20	1,805	3,186	40	3,892	4,580

## DEFINITIONS

1. **Age** is the age as of the last birthday at the beginning of the policy year.
2. **Maturity Date** is the date the policy matures as shown on the Policy Data Page.
3. **Policy Date** is the date shown on the Policy Data Page. All policy years, months and anniversaries will be computed from the Policy Date.
4. **We, Us, and Our** mean Security National Life Insurance Company.
5. **Written Request** means a request in writing in a form satisfactory to Us and recorded at Our Home Office.
6. **You, Your and Yourself** means the Owner of this policy as shown in the application or as changed as provided herein.

## PROCEEDS

Proceeds mean the amount payable on the Maturity Date, the surrender of this policy, or on the death of the Insured. Subject to the provisions contained herein, the Proceeds payable on death will be the Death Benefit shown on the Policy Data Page. If the policy is surrendered, the Proceeds will be the Cash Surrender Value at that time. On the Maturity Date the Proceeds will be the Cash Surrender Value at that time.

Proceeds will be reduced by any indebtedness and any premium due and unpaid if the Insured dies during the Grace Period. Proceeds will be increased by any premium paid that applies to a period beyond the end of the month in which the Insured's death occurs. Indebtedness consists of any unpaid loan plus accrued interest.

If the Policy is in force under the Paid-Up Option provision, the Proceeds payable on death will be the Death Benefit as described herein.

### Payment of Proceeds

All Proceeds are payable at Our office. We may require the return of this policy before approving changes or paying Proceeds. To the extent provided by law, the Proceeds of this policy are not subject to the claims of a Beneficiary's creditors, nor to any legal process against the Beneficiary.

The Proceeds are subject first to any indebtedness to Us and then to the interest of any assignee of record. Payments to satisfy any assignment will be paid in a lump sum.

Upon the death of the Insured, proceeds payable to the Beneficiary, shall include premiums paid for any period beyond the end of the policy month in which death occurred, unless the refund of premiums is due some other person, pursuant to contract provisions.

Proceeds will be paid to the Beneficiary no later than (30) days after the proof of the death of the Insured has been furnished to US, and a reasonable period of time, sufficient to complete an investigation of the cause of death and to process the necessary claims has occurred. Unearned premiums shall be paid in a lump sum on a date no later than (30) days after the proof of the Insured's death has been furnished to the Insurer; or interest at the rate of eight percent (8%) per year, will be paid on any unpaid proceeds and any unearned premiums. Interest shall accrue from the date of the Insured's death.

## GENERAL PROVISIONS

### Contract

The entire contract consists of this policy including any endorsements, amendments and riders and the written application. A copy of the application is attached to and made a part of the policy on the Policy Date. In the absence of fraud, all statements in the application are deemed to be representations and not warranties. No statement shall be used to contest this policy or to defend against a claim unless it is contained in this contract. Only the President, a Senior Vice-President or the Secretary of the Company is authorized to change or waive any of the terms of this policy. Any such change must be by written agreement signed by one of the officers named above.

### Error in Age or Sex

If the Age or sex of the Insured has been misstated at the time of application, all Proceeds payable will be those which the premiums paid would have purchased for the correct Age and sex.

### Suicide Exclusion

If the Insured dies by suicide, while sane or insane, within two years from the Policy Date, the proceeds payable under this policy will be limited to the premiums paid, less any indebtedness.

### Incontestability

This policy will be incontestable except for nonpayment of premium after it has been in force during the lifetime of the Insured for two years from the Policy Date, except as provided below.

Any rider issued after the Policy Date will be incontestable except for nonpayment of premium only after such rider has been in force for two years during the lifetime of the Insured from the date of issue of such rider.

## **Termination**

This policy will terminate when any one of the following events occurs:

1. You make a Written Request to surrender this policy;
2. the Insured dies;
3. the policy reaches its Maturity Date;
4. the Grace Period ends with a premium in default, unless the policy is continued under the Paid-Up Option;  
or
5. the policy is over loaned as described in the Policy Loan provision.

## **OWNERSHIP AND ASSIGNMENT**

### **Owner**

This policy belongs to the Owner shown in the application, or, if applicable, to any successor, assignee or transferee of the Owner. During the lifetime of the Insured, You alone have the right to receive all proceeds and to exercise all rights provided in the policy. However, these rights are subject to the rights of any assignee of record and any irrevocable Beneficiary. The Death Benefit, however, is paid to the beneficiary and not the Owner unless the Owner is the beneficiary.

### **Assignment and Transfer of Ownership**

You may transfer ownership of the policy by Written Request. The change will take effect on the date the request was signed. However, the change will not apply to any payment made or actions We have taken before the request is received and recorded at Our office.

Subject to the rights of any irrevocable Beneficiary, You may assign the policy. The interests of the Owner and the beneficiary are subordinate to that of any assignee. We assume no responsibility for the validity of any assignment or transfer of ownership of the policy. We will not be bound by any assignment or transfer of ownership unless it is recorded at Our office.

## **BENEFICIARY**

### **Beneficiary**

The Beneficiary and any Contingent Beneficiary are as named by You in the application or by later Written Request.

The Beneficiary will receive any Proceeds payable at the death of the Insured, subject to the right of any assignee.

### **Death of Beneficiary**

If any Beneficiary dies before the Insured, that person's interest will terminate. Any surviving beneficiaries or contingent beneficiaries will be entitled to any Proceeds payable thereafter upon the death of the Insured, according to their respective interests. If no Beneficiary or Contingent Beneficiary survives the Insured, the Proceeds will be paid to You, if then living or to Your estate.

### **Beneficiary Change**

You may change the Beneficiary at any time during the lifetime of the Insured. Any change must be by Written Request signed prior to the death of the Insured. The written consent of any irrevocable Beneficiary will be required to change the Beneficiary.

The change will take effect on the date the request was signed. However, it will not apply to any payments made or actions taken by Us before the request was received and recorded at Our office.

## **PREMIUMS**

### **Premium Payments**

The initial premium for the policy is due on the Policy Date. Subsequent premiums are due in advance of the period to be covered. The premium, including any rider premiums, and the payment interval You have selected are shown on the Policy Data Page. Premiums may be paid annually, semiannually, or quarterly, or, with Our consent, by any other method.

