

POLICY PAGES

Policy Number: LOX0214146

Insured Name: SACHIN TENDULKAR

HOME OFFICE ACCOUNT 0000038473

LAN ID: emp3179

Department: New Business

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For Internal Use

Mailing Instructions:

Company: NAC

Type of Print: Full Print

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**POLICY SUMMARY  
For Agent Use Only**

Agent: HOME OFFICE ACCOUNT 38473 100.00%  
HOME OFFICE ACCOUNT 38473

Primary Insured: SACHIN TENDULKAR  
Primary Insured Address:  
1947, LULU MALL  
CHICAGO, IL 60204  
Phone Number: N/A  
Date of Birth: 01/01/1994  
Age: 26  
Gender: Male  
Underwriting Class: Non-Tobacco  
Rating: N/A

Owner Name: SACHIN TENDULKAR  
Owner Address:  
1947, LULU MALL  
CHICAGO, IL 60204

Policy/Certificate Number: LOX0214146  
Policy Date: 01/01/2020

Plan: Smart Builder IUL  
Death Benefit Option: Level  
Rider(s)/Benefits:  
Overloan Protection Benefit  
Waiver of Surrender Charge  
Protected Death Benefit  
Accelerated Death Benefit Endorsement - Terminal  
Accelerated Death Benefit Endorsement - Chronic  
Accelerated Death Benefit Endorsement - Critical

Base Face Amount: \$500,000.00  
Scheduled Premium: \$31,900.00  
Premium Mode and Frequency: Annual Direct Bill  
Draft Day: N/A

Enclosed is the policy on the above-referenced insured. Please keep this summary for your records.

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**POLICY DELIVERY REQUIREMENT**

Policy Date: 01/01/2020

Policy Number: LOX0214146

Proposed Insured(s): SACHIN TENDULKAR

Agent Name and Code: HOME OFFICE ACCOUNT 38473

Closeout Date: 04/10/2020

**IMPORTANT**

THE POLICY ON THE ABOVE REFERENCED INSURED IS ENCLOSED. IN ORDER TO PUT THIS POLICY IN FORCE, ESTABLISH BILLING, AND PAY COMMISSIONS EARNED, THE FOLLOWING REQUIREMENTS MUST BE MET:

**Description/Comments**

PROPOSAL

PREMIUM - AMOUNT DUE PRIOR DELIVERY \$31,000.00

HLTH STMT - NEED COMPLETED STMT OF HLTH ICC19L3188B

RETURN THIS COPY WITH THE COMPLETED REQUIREMENTS IN THE ENCLOSED ENVELOPE. If there are any questions, please contact New Business. If a delay in delivery occurs, please collect additional premiums as needed to pay policy up to date.

THE ENCLOSED POLICY MUST BE DELIVERED BY THE ABOVE CLOSEOUT DATE OR RETURNED TO THE PROCESSING OFFICE FOR CANCELLATION. DELIVERY SHOULD BE MADE ONLY WHILE THE APPLICANT IS LIVING AND IN GOOD HEALTH.

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Policy Number: LOX0214146

Proposed Insured(s): SACHIN TENDULKAR

Agent Name and Code: HOME OFFICE ACCOUNT 38473

This policy was delivered to the client on, \_\_\_\_\_

Delivery requirements are attached.

Please process this policy as Not Taken. Enclosed is the policy.

Other: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Agent Signature

\_\_\_\_\_  
Date

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**STATEMENT OF HEALTH AND INSURABILITY**  
(To be completed by Proposed Insured)  
Completed as a condition to the delivery or change of:

Name of Proposed Insured	Policy Number
--------------------------	---------------

1. Since the date of the original application or examination, whichever is earlier, for the above policy, has the person to be covered by the policy:

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| A. Received medical advice or treatment by a member of the medical profession for any change in health (list any exceptions)?  | <input type="checkbox"/> | <input type="checkbox"/> |
| B. Consulted, been examined, or treated by a physician or medical practitioner (list any exceptions)?  | <input type="checkbox"/> | <input type="checkbox"/> |
| C. Made any change in occupation, the use of tobacco or drugs, participation in recreational activities (hang gliding, skydiving, motor vehicle/cycle racing, rock climbing, ballooning, bungee jumping, mountain climbing, motor boat racing, snowmobile racing, ultra light aircraft flying, scuba diving to more than 50 feet in depth, or in caves, ship wrecks or deep seas) or flying or pled guilty or been convicted for any reason (list any exceptions)? | <input type="checkbox"/> | <input type="checkbox"/> |
| D. Made application to another life insurance company (list any exceptions)?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Have you been declined, postponed or issued a life insurance policy on a modified basis?  | <input type="checkbox"/> | <input type="checkbox"/> |

**Fraud Warning:**

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

**IT IS DECLARED that all the above statements are complete and true, to the best of my knowledge and belief. Unless all questions are truthfully answered No, it is understood that no coverage will take effect until the Statement of Health is reviewed and accepted by the company.**

PROPOSED INSURED (Signature)	SIGNED AT (City, State)	DATE
PARENT OR GUARDIAN IF PROPOSED INSURED IS A MINOR (Signature)		
OWNER'S SOCIAL SECURITY NUMBER	SOLICITING AGENT (Signature)	
OWNER'S SIGNATURE		

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## POLICY DELIVERY RECEIPT

Policyowner: SACHIN TENDULKAR

Policy Number: LOX0214146

**Instructions:** By signing this Delivery Receipt you acknowledge that you have taken receipt of the actual Policy/Certificate on the date you indicate below and that you have reviewed it with your agent.

- I acknowledge receipt of this Policy/Certificate along with its attached endorsements, riders, and application.
- I also acknowledge receipt of the Statement of Policy Cost and Benefit Information form for this Policy/Certificate and state that I have reviewed and understand the Statement of Policy Cost and Benefit Information form.
- I understand that this is a contract for Life Insurance.
- I accept this Policy/Certificate as issued.

Owner Signature	Date
Agent Signature	Agent Code

Return a copy of this completed form to:

North American Company for Life and Health Insurance  
New Business Processing Center: P.O. Box 5089, Sioux Falls, SD 57117

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## POLICY DELIVERY RECEIPT

Policyowner: SACHIN TENDULKAR

Policy Number: L0X0214146

**Instructions:** By signing this Delivery Receipt you acknowledge that you have taken receipt of the actual Policy/Certificate on the date you indicate below and that you have reviewed it with your agent.

- I acknowledge receipt of this Policy/Certificate along with its attached endorsements, riders, and application.
- I also acknowledge receipt of the Statement of Policy Cost and Benefit Information form for this Policy/Certificate and state that I have reviewed and understand the Statement of Policy Cost and Benefit Information form.
- I understand that this is a contract for Life Insurance.
- I accept this Policy/Certificate as issued.

Owner Signature	Date
Agent Signature	Agent Code

Return a copy of this completed form to:

North American Company for Life and Health Insurance  
New Business Processing Center: P.O. Box 5089, Sioux Falls, SD 57117

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Owner Signature	Date
Agent Signature	Agent Code

Return a copy of this completed form to:

North American Company for Life and Health Insurance  
New Business Processing Center: P.O. Box 5089, Sioux Falls, SD 57117

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Dear Policyowner:

Welcome to North American Company! We are delighted you chose to purchase your life insurance from our company and appreciate the confidence you have placed in us.