Payment may be made at Our Home Office, or to an authorized agent in exchange for a receipt signed by Our President, a Senior Vice-President or Secretary of the Company and countersigned by the agent.

**Automatic Premium Loan**

If elected, an automatic premium loan will be available to pay any unpaid premium by a policy loan as long as such premium does not exceed the Maximum Loan Amount then available. When the Maximum Loan Amount available is insufficient to pay the premium then due based on the premium frequency then in effect, the premium frequency will be changed to monthly. The premium due will be paid monthly until the Maximum Loan Amount is insufficient to pay such premium. The Automatic Premium Loan provision will automatically cease at the time an unpaid premium is due and the Maximum Loan Amount is insufficient to pay the monthly premium. At such time the Nonforfeiture provisions will apply.

Such premium loan will be treated as described in the Policy Loan provision. You may elect or cancel this option at any time by Written Request.

A premium paid under this option is not a premium in default.

**Grace Period**

Except for the first premium, We allow a grace period of 31 days after its due date to pay the premium due. The policy will remain in force during the Grace Period, unless surrendered. If the Insured dies during the Grace Period, the unpaid premium will be deducted from the Proceeds.

Any premium not paid on or before its due date is a premium in default. Subject to the Automatic Premium Loan provision, if a premium in default is not paid before the end of the Grace Period, the policy will continue only as provided in the Options on Non-Payment of Premium provisions.

**REINSTATEMENT**

The Policy may be reinstated during the lifetime of the Insured under the following conditions:

- The Policy was not surrendered for its cash value;
- Requests for reinstatement must be made before the Maturity Date and within three years from the date of the first premium in default; and
- Satisfactory evidence is provided to Us of the insurability of the Insured;
- All past due premiums are paid, with interest at 6%, compounded yearly; and
- All policy loans are either repaid or reinstated, including loan interest on the Policy on the due date of the first premium in default.

The effective date of reinstatement will be the date the application for reinstatement is approved by Us.

After Reinstatement, if the Policy had been in force for less than two years prior to termination, the Suicide Exclusion and Incontestability Provisions will apply for the remaining portion of such two year period. In addition, the Policy will be contestable as to statements made in the Reinstatement Application for a period of two years during the lifetime of the Insured from the effective date of reinstatement.

**NONFORFEITURE****Cash Surrender Value**

The Cash Surrender Value is the cash value shown in the TABLE OF GUARANTEED VALUES reduced by any loan on the Policy. The cash value at any time other than at the end of a policy year is determined by making allowance for the part of the year that premiums are paid.

**Deferral of Payment**

We reserve the right to defer payment for not more than six months from the date of Your Written Request for a Policy Loan, other than to pay a premium, or the surrender of the Policy for the cash value.

### **Basis of Values**

Cash Values and net single premiums are based on the 1980 CSO, Male/Female Smoker/Non Smoker Mortality Tables Age Last Birthday with interest at 4.5% compounded annually.

The Nonforfeiture values for the policy are equal to or greater than those required by law. A detailed statement of computing values has been filed with the insurance supervisory official of the jurisdiction in which the policy was delivered.

### **OPTIONS ON NONPAYMENT OF PREMIUM**

If a premium is in default after the end of the grace period and is not paid by an Automatic Premium Loan, the insurance under the Policy will lapse except as may be provided herein. You may elect one of the options by providing Written Request not more than 60 days after the premium due date and prior to the insured's death. If no other option is elected at the end of the 60 days, the Automatic Option will be the Paid-up Option.

### **Surrender**

You may surrender the Policy for its Cash Surrender Value any time before the Policy terminates. The insured must be living at the time the request for surrender is received by Us. Any coverage under the Policy will terminate on the date We receive Your Written Request to surrender. Our only obligation then will be to pay any Cash Surrender Value to You. A surrender within 31 days after the policy anniversary will be treated as a surrender on the anniversary.

While the policy is in force other than under the Paid-Up Option, the Cash Surrender Value is the Cash Value as of the current policy month, less any indebtedness. Any premium paid beyond the date of surrender will be returned.

### **Paid-Up Option**

The policy may be continued in force for a reduced amount of paid-up insurance. The amount of paid-up insurance will be determined by applying the Cash Surrender Value as a net single premium for the Insured's sex, premium class and Age as of the date this option becomes effective. The Death Benefit is the amount of paid-up insurance less any indebtedness. This amount of reduced paid-up insurance is payable at the same time and under the same conditions as the Death Benefit of the policy.

When the Paid-Up Option becomes effective any accidental Death Benefit, waiver of premium, term, or any additional benefit terminates unless provided otherwise in the policy.

### **Surrender of Paid-up Insurance**

Paid-up insurance may be surrendered at any time while the Insured is still living. While in force under the Paid-Up Option, the Cash Surrender Value of the policy is the net single premium for the amount of paid-up insurance based on the Insured's sex, age and premium class. Any indebtedness will be deducted from the cash value.

If a surrender is requested within 31 days after a policy anniversary, the Cash Surrender Value will not be less than the Cash Surrender Value on that anniversary, less any policy loan made on or after that anniversary of the Paid-up Option.

### **LOAN PROVISION**

#### **Policy Loan**

While the policy is in force You may request a policy loan. The Maximum Loan Amount You may borrow is the Cash Surrender Value as of the date the loan is requested, less interest to the following policy anniversary. Any premium due and unpaid at the time the loan is made will be deducted from the loan. We will charge interest on the loan, as described in the Loan Interest provision.

The loan is made with the policy as sole security for the loan. The loan is the first lien on the policy.

We have the right to postpone making a loan, except as described in the Automatic Premium Loan provision, for up to 6 months.

Whenever the indebtedness equals or exceeds the Cash Value, the policy will be over loaned and will terminate. We will notify You and any assignee on record at Our Home Office 31 days prior to the date the policy terminates.

Loans may be repaid at any time prior to the termination of the policy.

### **Loan Interest**

We will charge interest at an annual Loan Rate on any policy loan. The Loan Rate is payable in advance and is described below. Interest is payable at the beginning of each policy year, or when the policy loan is made or increased. Interest not paid when due is added to the loan amount and will bear interest at the same rate.