Since your policy is an important financial asset, you should understand and be satisfied with the coverage it provides you. We urge you to read your enclosed policy contract carefully. If there are any provisions you do not understand, please contact your agent or one of our Customer Contact Representatives. **We recommend that you retain all sales materials you received along with your policy for future reference.**

Our website site, [www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com) is a great way to access your policy information. It also offers additional information about our Company and our products. You will first need to complete your registration on our website. You can do this by simply selecting the Policyowner option and clicking "Register Now" on our home page. You will then be prompted to provide some additional information, such as your policy number, to complete your website registration.

We have been in business since 1886 and pride ourselves on the quality of both the products we offer and the service we provide. We are consistently rated among the most financially sound companies in the life insurance industry by independent rating companies including A.M. Best and Standard and Poors.

Again, thank you for choosing North American Company and congratulations for taking the necessary steps to provide you and your family with this very important component of your overall financial plan. If we can be of any further assistance, please contact your agent or one of our Customer Contact Representatives at (877) 872-0757 Ext. 32146.

Sincerely,



Steve Palmitier  
President

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Dear Valued Policyowner,

Thank you for purchasing a North American life insurance policy. Since 1886, we have been helping people secure their financial futures. This longevity is a testament to our stability and financial strength and your continued support. Thank you for choosing North American for your financial protection needs.

Your trust in North American is important. We're committed to upholding your trust and maintaining focus on three key areas:

**Stability** – As a privately held company, we plan for long-term sustained growth. This is reflected through our ownership structure and a culture committed to doing what's right for you.

**Financial Strength** – North American holds high financial ratings from the major rating agencies: A+ (Superior) A.M. Best and A+ (Strong) Standard & Poor's.<sup>1</sup>

**Policyowner Commitment** – We are committed to servicing your financial protection needs with this policy and to being here when you need us most.

You made the right decision by choosing North American. Stability is vital, and we hope that our long, stable history offers confidence in your financial future. Looking ahead, the future is bright. North American looks forward to even greater years by striving to maintain our financial strength, and continuing to meet your financial protection needs.

Thank you for choosing North American Company.

Sincerely,

**Customer Contact Department**  
North American

Be sure to visit  
[www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com)  
to view policy information online,  
or call us at (877) 872-0757.

<sup>1</sup>A.M.Best is a large third-party independent reporting and rating company that rates an insurance company on the basis of company's financial strength, operating performance and ability to meet its obligation to policyholders. A+ is the second highest rating out of 15 categories and was affirmed for North American Company as part of Sammons Financial Group on July 6, 2017. For the latest rating, access [www.ambest.com](http://www.ambest.com). Standard and Poor's awarded it's "A+" (Strong) rating for insured financial strength on February 26, 2009 and affirmed on October 19, 2016 to North American Company, as part of Sammons Financial Group. The "A+" (Strong) rating is the fifth highest out of 22 available ratings.

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**NOTICE TO POLICYHOLDERS**

This notice is to advise You that should any complaints arise regarding this insurance, You may contact the following:

Illinois Department of Insurance  
Consumer Division or  
Public Services Section  
Springfield, Illinois 62767

or

North American Company for Life and Health Insurance  
ATTN: Customer Contact  
P.O. Box 5088  
Sioux Falls, SD 57117-5088  
(877) 872-0757

Should you have a valid claim, we fully expect to provide a fair settlement in a timely fashion.

Written correspondence is preferable so that a record of your inquiry can be maintained. Please have your policy number and any other useful information available when contacting your agent, Company or the Bureau of Insurance.

This notice is pursuant to Section 143c of the Illinois Insurance Code (Ill. Rev. Stat. 1977, Ch. 73 Par. 755c)

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**North American Company for Life and Health Insurance**

Principal Office: 4350 Westown Parkway • West Des Moines • IA • 50266

Administrative Office: P.O. Box 5088 • Sioux Falls • SD • 57117 5088

*A Stock Company*

[www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com)

**ILLINOIS RELIGIOUS FREEDOM PROTECTION AND CIVIL UNION ACT**

THIS NOTICE IS ISSUED TO MEET THE REQUIREMENTS OF ILLINOIS LAW. ILLINOIS HAS PASSED THE ILLINOIS RELIGIOUS FREEDOM PROTECTION AND CIVIL UNION ACT, 750 ILCS 750, EFFECTIVE JUNE 1, 2011. WHILE THE CIVIL UNION ACT ENSURES THAT PARTIES OF CIVIL UNION ARE ENTITLED TO THE SAME LEGAL OBLIGATIONS, RESPONSIBILITIES, PROTECTIONS AND BENEFITS AFFORDED OR RECOGNIZED BY THE LAWS OF ILLINOIS TO SPOUSES, THE FEDERAL GOVERNMENT OR ANOTHER STATE GOVERNMENT MAY NOT RECOGNIZE THE BENEFITS GRANTED UNDER THIS NOTICE. YOU ARE ADVISED TO SEEK EXPERT ADVICE TO DETERMINE YOUR RIGHTS UNDER THIS CONTRACT.

THE FEDERAL DEFENSE OF MARRIAGE ACT STATES THAT CIVIL UNION PARTNERS ARE NOT CONSIDERED MARRIED UNDER FEDERAL LAW. THEREFORE THE FAVORABLE TAX TREATMENT PROVIDED BY THE FEDERAL TAX LAW TO A SURVIVING SPOUSE IS NOT AVAILABLE TO A SURVIVING CIVIL UNION PARTNER. NEITHER NORTH AMERICAN NOR ITS AGENTS PROVIDE TAX ADVICE FOR INFORMATION REGARDING FEDERAL TAX LAWS. PLEASE CONSULT A TAX ADVISOR.

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## **Illinois Life Insurance Buyer's Guide**

This guide can show you how to save money when you shop for life insurance. It helps you to:

- Decide how much life insurance you should buy,
- Decide what kind of life insurance policy you need, and
- Compare the relative cost of similar life insurance policies.

This guide has been prepared by the Illinois Department of Insurance, in part using materials developed by National Association of Insurance Commissioners.

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The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various State Insurance Departments to coordinate insurance laws for the benefit of all consumers. You are urged to use this Guide in making a life insurance purchase.

THIS GUIDE DOES NOT ENDORSE ANY COMPANY OR POLICY

## **BUYING LIFE INSURANCE**

When you buy life insurance, you want a policy which fits your needs without costing too much. Your first step is to decide how much you need, how much you can afford to pay and the kind of policy you want. Then, find out what various companies charge for that kind of policy. You can find important differences in the cost of life insurance by using the life insurance cost indexes which are described in this Guide. A good life insurance agent or company will be able and willing to help you with each of these shopping steps.

If you are going to make a good choice when you buy life insurance, you need to understand which kinds are available. If one kind does not seem to fit your needs, ask about the other kinds which are described in this Guide. If you feel that you need more information than is given here, you may want to check with a life insurance agent or company or books on life insurance in your public library. Life insurance can be bought either on an individual basis or on a group basis. Group insurance may be inexpensive when compared to individual insurance. It is important to remember that insurance purchased on this basis is usually term insurance, and hence will not develop cash values, and is dependent on your continued membership in the group or employment. Also, the amount of insurance that is available for purchase is usually limited.

### **CHOOSING THE AMOUNT**

One way to decide how much life insurance you need is to figure how much cash and income your dependents would need if you were to die. Life insurance can provide cash for last expenses, and income for your family's future living expenses. Your insurance should come as close as you can afford to make up the difference between (1) what your dependents would have if you were to die now, and (2) what they would actually need at some time in the future when needs change.

### **CHOOSING THE RIGHT KIND**

All life insurance policies agree to pay an amount of money if you die. But all policies are not the same. There are three basic kinds of life insurance:

1. TERM INSURANCE
2. WHOLE LIFE INSURANCE
3. ENDOWMENT INSURANCE

The kind of life insurance you purchase is dependent on the need you are trying to satisfy. Some needs are temporary, i.e. do not exist throughout your life, while other needs are permanent. As an example, the need to finance your children's education is a temporary need. The need to meet mortgage payments is also a temporary need since it exists only while the mortgage exists. On the other hand, the financial needs of your family after your death is a permanent need.

Remember, no matter how fancy the policy title or sales presentation might appear, all life insurance policies contain one or more of the three basic kinds. If you are confused about a policy that sounds complicated, ask the agent if it combines more than one kind of life insurance. The following is a brief description of the three basic kinds:

### **Term Insurance**

Term insurance is death protection for a "term" of one or more years. Death benefits will be paid only if you die within that term of years. Term insurance generally provides the largest immediate death protection for your premium dollar.

Some term insurance policies are "renewable" for one or more additional terms even if your health has changed. Each time you renew the policy for a new term, premiums will be higher. You should check the premiums at older ages and the length of time the policy can be continued.

Some term insurance policies are also "convertible." This means that before the end of the conversion period, you may take the term policy for a whole life or endowment insurance policy even if you are not in good health. Premiums for the new policy will be higher than you have been paying for the term insurance.

### **Whole Life Insurance**

Whole life insurance gives death protection for as long as you live. The most common type is called "straight life" or "ordinary life" insurance, for which you pay the same premiums for as long as you live. These premiums can be several times higher than you would pay initially for the same amount of term insurance. But they are smaller than the premiums you would eventually pay if you were to keep renewing a term insurance policy until your later years.

Some whole life policies let you pay premiums for a shorter period such as 20 years, or until age 65. Premiums for these policies are higher than for ordinary life insurance since the premium payments are squeezed into a shorter period.

Although you pay higher premiums, to begin with, for whole life insurance than for term insurance, whole life insurance policies develop "cash values" which you may have if you stop paying premiums. You can generally either take the cash, or use it to buy some continuing insurance protection. Technically speaking, these values are called "nonforfeiture benefits." This refers to benefits you do not lose (or "forfeit") when you stop paying premiums. The amount of these benefits depends on the kind of policy you have, its size, and how long you have owned it.

A policy with cash values may also be used as collateral for a loan. If you borrow from the life insurance company, the rate of interest is shown in your policy. Any money which you owe on a policy loan would be deducted from the benefits if you were to die, or from the cash value if you were to stop paying premiums.

### **Endowment Insurance**

An endowment insurance policy pays a sum or income to you – the policyholder -- if you live to a certain age. If you were to die before then, the death benefit would be paid to your beneficiary. Premiums and cash values for endowment insurance are higher than for the same amount of whole life insurance. Thus endowment insurance gives you the least amount of death protection for your premium dollar.

### **FINDING OUT A LOW COST POLICY**

After you have decided which kind of life insurance fits your needs, look for a good buy. YOUR CHANCES OF FINDING A GOOD BUY ARE BETTER IF YOU USE TWO TYPES OF INDEX NUMBERS THAT HAVE BEEN DEVELOPED TO AID IN SHOPPING FOR LIFE INSURANCE. One is called the "Surrender Cost Index" and the other is the "Net Payment Cost Index." It will be worth your time to try to understand how these indexes are used, but in any event, use them ONLY for comparing the relative costs of similar policies. LOOK FOR POLICIES WITH LOW COST INDEX NUMBERS.

### **WHAT IS COST?**

"Cost" is the difference between what you pay and what you get back. If you pay a premium for life insurance and get nothing back, your cost for the death protection is the premium. If you pay a premium and get something back later on, such as a cash value, your cost is smaller than the premium.

The cost of some policies can also be reduced by dividends; these are called "participating" policies. Companies may tell you what their current dividends are, but the size of future dividends is unknown today and cannot be guaranteed. Dividends actually paid are set each year by the company.

Some policies do not pay dividends. These are called "guaranteed cost" or "non-participating" policies. Every feature of a guaranteed cost policy is fixed so that you know in advance what your future cost will be.

The premiums and cash values of a participating policy are guaranteed, but the dividends are not. Premiums for participating policies are typically higher than for guaranteed cost policies, but the cost to you may be higher or lower, depending on the dividends actually paid.

### **WHAT ARE COST INDEXES?**

In order to compare the cost of policies, you need to look at:

1. Premiums
2. Cash Values
3. Dividends

Cost indexes use one or more of these factors to give you a convenient way to compare relative costs of similar policies. When you compare costs, an adjustment must be made to take into account that money is paid and received at different times. It is not enough to just add up the premiums you will pay and to subtract the cash values and dividends you expect to get back. These indexes take care of the arithmetic for you. Instead of having to add, subtract, multiply and divide many numbers yourself, you just compare the index numbers which you can get from life insurance agents and companies:

#### **1. LIFE INSURANCE SURRENDER COST INDEX**

This index is useful if you consider the level of the cash values to be of primary importance to you. It helps you compare costs if at some future point in time, such as 10 or 20 years, you were to surrender the policy and take its cash value.

#### **2. LIFE INSURANCE NET PAYMENT COST INDEX**

This index is useful if your main concern is the benefits that are to be paid at your death and if the level of cash values is of secondary importance to you. It helps you compare costs at some future point in time, such as 10 or 20 years, if you continue paying premiums on your policy and do not take its cash value.

There is another number called the Equivalent Level Annual Dividend. It shows the part dividends play in determining the cost index of a participating policy. Adding a policy's Equivalent Level Annual Dividend to its cost index allows you to compare total costs of similar policies before deducting dividends. However, if you make any cost comparisons of a participating policy with a non-participating policy, remember that the total cost of the participating policy will be reduced by dividends, but the cost of the non-participating policy will not change.

### **HOW DO I USE COST INDEXES?**

The most important thing to remember when using cost indexes is that a policy with a small index number is generally a better buy than a comparable policy with a larger index number. The following rules are also important:

1. Cost comparisons should only be made between similar plans of life insurance. Similar plans are those which provide essentially the same basic benefits and require premium payments for approximately the same period of time. The closer policies are to being identical, the more reliable the cost comparison will be.

2. Compare index numbers only for the kind of policy, for your age and for the amount you intend to buy. Since no one company offers the lowest cost for all types of insurance at all ages and for all amounts of insurance, it is important that you get the indexes for the actual policy, age and amount which you intend to buy. Just because a "Shopper's Guide" tells you that one company's policy is a good buy for a particular age and amount, you should not assume that all of that company's policies are equally good buys.
3. Small differences in index numbers could be offset by other policy features, or differences in the quality of service you may expect from the company or its agent. Therefore, when you find small differences in cost indexes, your choice should be based on something other than cost.
4. In any event, you will need other information on which to base your purchase decision. BE SURE YOU CAN AFFORD THE PREMIUMS, AND THAT YOU UNDERSTAND ITS CASH VALUES, DIVIDENDS AND DEATH BENEFITS. You should also make a judgment on how well the life insurance company or agent will provide service in the future, to you as a policyholder.
5. These life insurance cost indexes apply to new policies and should not be used to determine whether you should drop a policy you have already owned for awhile, in favor of a new one. If such a replacement is suggested, you should ask for information from the company which issued the old policy before you take action.
6. An important fact to note is the difference in premium payments paid during one year's time based on an annual premium versus the annualized periodic premium. For example, if you choose to pay premiums on a monthly basis, the annualized periodic premium would be twelve (12) times the monthly premium. There may be a significant difference between the annualized periodic premium and the annual premium and it should be considered when deciding on a payment schedule.