The Policy loan rate is 8% compounded annually.

## **SETTLEMENT OPTIONS**

Prior to the Insured's death You may elect that the Proceeds of the policy be paid under one of the Settlement Options in lieu of receiving a lump sum. Payments may be made in any other manner agreed to by Us. If no such election has been made prior to the Insured's death, a Beneficiary who is a natural person may elect to receive Proceeds paid under one of the Settlement Options contained in the policy. Payment under a combination of options, or payment to join or successive payees, or payment to a Beneficiary that is not a natural person may be elected only with Our consent.

Any election of a Settlement Option must be made by Written Request which is received by Us within 30 days in advance of the date on which payment of the Proceeds is due; or if elected by a Beneficiary, at any time prior to the payment of Proceeds.

When Proceeds become payable under one of the Settlement Options, the policy will be exchanged for a supplementary contract specifying all rights and benefits.

### **Payments**

Payments will be made monthly unless otherwise elected. We have the right to change the frequency of payments in order to make a periodic payment of at least \$100.

The option date under Options 1, 2, 3 and 5 is the date the Proceeds are payable, or the date of election, whichever is later.

Under Options 3 and 5, proof of the Age of the payee(s) will be required at the time the first payment is due. We reserve the right to require proof that the payee(s) is alive at the time of each payment.

### **Change in Payments**

Partial withdrawal under Options 1 and 2 may not be made. Payments under Options 1 and 2 may be paid in a lump sum only with Our consent. The value of any lump sum payment will be the sum of any remaining guaranteed payments discounted at an interest rate of not less than 3% compounded annually.

Payments guaranteed under Option 3 will be commuted only in the event of the death of the payee. Any guaranteed payments that remain to be paid under Option 3 at the death of the payee will be commuted at an interest rate of not less than 3%, compounded annually and paid in a lump sum.

In the event additional interest is applicable to payments under Option 1, 2, or 3, any such payments, if paid in a lump sum, will be discounted at an interest rate equal to that actually credited. Additional interest, if any, paid over the guaranteed 3%, will be in an amount and by a method determined by Us.

### **Claims of Creditors**

To the extent permitted by law, Proceeds will not be subject to any claims of a payee's creditors.

### **Assignment**

The Proceeds payable under one of these options may not be assigned.

## Options

Amounts payable under the policy may be paid under one or more of the following options:

### A. Option 1 – Interest Payments

The proceeds are left on deposit with Us, and We will pay interest payments as may be requested, subject to any restrictions for minimum amounts. The first interest payment will be due at the end of the period selected. The payee may elect to change options or to make withdrawals at any time.

### B. Option 2 – Installment Payments of a Specified Amount

The proceeds are left with Us, and We will pay installments of a designated amount until the deposit is exhausted. The unpaid portion of any proceeds, while We have them, will be increased by interest. The first installment is due on the date of settlement. The final installment will include any remaining amount which is not sufficient to provide another installment payment.

### C. Option 3 – Installment Payment – Specified Period

The proceeds are left with Us, and We will pay equal installments for a period of from one to twenty-five years. The unpaid portion of any proceeds, while We have them, will be increased by interest. The first installment is due on the date of settlement.

### D. Option 4 – Installment Payment – Period Certain and Life Thereafter

The proceeds are left with Us, and We will pay equal monthly payments, as long as the payee lives. We guarantee that, if the payee dies before the specified number of months, payments will continue to a contingent payee. The first installment is due on the date of settlement.

### E. Option 5 – Other Settlement Options

If We have any other options available when the proceeds are payable, they may be elected period.

## AMOUNT OF EACH MONTHLY PAYMENT PER \$1,000 OF PROCEEDS – OPTION 3

Period Years	Monthly Payment						
1	85.21	6	15.99	11	9.77	16	7.49
2	43.64	7	14.02	12	9.16	17	7.20
3	29.80	8	12.56	13	8.64	18	6.94
4	22.89	9	11.42	14	8.20	19	6.71
5	18.74	10	10.51	15	7.82	20	6.51

**AMOUNT OF EACH MONTHLY PAYMENT PER \$1,000 OF PROCEEDS – OPTION 4**

(Based on the payee’s Age nearest birthday on the date the proceeds are settled under the option)

Age of Payee

Male	Female	10 Years Certain	15 Years Certain	20 Years Certain	Male	Female	10 Years Certain	15 Years Certain	20 Years Certain
*20	*25	2.93	2.92	2.91	50	55	4.50	4.37	4.18
21	26	2.95	2.95	2.93	51	56	4.60	4.44	4.24
22	27	2.98	2.97	2.96	52	57	4.69	4.52	4.30
23	28	3.01	3.00	2.99	53	58	4.79	4.60	4.36
24	29	3.04	3.03	3.02	54	59	4.90	4.69	4.41
25	30	3.08	3.07	3.05	55	60	5.01	4.77	4.47
26	31	3.11	3.10	3.08	56	61	5.12	4.86	4.53
27	32	3.14	3.13	3.11	57	62	5.23	4.94	4.59
28	33	3.18	3.17	3.15	58	63	5.35	5.03	4.64
29	34	3.22	3.20	3.18	59	64	5.48	5.12	4.70
30	35	3.26	3.24	3.22	60	65	5.61	5.21	4.75
31	36	3.30	3.28	3.25	61	66	5.74	5.30	4.80
32	37	3.34	3.32	3.29	62	67	5.87	5.39	4.85
33	38	3.39	3.36	3.33	63	68	6.01	5.48	4.90
34	39	3.43	3.41	3.37	64	69	6.16	5.56	4.94
35	40	3.48	3.45	3.41	65	70	6.30	5.65	4.98
36	41	3.53	3.50	3.45	66	71	6.45	5.73	5.02
37	42	3.59	3.55	3.50	67	72	6.60	5.82	
38	43	3.64	3.60	3.54	68	73	6.76	5.90	
39	44	3.70	3.65	3.59	69	74	6.91	5.97	
40	45	3.76	3.71	3.64	70	75	7.07	6.05	
41	46	3.82	3.77	3.69	71	76	7.23	6.12	
42	47	3.88	3.82	3.84	72	77	7.38	6.18	
43	48	3.95	3.88	3.79	73	78	7.54	6.24	
44	49	4.02	3.95	3.84	74	79	7.69	6.30	
45	50	4.09	4.01	3.90	75	80	7.84	6.35	
46	51	4.17	4.08	3.95	76	81	7.98	6.39	
47	52	4.25	4.15	4.01	77	82	8.13		
48	53	4.33	4.22	4.07	78	83	8.26		
49	54	4.42	4.29	4.12	79	84	8.39		
					+80	+85	8.51		