## IMPORTANT THINGS TO REMEMBER -A SUMMARY -

The first decision you must make when buying a life insurance policy is choosing a policy whose benefits and premiums most closely meet your needs and ability to pay. Next, find a policy which is also a relatively good buy. If you compare Surrender Cost Indexes and Net Payment Cost Indexes of similar competing policies, your chances of finding a relatively good buy will be better than if you do not shop. REMEMBER, LOOK FOR POLICIES WITH LOWER COST INDEX NUMBERS. A good life insurance agent can help you to choose the amount of life insurance and kind of policy you want and will give you cost indexes so that you make cost comparisons of similar policies.

**DON'T BUY LIFE INSURANCE UNLESS YOU INTEND TO STICK WITH IT.** A policy which is a good buy when held for 20 years can be very costly if you quit during the early years of the policy. If you surrender such a policy during the first few years, you may get little or nothing back and much of your premium may have been used for company expenses.

Read your new policy carefully, and ask the agent or company for an explanation of anything you do not understand. Whatever you decide now, it is important to review your life insurance program every few years to keep up with changes in your income and responsibilities.

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**NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE**  
Administrative Office: P.O. Box 5088, Sioux Falls, SD 57117-5088  
Principal Office: 4350 Westown Parkway, West Des Moines, IA 50266

Agent: HOME OFFICE ACCOUNT  
ONE SAMMONS  
SIOUX FALLS, SD 57193

**STATEMENT OF POLICY COST AND BENEFIT INFORMATION**  
Statement Preparation Date: 02/25/2020

Insured:	SACHIN TENDULKAR	Policy Number:	L0X0214146
Policy Date:	01/01/2020	Planned Periodic Premium:	\$31,000.00 Annually
No Lapse Guarantee Premium:	\$146.25 Monthly		

The annual percentage rate for any Policy Loan will be determined by the company in accordance with the provisions of the Policy and the applicable law. The guaranteed maximum Policy Loan interest rates are shown on the next page. Current Policy Loan interest rates are subject to change.

**IMPORTANT NOTICE**

**This is an illustration only. An illustration is not intended to predict actual performance. Interest rates and values set forth in the illustration are not guaranteed, except for those items that are clearly labeled guaranteed.**

Please be aware that any changes to your Policy, including but not limited to planned premium amount, premium mode, premium duration or death benefit amount, do not happen automatically and must be requested by the Owner (regardless of whether those changes are reflected in this illustration). Please contact your agent or the insurance company for information regarding changes to your Policy.

The illustrations of future Policy performance shown on the next page are based on assumed factors that are likely to change over time. Guaranteed performance will change with variations to the frequency, timing and amount of premium payments, Policy Loans, Withdrawals and other Policy changes. You should read and study the Policy carefully.

The Projected Policy Values Based on Guaranteed Factors assume the effective annual Guaranteed Interest Rate of 2.50% and the Table of Guaranteed Cost of Insurance Rates shown in the Policy. Assuming the timely payment of the Planned Periodic Premium stated above, these values will improve each year that the interest rate exceeds the interest rate described above and the Cost of Insurance Rates are less than those maximum rates listed in the Policy.

Please consult the Policy for definitions of terms used.

**STATEMENT OF POLICY COST AND BENEFIT INFORMATION**  
 (Continued)

*Policy Type - Flexible Premium Adjustable Universal Life with Indexed Features*

Year	Projected Values Based on Guaranteed Factors		
	Planned Periodic Premium	End of Year Cash Surrender Value	Beginning of Year Death Benefit
1	\$31,000.00	\$29,736.00	\$500,000.00
2	\$16,652.39	\$45,462.00	\$500,000.00
3	\$0.00	\$44,516.00	\$500,000.00
4	\$0.00	\$43,549.00	\$500,000.00
5	\$0.00	\$42,561.00	\$500,000.00
6	\$0.00	\$41,495.00	\$500,000.00
7	\$0.00	\$40,406.00	\$500,000.00
8	\$0.00	\$39,238.00	\$500,000.00
9	\$0.00	\$37,987.00	\$500,000.00
10	\$0.00	\$36,652.00	\$500,000.00
11	\$0.00	\$35,413.00	\$500,000.00
12	\$0.00	\$34,089.00	\$500,000.00
13	\$3,448.40	\$36,206.00	\$500,000.00
14	\$3,930.83	\$38,753.00	\$500,000.00
15	\$3,930.83	\$41,302.00	\$500,000.00
16	\$3,930.83	\$43,856.00	\$500,000.00
17	\$3,930.83	\$46,413.00	\$500,000.00
18	\$3,930.83	\$49,031.00	\$500,000.00
19	\$3,930.83	\$51,655.00	\$500,000.00
20	\$3,930.83	\$54,341.00	\$500,000.00
At Age	Planned Periodic Premium	Beginning of Year Cash Surrender Value	Beginning of Year Death Benefit
65	\$3,930.83	\$97,552.00	\$500,000.00
100	\$0.00	\$0.00	\$0.00
Maturity	\$0.00	\$0.00	\$0.00

**IMPORTANT INFORMATION ABOUT THE POLICY**

- PREMIUM LOAD:** 0.00% of premiums received to Policy Age 120
- POLICY EXPENSE CHARGE:** \$10.00 per month to Policy Age 120
- PERCENT OF ACCOUNT VALUE CHARGE:** Maximum 0.033% per month to Policy Age 100
- UNIT EXPENSE CHARGE:** Maximum of \$0.1900 per month per \$1000 to Policy Age 120.
- GUARANTEED INTEREST RATE:** 2.5% per year
- GUARANTEED MAXIMUM STANDARD POLICY LOAN INTEREST RATE:** 6.00% per year payable in arrears
- GUARANTEED MAXIMUM VARIABLE POLICY LOAN INTEREST RATE:** 6.00% per year payable in arrears



**STATEMENT OF POLICY COST AND BENEFIT INFORMATION**

*(Continued)*

**SUMMARY OF GUARANTEED RIDER CHARGES AND BENEFIT AMOUNT**

Additional Benefits	Annual Charges	Years Payable	Guaranteed Death Benefit
Waiver of Surrender Charge Option Rider	**	10	N/A

\*\* The charge for the Waiver of Surrender Charge Option Rider is \$0.0300 Per Month Per \$1000 for 10 Policy Years.

**LIFE INSURANCE COST INDEXES - Base Policy**

Year	Guaranteed	
	Surrender Cost Index	Net Payment Cost Index
10	6.01	11.56
20	6.26	9.39

An explanation of the intended use of these indices is provided in the life insurance buyer's guide. These indices are useful only for the comparison of relative costs of two or more similar policies.

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**NOTICE REGARDING INITIAL PREMIUM AND EFFECTIVENESS OF COVERAGE**

**Please review this Notice carefully**

Thank you for choosing North American for your life insurance needs.