\* And Under

+ And Over

# **SECURITY NATIONAL LIFE Insurance Company**

**P.O. Box 57220  
Salt Lake City, UT 84157-0220**

## **Arkansas Insurance Department**

Consumer Services Department  
1200 West Third Street  
Little Rock, AR 72201  
1-501- 371-2640  
Toll Free: 1-800-852-5494

**WHOLE LIFE INSURANCE  
PROCEEDS PAYABLE AFTER THE DEATH OF THE INSURED PRIOR TO THE MATURITY DATE.  
PREMIUMS PAYABLE DURING THE LIFETIME OF THE INSURED OR UNTIL THE MATURITY DATE.  
NON-PARTICIPATING.  
NO DIVIDENDS ARE PAYABLE**

**SECURITY NATIONAL LIFE INSURANCE COMPANY**  
5300 South 360 West, Suite 250 P.O. Box 57220 Salt Lake City, Utah 84157-0220  
Telephone: (801) 264-1060 or (800) 574-7117

Use these telephone numbers to present inquiries or obtain information concerning coverage or assistance in resolving complaints.

This policy is a legal contract between the Company and the Owner.

**READ YOUR POLICY CAREFULLY**

We will pay the death benefit of this policy to the beneficiary as provided herein. We must receive at our Office, due proof that the Insured died while this policy is in force. The beneficiary is as stated in the application unless changed in accordance with the provisions contained herein.

The insurance provided in this policy is granted in consideration of the application attached and the payment of the premium due on the Policy Date. The premium is shown in the Policy Data Section for the period of time elected in the application. Premiums are required to be paid on or before each succeeding period to keep the policy in force.

All payments made under this policy are subject to the provisions contained herein.

**NOTICE OF 30-DAY RIGHT TO EXAMINE POLICY**

This policy may be cancelled by delivering or mailing it to Us with a Written Request to cancel. The Written Request must be received by Us or mailed before midnight of the thirtieth day after Your receipt of this policy. This policy will then be void from its Policy Date. Notice given by mail and return of the policy by mail are effective on being postmarked, properly addressed and postage prepaid. We will return to You all payments made for this policy within thirty days after we receive notice of cancellation and the returned policy.

**This Policy does not constitute a prepaid funeral contract as referenced in Ark. Code Ann. §§ 23-40-101 to 23-40-118.**

This policy is signed for the Company Administrative Offices, Salt Lake City, Utah on the Policy Date.

  
Secretary

  
President

**GRADED DEATH BENEFIT  
WHOLE LIFE INSURANCE  
LIMITED BENEFIT PAYABLE IN THE FIRST THREE POLICY YEARS.  
PROCEEDS PAYABLE AFTER THE DEATH OF THE INSURED PRIOR TO THE MATURITY DATE.  
PREMIUMS PAYABLE DURING THE LIFETIME OF THE INSURED OR UNTIL THE MATURITY DATE.  
NON-PARTICIPATING.  
NO DIVIDENDS ARE PAYABLE**

**SECURITY NATIONAL LIFE INSURANCE COMPANY**  
5300 South 360 West, Suite 250 – Salt Lake City, Utah 84157-0220  
Phones: (800) 574-7117 or (801) 264-1060  
**WHOLE LIFE INSURANCE**

STATEMENT OF POLICY COST AND BENEFIT INFORMATION FOR POLICY 111111

**INSURED:** Sample Sample  
**AGE:** 50 Male **POLICY DATE:** January 10, 2013  
**DEATH BENEFIT:** \$5,000 **MATURITY DATE:** January 10, 2063  
**PREMIUM FREQUENCY:** Pre-Authorized Check Monthly  
**PREMIUM CLASS:** Non Smoker **POLICY FORM:** FP3 (03/2008)  
**PLAN:** FP3-08 – WHOLE LIFE INSURANCE TO THE MATURITY DATE SPECIFIED ABOVE.

YEAR	BENEFIT	ANNUAL PREMIUM	CASH VALUE	LOAN VALUE	PAID-UP BENEFIT
1	\$1,250	\$225.15	\$0.00	\$0.00	\$0
2	\$2,500	\$225.15	\$42.30	\$42.30	\$115
3	\$3,750	\$225.15	\$148.65	\$148.65	\$392
4	\$5,000	\$225.15	\$249.85	\$249.85	\$637
5	\$5,000	\$225.15	\$353.05	\$353.05	\$871
6	\$5,000	\$225.15	\$458.20	\$458.20	\$1,094
7	\$5,000	\$225.15	\$565.20	\$565.20	\$1,307
8	\$5,000	\$225.15	\$674.20	\$674.20	\$1,510
9	\$5,000	\$225.15	\$785.00	\$785.00	\$1,704
10	\$5,000	\$225.15	\$897.50	\$897.50	\$1,889
11	\$5,000	\$225.15	\$1,011.45	\$1,011.45	\$2,066
12	\$5,000	\$225.15	\$1,126.75	\$1,126.75	\$2,234
13	\$5,000	\$225.15	\$1,242.95	\$1,242.95	\$2,394
14	\$5,000	\$225.15	\$1,359.70	\$1,359.70	\$2,545
15	\$5,000	\$225.15	\$1,476.80	\$1,476.80	\$2,689
16	\$5,000	\$225.15	\$1,594.05	\$1,594.05	\$2,825
17	\$5,000	\$225.15	\$1,711.45	\$1,711.45	\$2,955
18	\$5,000	\$225.15	\$1,828.90	\$1,828.90	\$3,078
19	\$5,000	\$225.15	\$1,946.45	\$1,946.45	\$3,195
20	\$5,000	\$225.15	\$2,063.75	\$2,063.75	\$3,306

INTEREST ADJUSTED INDEXES BASED ON A 4.5% INTEREST RATE

	10 Years	20 Years
Life Insurance Net Payment Cost Index	180.12	180.12
Life Insurance Surrender Index	125.78	132.58

The policy is an endowment policy with premiums payable to age 100. The death benefit is payable at the date of the death of the insured. The policy endows at age 100 for the cash value less any policy loans.

\* The death benefit in the first three years is graded.

The illustration does not recognize that, because of interest, a dollar in the future has less value than a dollar today.

Premiums paid over several years may exceed the death benefit.

This Statement is not valid unless all pages are present.

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**POLICY DATA PAGE**

**POLICY 111111**

**INSURED:** Sample Sample  
**AGE:** 50 Male                      **POLICY DATE:** January 10, 2013  
**DEATH BENEFIT:** \$5,000                      **MATURITY DATE:** January 10, 2063  
**TOTAL PREMIUM:** \$19.14                      **FREQUENCY:** Pre-Authorized Check Monthly  
**PREMIUM CLASS:** Non Smoker                      **POLICY FORM:** FP3 (03/2008)

**PLAN:** WHOLE LIFE INSURANCE TO THE MATURITY DATE SPECIFIED ABOVE.  
GRADED DEATH BENEFIT (see Table below).

**Death Benefit Table – Beginning of Year Death Benefits**

<u>Year</u>	<u>Graded Death Benefit</u>
01	\$1,250
02	\$2,500
03	\$3,750
04	\$5,000

**COVERAGES**

<b>Coverage Description</b>	<b>Death Benefit</b>	<b>Annual Premium</b>	<b>Years To Pay</b>	<b>Form Number</b>
Family Protector II	\$5,000	\$225.15	50 Years	FP3 (03/2008)

Premium Schedule

Annual	Semi-Annual	Quarterly	PAC Monthly	Monthly
\$225.15	\$117.08	\$59.66	\$19.14	\$20.26

## TABLE OF GUARANTEED VALUES

### Age 50 – Male – Non Smoker

Policy Number 111111

YEAR	CASH VALUE	PAID-UP INS	YEAR	CASH VALUE	PAID-UP INS
1	0	0	21	2,180	3,411
2	42	115	22	2,295	3,511
3	148	392	23	2,409	3,604
4	249	637	24	2,520	3,692
5	353	871	25	2,627	3,773
6	458	1,094	26	2,732	3,849
7	565	1,307	27	2,834	3,921
8	674	1,510	28	2,933	3,988
9	785	1,704	29	3,030	4,052
10	897	1,889	30	3,125	4,112
11	1,011	2,066	31	3,218	4,169
12	1,126	2,234	32	3,308	4,222
13	1,242	2,394	33	3,395	4,272
14	1,359	2,545	34	3,477	4,319
15	1,476	2,689	35	3,555	4,361
16	1,594	2,825	36	3,628	4,401
17	1,711	2,955	37	3,698	4,437
18	1,828	3,078	38	3,764	4,471
19	1,946	3,195	39	3,830	4,504
20	2,063	3,306	40	3,894	4,536

Values not shown will be provided upon request.

## DEFINITIONS

1. **Age** is the age of the last birthday at the beginning of the policy year.
2. **Maturity Date** is the date the policy matures as shown on the Policy Data Page.
3. **Policy Date** is the date shown on the Policy Data Page. All policy years, months and anniversaries will be computed from the Policy Date.
4. **We, Us, and Our** mean Security National Life Insurance Company.
5. **Written Request** means a request in writing in a form satisfactory to Us and recorded at Our Home Office.
6. **You, Your and Yourself** mean the Owner of this policy as shown in the application or as changed as provided herein.

## PROCEEDS

\*\*\*Proceeds means the amount payable on the Maturity Date, the surrender of this policy, or on the death of the Insured. On the Maturity Date the Proceeds will be the Cash Surrender Value at that time. If the policy is surrendered, the Proceeds will be the Cash Surrender Value at that time. At the time of death, the proceeds will be payable in accordance with the following:

1. If such death occurs during the first policy year, We will pay 25% of the Death Benefit shown on Page 3, Policy Data Page. If such death occurs during policy years 2 or 3, we will pay 50% or 75% of the Death Benefit, respectively.

All proceeds will be reduced by any indebtedness and any premium due and unpaid if the Insured dies during the Grace Period. Proceeds will be increased by any premium paid that applies to a period beyond the end of the month in which the Insured's death occurs. Indebtedness consists of any unpaid loan plus accrued interest.

If the policy is in force under the Paid-Up Option provision, the Proceeds payable on death will be the Death Benefit as described herein.

### Payment of Proceeds

All Proceeds are payable at Our office. We may require the return of this policy before approving changes or paying Proceeds. To the extent provided by law, the Proceeds of this policy are not subject to the claims of a Beneficiary's creditors, nor to any legal process against the Beneficiary.

The Proceeds are subject first to any indebtedness to Us and then to the interest of any assignee of record. Payments to satisfy any assignment will be paid in a lump sum.

Upon the death of the Insured, proceeds payable to the Beneficiary, shall include premiums paid for any period beyond the end of the policy month in which death occurred, unless the refund of premiums is due some other person, pursuant to contract provisions.

Proceeds will be paid to the Beneficiary no later than (30) days after the proof of the death of the Insured has been furnished to US, and a reasonable period of time, sufficient to complete an investigation of the cause of death and to process the necessary claims has occurred. Unearned premiums shall be paid in a lump sum on a date no later than (30) days after the proof of the Insured's death has been furnished to the Insurer; or interest at the rate of eight percent (8%) per year, will be paid on any unpaid proceeds and any unearned premiums. Interest shall accrue from the date of the Insured's death.

## GENERAL PROVISIONS

### Contract

The entire contract consists of this policy including any endorsements, amendments and riders and the written application. A copy of the application is attached to and made a part of the policy on the Policy Date. In the absence of fraud, all statements in the application are deemed to be representations and not warranties. No statement shall be used to contest this policy or to defend against a claim unless it is contained in this contract. Only the President, a Senior Vice-President or the Secretary of the Company is authorized to change or waive any of the terms of this policy. Any such change must be by written agreement signed by one of the officers named above.

### Error in Age or Sex

If the Age or sex of the Insured has been misstated at the time of application, all Proceeds payable will be those which the premiums paid would have purchased for the correct age and sex.