When you apply for a life insurance policy with North American, you have a choice to make regarding payment of the initial premium. One of your options is to submit in advance the amount of money your agent determines is reasonably expected to cover the initial premium that would be required if the policy is issued in the amount, at the issue age, and the underwriting classification used by your agent to estimate the premium. Alternatively, you can wait to submit any payment until after the policy is delivered to you and the amount of the initial premium is certain. However, coverage will not take effect under the policy in any case before the initial premium has been paid. Moreover, until the company reviews your application and determines to issue a policy, there is no assurance that your application will be approved. If your application is not approved, any amount you submitted in advance will be refunded. Even if your application is approved, it is possible that the initial premium will be greater than estimated by your agent. This Notice provides important details about how the process works. Section II below explains an important right you have to have your policy re-dated if you do not pay your initial premium until after the Policy Date set forth in the policy.

**I. Application Accompanied By Check To Cover The Initial Premium**

You have the option of submitting additional payments to North American along with your application to cover the estimated amount of the initial premium that would be due if a policy is issued to you. In that case, if the Company issues a policy to you and the amount of payment submitted with your application is sufficient to cover the initial premium due under your policy, then coverage will become effective as of the Policy Date set forth in your policy, subject to the terms and conditions of the policy and your application. The policy will be delivered to you as soon as practicable. If the amount of the payment submitted with your application is insufficient to cover the initial premium, then your application will be treated as an application submitted without payment of the initial premium as set forth in Section II below. If your application is declined, your payment will be returned to you.

**II. Application Submitted Without Sufficient Funds To Cover The Initial Premium**

Coverage does not become effective under your North American life insurance policy until approved by the company and the initial premium is paid in full. If your application is approved and a policy is issued, but you did not submit the estimated initial premium in advance or the actual initial premium is greater than the amount submitted based on the estimate, then payment of the unpaid initial premium must be received by North American before coverage will be effective. In such case, North American will issue a policy with a Policy Date in the near future. The policy may actually be delivered to you either before or after the Policy Date. As soon as all conditions set forth in the application and the policy are met and you have paid the initial premium in full, coverage will become effective. Therefore, coverage may be effective either before or after the Policy Date. The Policy Date will be important in various determinations under your policy. If the Policy Date set forth in the Policy is earlier than the date that your premium and other requirements (such as signing a new application, policy amendment, statement of health, or other required form) are received by the Company and the policy is placed in force, then you may elect to have the policy re-dated as of the date coverage takes effect. By making that election, you can assure that the amount of your initial premium corresponds precisely with the applicable coverage period.

You may also elect to have the Policy Date set on a date earlier than the date coverage becomes effective. Please consult with your agent to determine if that might be in your best interest.

Please keep in mind, however, that changing your Policy Date could have an impact on the insured's issue age, resulting in a possible premium adjustment. The issue age is the age of the insured on their birthday nearest the Policy Date. If you change the Policy Date to a date that results in a change in the issue age, your premium will be adjusted. If the new Policy Date results in a younger issue age, your premium will be reduced. If the new Policy Date results in an older issue age, your premiums will be increased. In addition, verification that there has been no change in the information provided with your application and through the underwriting process may be required if a change to a later Policy Date is requested. Certain restrictions on changes in your Policy Date may apply. Please contact your agent or North American for further details. If you do not elect to have your policy re-dated, the Policy Date on the policy will not be changed and your information will not be adjusted.

Please refer to your policy contract for a full explanation of the meaning of your Policy Date and the various aspects of your contract that are affected by your Policy Date. A change in the Policy Date will affect policy provisions including, but not limited to, the contestability provision and suicide exclusions. As always, please familiarize yourself with your Policy. It defines the relationship between you and North American. This Notice does not alter or amend the terms of the policy.

If you wish to change the Policy Date, please notify North American in writing within seven (7) calendar days after delivery of your policy. Your written request must include a copy of this signed Notice and the schedule page from the original policy. Your Policy Date will be changed to the date of delivery reflected below on this Notice, subject to verification of the continued accuracy of the information contained in your application and provided through the underwriting process. This also should be the date of your premium check. Your new Policy Date, however, cannot be the 29th, 30th or 31st of any month because of the inability of our system to accommodate such a date. Accordingly, if your policy is delivered on one of those dates, we will assign a Policy Date of the 28th of that month. Your request should be sent to:

North American Life Insurance Company  
One Sammons Plaza  
Sioux Falls, SD 57193

Please keep in mind that coverage can only take effect when and if the full initial premium payment has been made as required by the policy.

Questions concerning this notice or changes to your Policy Date should be directed to your agent or North American at (877) 872-0757.

Please change Policy Date to: \_\_\_\_\_ Policy Number \_\_\_\_\_

Signature of Agent \_\_\_\_\_ Signature of Applicant/Owner \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_



## North American Company for Life and Health Insurance

Principal Office: 4350 Westown Parkway • West Des Moines • IA • 50266  
Administrative Office: P.O. Box 5088 • Sioux Falls • SD • 57117-5088

A Stock Company  
[www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com)

### NOTICE OF PROTECTION PROVIDED BY ILLINOIS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a **brief summary** description of the Illinois Life and Health Insurance Guaranty Association (“the Association”) and the protection it provides for policyholders. This safety net was created under Illinois law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your member life, annuity, health maintenance organization or health insurance company becomes financially unable to meet its obligations and is placed into Receivership by the Insurance Department of the state in which the company is domiciled. If this should happen, the Association will typically arrange to continue coverage, pay claims, or otherwise provide protection in accordance with Illinois law, with funding from assessments paid by other insurance companies and health maintenance organizations.

The basic protections provided by the Association per insured in each insolvency are:

- Life Insurance
  - \$300,000 for death benefits
  - \$100,000 for cash surrender or withdrawal values
- Health Insurance
  - \$500,000 for health benefit plans\*
  - \$300,000 for disability insurance benefits
  - \$300,000 for long-term care insurance benefits
  - \$100,000 for other types of health insurance benefits
- Annuities
  - \$250,000 for withdrawal and cash values

\* The maximum amount of protection for each individual, regardless of the number of policies or contracts, is \$300,000, except special rules apply with regard to health benefit plan benefits for which the maximum amount of protection is \$500,000.

**Note: Certain policies and contracts may not be covered or fully covered.** For example, coverage does not extend to any portion of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also various residency requirements and other limitations under Illinois law.

To learn more about these protections, as well as protections relating to group contracts or retirement plans, please visit the Association’s website at [www.ilhiga.org](http://www.ilhiga.org) or contact:

Illinois Life and Health Insurance Guaranty Association  
901 Warrenville Road, Suite 400  
Lisle, Illinois 60532-4324

Illinois Department of Insurance  
4<sup>th</sup> Floor  
320 West Washington Street  
Springfield, Illinois 62767

**Insurance companies, health maintenance organizations and agents are not allowed by Illinois law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company or health maintenance organization, you should not rely on Association coverage. If there is any inconsistency between this notice and Illinois law, then Illinois law will control.**

**The Association is not an insurance company or health maintenance organization. If you wish to contact your insurance company or health maintenance organization, please use the phone number found in your policy or contact the Illinois Department of Insurance at [DOI.InfoDesk@illinois.gov](mailto:DOI.InfoDesk@illinois.gov).**

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## PRIVACY NOTICE

<b>FACTS</b>	<b>WHAT DOES SAMMONS FINANCIAL GROUP MEMBER COMPANIES MIDLAND NATIONAL LIFE INSURANCE COMPANY AND NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE ("SFG MEMBER COMPANIES") DO WITH YOUR PERSONAL INFORMATION?</b>
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<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
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<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>• Social Security number</li> <li>• Income, employment information and medical information</li> <li>• Transaction history and checking account information</li> </ul>
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<b>How?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons SFG Member Companies choose to share; and whether you can limit this sharing.
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Reasons we can share your personal information	Do SFG member Companies share?	Can you limit this sharing?
<b>For our everyday business purposes</b> – such as to process your transactions, maintain your policy(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> – to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes</b> – information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes</b> – information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For non-affiliates to market to you</b>	No	We don't share

<b>Questions?</b>	Please call us at 1-800-720-3955
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<b>Who we are</b>	
<b>Who is providing this notice?</b>	This privacy notice is provided by Sammons Financial Group Member Companies Midland National Life Insurance Company and North American Company for Life and Health Insurance ("SFG Member Companies").