### Suicide Exclusion

If the Insured dies by suicide, while sane or insane, within two years from the Policy Date, the Proceeds payable under this policy will be limited to the premiums paid, less any indebtedness.

### Incontestability

This policy will be incontestable except for nonpayment of premium after it has been in force during the lifetime of the Insured for two years from the Policy Date, except as provided below.

Any rider issued after the Policy Date will be incontestable except for nonpayment of premium only after such rider has been in force for two years during the lifetime of the Insured from the date of issue of such rider.

### Termination

This policy will terminate when any one of the following events occurs:

1. You make a Written Request to surrender this policy;
2. the Insured dies;
3. the policy reaches its Maturity Date;
4. the Grace Period ends with a premium in default, unless the policy is continued under the Paid-Up Option; or
5. the policy is over loaned as described in the Policy Loan provision.

## OWNERSHIP AND ASSIGNMENT

### Owner

This policy belongs to the Owner shown in the application, or, if applicable, to any successor, assignee or transferee of the Owner. During the lifetime of the Insured, You alone have the right to receive all proceeds and to exercise all rights provided in the policy. However, these rights are subject to the rights of any assignee of record and any irrevocable Beneficiary. The Death Benefit, however, is paid to the beneficiary and not the Owner unless the Owner is the beneficiary.

### Assignment and Transfer of Ownership

You may transfer ownership of the policy by Written Request. The change will take effect on the date the request was signed. However, the change will not apply to any payment made or actions We have taken before the request is received and recorded at Our office.

Subject to the rights of any irrevocable Beneficiary, You may assign the policy. The interests of the Owner and the Beneficiary are subordinate to that of any assignee. We assume no responsibility for the validity of any assignment or transfer of ownership of the policy. We will not be bound by any assignment or transfer of ownership unless it is recorded at Our office.

## **BENEFICIARY**

### **Beneficiary**

The Beneficiary and any Contingent Beneficiary are as named by You in the application or by later Written Request. The Beneficiary will receive any Proceeds payable at the death of the Insured, subject to the right of any assignee.

### **Death of Beneficiary**

If any Beneficiary dies before the Insured, that person's interest will terminate. Any surviving beneficiaries or contingent beneficiaries will be entitled to any Proceeds payable thereafter upon the death of the Insured, according to their respective interests. If no Beneficiary or Contingent Beneficiary survives the Insured, the Proceeds will be paid to You, if then living or to Your estate.

### **Beneficiary Change**

You may change the Beneficiary at any time during the lifetime of the Insured. Any change must be by Written Request signed prior to the death of the Insured. The written consent of any irrevocable Beneficiary will be required to change the Beneficiary.

The change will take effect on the date the request was signed. However, it will not apply to any payments made or actions taken by Us before the request was received and recorded at Our office.

## **PREMIUMS**

### **Premium Payments**

The initial premium for the policy is due on the Policy Date. Subsequent premiums are due in advance of the period to be covered. The premium, including any rider premiums, and the payment interval You have selected are shown on the Policy Data Page. Premiums may be paid annually, semiannually, or quarterly, or, with Our consent, by any other method.

Payment may be made at Our Home Office, or to an authorized agent in exchange for a receipt signed by our President, a Senior Vice President or Secretary of the Company and countersigned by the agent.

### **Automatic Premium Loan**

If elected, an automatic premium loan will be available to pay any unpaid premium by a policy loan as long as such premium does not exceed the Maximum Loan Amount then available. When the Maximum Loan Amount available is insufficient to pay the premium then due based on the premium frequency then in effect, the premium frequency will be changed to monthly. The premium due will be paid monthly until the Maximum Loan Amount is insufficient to pay such premium. The Automatic Premium Loan provision will automatically cease at the time an unpaid premium is due and the Maximum Loan Amount is insufficient to pay the monthly premium. At such time the Nonforfeiture provisions will apply.

Such premium loan will be treated as described in the Policy Loan provision. You may elect or cancel this option at any time by Written Request.

A premium paid under this option is not a premium in default.

### **Grace Period**

Except for the first premium, We allow a grace period of 31 days after its due date to pay the premium due. The policy will remain in force during the Grace Period, unless surrendered. If the Insured dies during the Grace Period, the unpaid premium will be deducted from the Proceeds.

Any premium not paid on or before its due date is a premium in default. Subject to the Automatic Premium Loan provision, if a premium in default is not paid before the end of the Grace Period, the policy will continue only as provided in the Options on Non-Payment of premium provisions.

## REINSTATEMENT

The policy may be reinstated during the lifetime of the Insured under the following conditions:

1. The policy was not surrendered for its cash value;
2. Requests for reinstatement must be made before the Maturity Date and within 3 years from the date of the first premium in default; and
3. Satisfactory evidence is provided to us of the insurability of the Insured;
4. All past due premiums are paid, with interest at 6%, compounded yearly; and
5. All policy loans are either repaid or reinstated including loan interest on the policy on the due date of the first premium in default.

The effective date of reinstatement will be the date the application for reinstatement is approved by Us.

After Reinstatement, if the policy had been in force for less than 2 years prior to termination, the Suicide Exclusion and Incontestability provisions will apply for the remaining portion of such 2 year period. In addition, the policy will be contestable as to statements made in the reinstatement application for a period of 2 years during the lifetime of the Insured from the effective date of reinstatement.

## NONFORFEITURE

### Cash Surrender Value

The cash surrender value is the cash value shown in the TABLE OF GUARANTEED VALUES reduced by any loan on the policy. The cash value at any time other than at the end of a policy year is determined by making allowance for the part of the year that premiums are paid.

### Deferral of Payment

We reserve the right to defer payment for not more than 6 months from the date of Your Written Request for a policy loan, other than to pay a premium, or the surrender of the policy for the cash value.

### Basis of Values

Cash Values and net single premiums are based on the 1980 CSO, Male/Female Smoker/Non Smoker Mortality Tables, Age Last Birthday with interest at 4.5% compounded annually.

The Non-forfeiture values for the policy are equal to or greater than those required by law. A detailed statement of the method of computing values has been filed with the insurance supervisory official of the jurisdiction in which the policy was delivered.