<b>What we do</b>	
<b>How do SFG Member Companies protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How do SFG Member Companies collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• Apply for insurance</li> <li>• Pay insurance premiums</li> <li>• File an insurance claim</li> <li>• Give us your contact information</li> <li>• Provide employment information</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>• Sharing for affiliates' everyday business purposes – information about your credit worthiness</li> <li>• Affiliates from using your information to market to you</li> <li>• Sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>

<b>Definitions</b>	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• Our affiliates include financial companies, such as Sammons Retirement Solutions, Inc., MNL Reinsurance Company and Solberg Reinsurance Company; and non-financial companies, such as Midland National Services Corporation, LLC.</li> </ul>
<b>Non-Affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• SFG Member Companies do not share with non-affiliates so they can market to you.</li> </ul>
<b>Joint Marketing</b>	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• Our joint marketing partners include other financial service companies and insurance licensees such as agents of Midland National Life Insurance Company and North American Company for Life and Health Insurance.</li> </ul>

<b>Other Important Information</b>	
SFG Member Companies will comply with more restrictive state laws to the extent that they apply.	





**North American Company for Life and Health Insurance**

Principal Office: 4350 Westown Parkway • West Des Moines • IA • 50266

Administrative Office: P.O. Box 5088 • Sioux Falls • SD • 57117-5088

*A Stock Company*

[www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com)

In this Policy, North American Company for Life and Health Insurance is referred to as "We", "Us", "Our", or the "Company". "You" and "Your" refer to the Owner.

**This is a legal contract between You and Us. Read it carefully.**

We agree to pay to the Beneficiary the Policy Proceeds upon the Insured's death prior to the Maturity Date while this Policy is in effect. Payment will be made upon receipt at Our Administrative Office of due proof of the Insured's death. If the Insured is living on the Maturity Date and the Maturity Date is not extended, the Net Cash Surrender Value will be paid to You. This agreement is subject to the terms of this Policy.

**CONSIDERATION** - This Policy is issued in consideration of any application(s) and payment of the first premium.

**RIGHT TO EXAMINE POLICY** - It is important to Us that You are satisfied with this Policy and that it meets Your insurance needs. Read it carefully. If You are not satisfied with it, You may return it to Our Administrative Office or to Your agent within 20 days after You receive it. We will then void it as of the Policy Date as though it was never issued and We will refund all premiums that have been paid.

If this Policy is issued as a replacement for existing coverage, the Right To Examine Policy time period is 30 days or any longer period as may be required by applicable law in the state where the Policy is issued for delivery.

Policy values and interest credited on this Policy may be affected by an external Index; however, this Policy does not directly participate in any stock, bond or equity investments. The values of the external Indices do not reflect the payment of Index dividends.

Issued and signed by North American Company for Life and Health Insurance.

  
Secretary

  
President

**FLEXIBLE PREMIUM ADJUSTABLE UNIVERSAL LIFE INSURANCE POLICY  
WITH INDEXED FEATURES AND OVERLOAN PROTECTION BENEFIT**

**ADJUSTABLE DEATH BENEFIT**

**INSURANCE PAYABLE UPON DEATH BEFORE MATURITY DATE**

**PREMIUMS PAYABLE TO INSURED'S AGE 120**

**SEE THE "POLICY PROCEEDS" PROVISION TO DETERMINE THE AMOUNT PAYABLE AT DEATH  
BENEFITS, VALUES, PERIODS OF COVERAGE, OR PREMIUMS ARE ON AN INDETERMINATE BASIS**

**NON PARTICIPATING - NOT ELIGIBLE FOR DIVIDENDS**

## GUIDE TO POLICY PROVISIONS

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Copies of all applications and any Endorsements and Riders are attached.

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### SCHEDULE OF POLICY BENEFITS

**OWNER:** SACHIN TENDULKAR **POLICY NUMBER:** LOX0214146  
**INSURED:** SACHIN TENDULKAR **POLICY DATE:** 01/01/2020  
**SEX:** Male **ISSUE AGE:** 26  
**MATURITY DATE:** 01/01/2114 \* **SPECIFIED AMOUNT:** \$500,000.00  
**PLANNED PERIODIC PREMIUM:** \$31,000.00 **PREMIUM CLASS:** Non-Tobacco  
Annually  
**PLANNED INITIAL PREMIUM:** \$31,000.00  
**NO LAPSE GUARANTEE PREMIUM:** \$146.25 Monthly **NO LAPSE GUARANTEE PERIOD:** Ends  
01/01/2035

INQUIRIES REGARDING YOUR POLICY SHOULD BE DIRECTED TO YOUR AGENT OR, IF HE OR SHE IS NOT AVAILABLE, TO OUR ADMINISTRATIVE OFFICE AT THE FOLLOWING ADDRESS:

NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE  
ATTN: CUSTOMER CONTACT  
ONE SAMMONS PLAZA  
SIOUX FALLS, SD 57193  
TOLL-FREE 1-877-872-0757

THE INSURANCE DEPARTMENT OF THE STATE IN WHICH THIS POLICY WAS DELIVERED MAYBE CONTACTED BY CALLING: (217) 782-4515

**BENEFICIARY:** As Specified In The Application Unless Changed As Provided In This Policy

**DEATH BENEFIT OPTION:** Level

**GUARANTEED INTEREST RATE:** 2.50% Per Year

**FIXED ACCOUNT GUARANTEED INTEREST RATE:** 1.50% Per Year

**PAID-UP LIFE INSURANCE INTEREST RATE:** 4.0% Per Year

**POLICY EXPENSE CHARGE:** \$10.00 Per Month To Policy Age 120

**UNIT EXPENSE CHARGE:** Maximum Of \$0.1900 Per Month Per \$1000 To Policy Age 120

**PREMIUM LOAD:** 0.06% Of Premiums Received To Policy Age 120

**PERCENT OF ACCOUNT VALUE CHARGE:** Maximum Of 0.0330% Per Month To Policy Age 100

**INDEX PERIOD:** 12 Consecutive Calendar Months

**INITIAL COMPARISON OF THE MINIMUM ACCOUNT VALUE:** 01/01/2030

**SUBSEQUENT COMPARISONS OF THE MINIMUM ACCOUNT VALUE:** Every 10 Policy Years Thereafter

**MAXIMUM STANDARD POLICY LOAN INTEREST RATE:** 6.00% Per Year Payable In Arrears

**MAXIMUM VARIABLE INTEREST POLICY LOAN INTEREST RATE:** 6.00% Per Year Payable In Arrears

**INITIAL POLICY YEAR FOR NET ZERO COST POLICY LOANS:** 6th

**INITIAL POLICY YEAR FOR VARIABLE INTEREST POLICY LOANS:** 1st

**INITIAL POLICY YEAR FOR STANDARD POLICY LOANS:** 1st

**MINIMUM UNSCHEDULED PREMIUM PAYMENT:** \$25.00

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**MINIMUM SPECIFIED AMOUNT:** \$25,000.00

**WITHDRAWAL PROCESSING FEE:** \$25.00

**MINIMUM INCREASE AMOUNT:** \$25,000.00

**MINIMUM WITHDRAWAL AMOUNT:** \$500.00

**FREE WITHDRAWAL PERCENTAGE:** 10%

**MAXIMUM WITHDRAWAL PERCENTAGE:** 50% In First Policy Year; 90% Thereafter

**BASIS OF VALUES:** 2017 Commissioners Standard Ordinary, Sex Distinct, Composite, Age Last Birthday, Ultimate, Mortality Tables

**LIFE INSURANCE QUALIFICATION TEST:** Guideline Premium Test

- \* Even if Planned Periodic Premiums are paid, this Policy may terminate prior to the Maturity Date because the current Cost of Insurance and interest rates are not guaranteed, Policy Loans and Withdrawals may be taken, and You may change your Death Benefit Option, or because of other requested changes to the Specified Amount. We will pay the Net Cash Surrender Value on the Maturity Date. If coverage continues to the Maturity Date, there may be little or no Net Cash Surrender Value payable.

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**INDEX SELECTIONS:**

	<b>INDEX</b>	<b>INDEX CREDITING METHOD</b>	<b>MAXIMUM INDEX SPREAD RATE <sup>1</sup></b>	<b>MINIMUM INDEX PARTICIPATION RATE <sup>1</sup></b>	<b>MINIMUM INDEX CAP RATE <sup>1</sup></b>
1	S&P 500®	ANNUAL POINT-to-POINT	N/A**	100%	2%
2	S&P 500®	ANNUAL POINT-to-POINT with SPREAD	30%	100%	N/A*
3	High Par S&P 500®	ANNUAL POINT-to-POINT	N/A**	100%	1%
4	Uncapped S&P 500®	ANNUAL POINT-to-POINT	N/A**	100%	N/A*
5	S&P 500®	MONTHLY POINT-to-POINT	N/A**	100%	0.50%
6	NASDAQ-100®	ANNUAL POINT-to-POINT	N/A**	100%	2%
7	S&P MidCap 400®	ANNUAL POINT-to-POINT	N/A**	100%	2%
8	Russell 2000®	ANNUAL POINT-to-POINT	N/A**	100%	2%
9	EURO STOXX 50®	ANNUAL POINT-to-POINT	N/A**	100%	2%
10	Multi-Index Group: S&P 500® EURO STOXX 50® Russell 2000®	MULTI-INDEX ANNUAL POINT-to-POINT*  Multi-Index Weight: 1 <sup>st</sup> Best Performing Index Weight: 50% 2 <sup>nd</sup> Best Performing Index Weight: 30% 3 <sup>rd</sup> Best Performing Index Weight: 20%	N/A**	100%	2%

The non-guaranteed values used in determining the crediting rate are subject to change by the Company and may impact the Index Credit.

<sup>1</sup>Guaranteed while this Policy remains in effect.

\* There is no Index Cap Rate for this Index Selection.

\*\* There is no Index Spread Rate for this Index Selection.

**THE S&P 500® COMPOSITE STOCK PRICE INDEX**

**THE S&P 400® COMPOSITE STOCK PRICE INDEX**

These Indices do not include dividends paid by the underlying companies.

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## SCHEDULE OF POLICY BENEFITS (CONTINUED)

### INDEX SELECTIONS (continued)

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## SCHEDULE OF POLICY BENEFITS (CONTINUED)

### INDEX SELECTIONS (continued)

#### **THE EURO STOXX 50® INDEX**

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**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**TABLE OF SURRENDER CHARGES PER \$1,000**

Policy Year	Surrender Charge Factor	Policy Year	Surrender Charge Factor
1	\$7.00	6	\$2.45
2	\$5.46	7	\$1.98
3	\$4.62	8	\$1.47
4	\$3.78	9	\$0.98
5	\$2.94	10	\$0.49
		11+	\$0.00

**CORRIDOR PERCENTAGE TABLE**

Policy Age	Corridor Percentage	Policy Age	Corridor Percentage
0-40	250%	60	130%
41	243%	61	128%
42	236%	62	126%
43	229%	63	124%
44	222%	64	122%
45	215%	65	120%
46	209%	66	119%
47	203%	67	118%
48	197%	68	117%
49	191%	69	116%
50	185%	70	115%
51	178%	71	113%
52	171%	72	111%
53	164%	73	109%
54	157%	74	107%
55	150%	75-90	105%
56	143%	91	104%
57	142%	92	103%
58	138%	93	102%
59	134%	94	101%
		95+	100%

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**TABLE OF GUARANTEED COST OF INSURANCE RATES  
MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000 OF NET AMOUNT OF RISK**

Policy Age	Cost	Policy Age	Cost
26	0.08	73	2.12
27	0.08	74	2.37
28	0.08	75	2.65
29	0.08	76	2.94
30	0.08	77	3.27
31	0.09	78	3.62
32	0.09	79	4.02
33	0.10	80	4.48
34	0.11	81	5.00
35	0.12	82	5.60
36	0.13	83	6.32
37	0.14	84	7.14
38	0.15	85	8.09
39	0.17	86	9.17
40	0.18	87	10.37
41	0.19	88	11.68
42	0.20	89	13.07
43	0.20	90	14.50
44	0.21	91	15.94
45	0.21	92	17.35
46	0.22	93	18.71
47	0.23	94	19.94
48	0.23	95	21.24
49	0.24	96	22.77
50	0.25	97	24.44
51	0.27	98	26.25
52	0.28	99	28.16
53	0.30	100	30.07
54	0.33	101	31.92
55	0.35	102	33.75
56	0.38	103	35.53
57	0.42	104	37.23
58	0.46	105	38.81
59	0.50	106	40.53
60	0.56	107	42.70
61	0.62	108	44.98
62	0.69	109	47.39
63	0.76	110	49.92
64	0.84	111	52.58
65	0.93	112	55.38
66	1.03	113	58.32
67	1.13	114	61.41
68	1.24	115	64.65
69	1.36	116	68.05
70	1.51	117	71.62
71	1.68	118	75.35
72	1.89	119	79.26
		120+	0.00