## OPTIONS ON NONPAYMENT OF PREMIUM

If a premium is in default after the end of the grace period and is not paid by an Automatic Premium Loan, the insurance under the Policy will lapse except as may be provided herein. You may elect one of the options by providing Written Request not more than 60 days after the premium due date and prior to the Insured's death. If no other option is elected at the end of the 60 days, the Automatic Option will be the Paid-up Option.

### Surrender

You may surrender the Policy for its Cash Surrender Value any time before the Policy terminates. The Insured must be living at the time the request for surrender is received by Us. Any coverage under the Policy will terminate on the date We receive Your Written Request to surrender. Our only obligation then will be to pay any Cash Surrender Value to You. A surrender within 31 days after the policy anniversary will be treated as a surrender on the anniversary.

While the policy is in force other than under the Paid-Up Option, the Cash Surrender Value is the Cash Value as of the current policy month, less any indebtedness. Any premium paid beyond the date of surrender will be returned.

**Paid-Up Option\*\*\***

The policy may be continued in force for a reduced amount of paid-up insurance. The amount of paid-up insurance will be determined by applying the Cash Surrender Value as a net single premium for the Insured's sex, premium class and Age as of the date this option becomes effective. This amount of reduced paid-up insurance is payable at the same time and under the same conditions as the Death Benefit of the policy.

When the Paid-Up Option becomes effective any accidental Death Benefit, waiver of premium, term, or any additional benefit terminates unless provided otherwise in the policy.

**Surrender of Paid-Up Insurance**

Paid-up insurance may be surrendered at any time while the Insured is still living. While in force under the Paid-Up Option, the Cash Surrender Value of the policy is the net single premium for the amount of paid-up insurance based on the Insured's sex, Age and premium class. Any indebtedness will be deducted from the cash value.

If a surrender is requested within 31 days after a policy anniversary, the Cash Surrender Value will not be less than the Cash Surrender Value on that anniversary, less any policy loan made on or after that anniversary of the Paid-Up Option.

**LOAN PROVISION****Policy Loan**

While the policy is in force You may request a policy loan. The Maximum Loan Amount You may borrow is the Cash Surrender Value as of the date the loan is requested, less interest to the following policy anniversary. Any premium due and unpaid at the time the loan is made will be deducted from the loan. We will charge interest on the loan, as described in the Loan Interest Provision.

The loan is made with the policy as sole security for the loan. The loan is the first lien on the policy.

We have the right to postpone making a loan, except as described in the Automatic Premium Loan provision, for up to 6 months.

Whenever the indebtedness equals or exceeds the Cash Value, the policy will be over loaned and will terminate. We will notify You and any assignee on record at Our Home Office 31 days prior to the date the policy terminates.

Loans may be repaid at any time prior to the termination of the policy.

**Loan Interest**

We will charge interest at an annual Loan Rate on any policy loan. The Loan Rate is payable in advance and is described below. Interest is payable at the beginning of each policy year, or when the policy loan is made or increased. Interest not paid when due is added to the loan amount and will bear interest at the same rate.

The Policy loan rate is 8% compounded annually.

**SETTLEMENT OPTIONS**

Prior to the Insured's death You may elect that the Proceeds of the Policy be paid under one of the Settlement Options in lieu of receiving a lump sum. Payments may be made in any other manner agreed to by Us. If no such election has been made prior to the Insured's death, a Beneficiary who is a natural person may elect to receive Proceeds paid under one of the Settlement Options contained in the policy. Payment under a combination of options, or payment to joint or successive payees, or payment to a Beneficiary that is not a natural person may be elected only with Our consent.

Any election of a Settlement Option must be made by Written Request which is received by Us within 30 days in advance of the date on which payment of the Proceeds is due; or if elected by a Beneficiary, at any time prior to the payment of Proceeds.

When Proceeds become payable under one of the Settlement Options, the policy will be exchanged for a supplementary contract specifying all rights and benefits.

## **Payments**

Payments will be made monthly unless otherwise elected. We have the right to change the frequency of payments in order to make a periodic payment of at least \$100.

The option date under Options 1, 2, 3 and 5 is the date the Proceeds are payable, or the date of election, whichever is later.

Under Options 3 and 5, proof of the Age of the payee(s) will be required at the time the first payment is due. We reserve the right to require proof that the payee(s) is alive at the time of each payment.

## **Change in Payments**

Partial withdrawal under Options 1 and 2 may not be made. Payments under Options 1 and 2 may be paid in a lump sum only with Our consent. The value of any lump sum payment will be the sum of any remaining guaranteed payments discounted at an interest rate of not less than 3% compounded annually.

Payments guaranteed under Option 3 will be commuted only in the event of the death of the payee. Any guaranteed payments that remain to be paid under Option 3 at the death of the payee will be commuted at an interest rate of not less than 3%, compounded annually and paid in a lump sum.

In the event additional interest is applicable to payments under Option 1, 2, or 3, any such payments, if paid in a lump sum, will be discounted at an interest rate equal to that actually credited. Additional interest, if any, paid over the guaranteed 3%, will be in an amount and by a method determined by Us.

## **Claims of Creditors**

To the extent permitted by law, Proceeds will not be subject to any claims of a payee's creditors.

## **Assignment**

The Proceeds payable under one of these options may not be assigned.

## **Options**

Amounts payable under the policy may be paid under one or more of the following options:

### **A. Option 1 – Interest Payments**

The proceeds are left on deposit with Us, and We will pay interest payments as may be requested, subject to any restrictions for minimum amounts. The first interest payment will be due at the end of the period selected. The payee may elect to change options or to make withdrawals at any time.

### **B. Option 2 – Installment Payments of a Specified Amount**

The proceeds are left with Us, and We will pay installments of a designated amount until the deposit is exhausted. The unpaid portion of any proceeds, while We have them, will be increased by interest. The first installment is due on the date of settlement. The final installment will include any remaining amount which is not sufficient to provide another installment payment.

### **C. Option 3 – Installment Payment – Specified Period**

The proceeds are left with Us, and We will pay equal installments for a period of from one to twenty-five years. The unpaid portion of any proceeds, while We have them, will be increased by interest. The first installment is due on the date of settlement.

### **D. Option 4 – Installment Payment – Period Certain and Life Thereafter**

The proceeds are left with Us, and We will pay equal monthly payments, as long as the payee lives. We guarantee that, if the payee dies before the specified number of months, payments will continue to a contingent payee. The first installment is due on the date of settlement.

### **E. Option 5 – Other Settlement Options**

If We have any other options available when the proceeds are payable, they may be elected period.

**AMOUNT OF EACH MONTHLY PAYMENT PER \$1,000 OF PROCEEDS – OPTION 3**

Period Years	Monthly Payment						
1	85.21	6	15.99	11	9.77	16	7.49
2	43.64	7	14.02	12	9.16	17	7.20
3	29.80	8	12.56	13	8.64	18	6.94
4	22.89	9	11.42	14	8.20	19	6.71
5	18.74	10	10.51	15	7.82	20	6.51

**AMOUNT OF EACH MONTHLY PAYMENT PER \$1,000 OF PROCEEDS – OPTION 4**

(Based on the payee’s Age nearest birthday on the date the proceeds are settled under the option)

Age of Payee

Male	Female	10 Years Certain	15 Years Certain	20 Years Certain	Male	Female	10 Years Certain	15 Years Certain	20 Years Certain
*20	*25	2.93	2.92	2.91	50	55	4.50	4.37	4.18
21	26	2.95	2.95	2.93	51	56	4.60	4.44	4.24
22	27	2.98	2.97	2.96	52	57	4.69	4.52	4.30
23	28	3.01	3.00	2.99	53	58	4.79	4.60	4.36
24	29	3.04	3.03	3.02	54	59	4.90	4.69	4.41
25	30	3.08	3.07	3.05	55	60	5.01	4.77	4.47
26	31	3.11	3.10	3.08	56	61	5.12	4.86	4.53
27	32	3.14	3.13	3.11	57	62	5.23	4.94	4.59
28	33	3.18	3.17	3.15	58	63	5.35	5.03	4.64
29	34	3.22	3.20	3.18	59	64	5.48	5.12	4.70
30	35	3.26	3.24	3.22	60	65	5.61	5.21	4.75
31	36	3.30	3.28	3.25	61	66	5.74	5.30	4.80
32	37	3.34	3.32	3.29	62	67	5.87	5.39	4.85
33	38	3.39	3.36	3.33	63	68	6.01	5.48	4.90
34	39	3.43	3.41	3.37	64	69	6.16	5.56	4.94
35	40	3.48	3.45	3.41	65	70	6.30	5.65	4.98
36	41	3.53	3.50	3.45	66	71	6.45	5.73	5.02
37	42	3.59	3.55	3.50	67	72	6.60	5.82	
38	43	3.64	3.60	3.54	68	73	6.76	5.90	
39	44	3.70	3.65	3.59	69	74	6.91	5.97	
40	45	3.76	3.71	3.64	70	75	7.07	6.05	
41	46	3.82	3.77	3.69	71	76	7.23	6.12	
42	47	3.88	3.82	3.84	72	77	7.38	6.18	
43	48	3.95	3.88	3.79	73	78	7.54	6.24	
44	49	4.02	3.95	3.84	74	79	7.69	6.30	
45	50	4.09	4.01	3.90	75	80	7.84	6.35	
46	51	4.17	4.08	3.95	76	81	7.98	6.39	
47	52	4.25	4.15	4.01	77	82	8.13		
48	53	4.33	4.22	4.07	78	83	8.26		
49	54	4.42	4.29	4.12	79	84	8.39		
					+80	+85	8.51		

\* And Under

+ And Over

# **SECURITY NATIONAL LIFE Insurance Company**

**P.O. Box 57220  
Salt Lake City, UT 84157-0220**

## **Arkansas Insurance Department**

**Consumer Services Department  
1200 West Third Street  
Little Rock, AR 72201  
1-501- 371-2640  
Toll Free: 1-800-852-5494**

**GRADED DEATH BENEFIT  
WHOLE LIFE INSURANCE  
LIMITED BENEFIT PAYABLE IN THE FIRST THREE POLICY YEARS.  
PROCEEDS PAYABLE AFTER THE DEATH OF THE INSURED PRIOR TO THE MATURITY DATE.  
PREMIUMS PAYABLE DURING THE LIFETIME OF THE INSURED OR UNTIL THE MATURITY DATE.  
NON-PARTICIPATING.  
NO DIVIDENDS ARE PAYABLE**

SERFF Tracking #:

SENL-128809585

State Tracking #:

Company Tracking #:

State:

Arkansas

Filing Company:

Security National Life Insurance Company

TOI/Sub-TOI:

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

Product Name:

FP1 (12/2012)-AR & FP3 (12/2012)-AR

Project Name/Number:

Individual Whole Life/

## Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification		
Comments:			
Attachment(s):			
CERTIFICATIONS FOR FP1 & FP3 (12-2012)-AR.pdf			

## CERTIFICATION

Security National Life Insurance Company hereby certifies that form number FP1 (12/2012)-AR complies with the Flesch reading ease requirement achieving a Flesch score of 73.0.

### SECURITY NATIONAL LIFE INSURANCE COMPANY

By: Jeffrey R. Stephens, General Counsel  
Legal Department

  
\_\_\_\_\_  
Signature

December 12, 2012  
Date

## CERTIFICATION

Security National Life Insurance Company hereby certifies that form number FP3 (12/2012)-AR complies with the Flesch reading ease requirement achieving a Flesch score of 72.0.

### SECURITY NATIONAL LIFE INSURANCE COMPANY

By: Jeffrey R. Stephens, General Counsel  
Legal Department

  
\_\_\_\_\_  
Signature

December 12, 2012  
Date

## CERTIFICATE OF COMPLIANCE

Security National Life Insurance Company hereby certifies that the Company has reviewed the enclosed policy forms and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of rule and Regulation 19, § 10 B, and all applicable requirements of the Arkansas Insurance Department, State of Arkansas, and Regulations promulgated pursuant thereto.

### SECURITY NATIONAL LIFE INSURANCE COMPANY

By: Jeffrey R. Stephens, General Counsel  
Legal Department

  
\_\_\_\_\_  
Signature

December 12, 2012

\_\_\_\_\_  
Date