**SCHEDULE OF POLICY BENEFITS (CONTINUED)**

**ADDITIONAL BENEFITS PROVIDED BY ENDORSEMENT OR RIDER**

<b>DESCRIPTION OF ADDITIONAL POLICY BENEFITS</b>	<b>YEARS PAYABLE/ EXPIRY DATE</b>	<b>BENEFIT UNITS OR AMOUNT</b>	<b>ANNUAL PREMIUM</b>
Accelerated Death Benefit Endorsement For Terminal Illness and Chronic Illness and Critical Illness Lifetime Maximum Accelerated Death Benefit: \$2,000,000  Terminal Illness: Maximum Administrative Fee: \$200 Minimum Accelerated Death Benefit on Election Date: The lesser of 10% of the Death Benefit or \$100,000 Maximum Accelerated Death Benefit on Election Date: The lesser of 90% of the Death Benefit or \$1,000,000  Chronic Illness: Maximum Administrative Fee: \$200 Minimum Accelerated Death Benefit at Each Election: The lesser of 5% of the Death Benefit on the Initial Election Date or \$50,000 Maximum Accelerated Death Benefit at Each Election: The lesser of 24% of the Death Benefit on the Initial Election Date or \$480,000 Residual Death Benefit: The greater of 5% of the Death Benefit on the Initial Election Date or \$10,000 Cumulative Accelerated Death Benefit Percentage for Protected Status: 50%  Critical Illness: Minimum Accelerated Death Benefit at Each Election: \$2,500 Maximum Accelerated Death Benefit at Each Election: The lesser of 25% of the Death Benefit or \$50,000 Critical Illness Election Period: 6 Policy Months Critical Illness Death Benefit Percentage: 40%	01/01/2114	N/A	NONE
Waiver of Surrender Charge Option Rider	01/01/2030	N/A	*

\* Waiver of Surrender Charge Fee is \$0.0300 Per Month Per \$1000 for 10 Policy Years

## SCHEDULE OF OVERLOAN PROTECTION BENEFIT AMOUNTS

**Overloan Protection Benefit Minimum Age:** 65

**Overloan Protection Benefit Minimum Years:** 15 Policy Years

The percentages shown below are used to determine the Overloan Election Amount. For details see Section 10: Overloan Protection Benefit.

### TABLE OF OVERLOAN ELECTION PERCENTAGES:

<u>Policy Age</u>	<u>Percentage</u>
65	89%
66	89%
67	89%
68	89%
69	89%
70	89%
71	89%
72	89%
73	89%
74	89%
75+	93%

### SCHEDULE OF PROTECTED DEATH BENEFIT AMOUNTS

The amounts shown in this schedule are used only in the determination of the Protected Death Benefit Account. The Protected Death Benefit Account does NOT represent an independent dollar account that can be accessed by You. The Protected Death Benefit Account is not an addition to Your Account Value, Net Cash Surrender Value or any other value described in the Policy. For details see Section 11: Protected Death Benefit.

**Protected Death Benefit Interest Rate:** 2.50% Per Year For All Policy Years

**Protected Death Benefit Minimum Age:** 65

**Protected Death Benefit Expense Charge:** \$8 Per Month

### TABLE OF PROTECTED DEATH BENEFIT PERCENTAGES:

<u>Policy Age</u>	<u>Percentage</u>
65	87%
66	87%
67	87%
68	87%
69	87%
70	87%
71	87%
72	87%
73	87%
74	87%
75+	91%

**SCHEDULE OF PROTECTED DEATH BENEFIT AMOUNTS (CONTINUED)**

**TABLE OF GUARANTEED PROTECTED DEATH BENEFIT MONTHLY COST OF INSURANCE RATES PER \$1,000**

Policy Age	<u>MALE</u>					<u>FEMALE</u>				
	Super Pref. NT	Pref. NT	Non Tobacco	Pref. Tobacco	Standard Tobacco	Super Pref. NT	Pref. NT	Non Tobacco	Pref. Tobacco	Standard Tobacco
65	1.29	1.29	1.29	2.26	2.26	0.90	0.90	0.90	1.70	1.70
66	1.42	1.42	1.42	2.44	2.44	0.98	0.98	0.98	1.83	1.83
67	1.56	1.56	1.56	2.62	2.62	1.07	1.07	1.07	1.98	1.98
68	1.70	1.70	1.70	2.81	2.81	1.16	1.16	1.16	2.14	2.14
69	1.85	1.85	1.85	3.00	3.00	1.27	1.27	1.27	2.31	2.31
70	2.03	2.03	2.03	3.22	3.22	1.39	1.39	1.39	2.51	2.51
71	2.24	2.24	2.24	3.47	3.47	1.53	1.53	1.53	2.73	2.73
72	2.51	2.51	2.51	3.82	3.82	1.68	1.68	1.68	2.98	2.98
73	2.80	2.80	2.80	4.16	4.16	1.85	1.85	1.85	3.25	3.25
74	3.10	3.10	3.10	4.51	4.51	2.03	2.03	2.03	3.55	3.55
75	3.44	3.44	3.44	4.92	4.92	2.23	2.23	2.23	3.85	3.85
76	3.78	3.78	3.78	5.33	5.33	2.44	2.44	2.44	4.15	4.15
77	4.18	4.18	4.18	5.81	5.81	2.68	2.68	2.68	4.48	4.48
78	4.65	4.65	4.65	6.38	6.38	2.93	2.93	2.93	4.84	4.84
79	5.20	5.20	5.20	7.02	7.02	3.21	3.21	3.21	5.22	5.22
80	5.80	5.80	5.80	7.70	7.70	3.51	3.51	3.51	5.63	5.63
81	6.48	6.48	6.48	8.48	8.48	3.94	3.94	3.94	6.23	6.23
82	7.18	7.18	7.18	9.25	9.25	4.42	4.42	4.42	6.89	6.89
83	7.94	7.94	7.94	10.06	10.06	4.90	4.90	4.90	7.52	7.52
84	8.78	8.78	8.78	10.94	10.94	5.42	5.42	5.42	8.19	8.19
85	9.73	9.73	9.73	12.00	12.00	6.02	6.02	6.02	8.87	8.87
86	10.78	10.78	10.78	13.16	13.16	6.54	6.54	6.54	9.42	9.42
87	11.94	11.94	11.94	14.42	14.42	7.36	7.36	7.36	10.33	10.33
88	13.18	13.18	13.18	15.75	15.75	8.22	8.22	8.22	11.24	11.24
89	14.49	14.49	14.49	17.13	17.13	9.13	9.13	9.13	12.15	12.15
90	15.87	15.87	15.87	18.55	18.55	9.95	9.95	9.95	12.86	12.86
91	17.14	17.14	17.14	19.80	19.80	10.28	10.28	10.28	12.89	12.89
92	18.47	18.47	18.47	21.07	21.07	11.06	11.06	11.06	13.46	13.46
93	19.87	19.87	19.87	22.40	22.40	12.28	12.28	12.28	14.48	14.48
94	21.36	21.36	21.36	23.77	23.77	13.87	13.87	13.87	15.81	15.81
95	22.93	22.93	22.93	25.31	25.31	15.89	15.89	15.89	17.96	17.96
96	24.49	24.49	24.49	26.77	26.77	17.92	17.92	17.92	20.02	20.02
97	26.16	26.16	26.16	28.32	28.32	20.06	20.06	20.06	22.14	22.14
98	27.97	27.97	27.97	29.97	29.97	20.27	20.27	20.27	22.07	22.07
99	29.93	29.93	29.93	31.73	31.73	21.37	21.37	21.37	22.96	22.96
100+	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## SECTION 1: DEFINITIONS

The following are key words used in this Policy. They are important in describing both Your rights and Ours. When they are used, they are capitalized. As You read Your Policy, refer back to these definitions.

**Administrative Office** – is Our office in Sioux Falls, SD. The address of Our Administrative Office is shown on Page 1.

**Account Value** – The amount in Your Account Value at any time is equal to the sum of the Fixed Account Value and the Index Account Value under this Policy.

**Assign** – means to transfer Your rights as the Owner of this Policy to another person or entity. If You transfer all of Your rights irrevocably, the Assignment is absolute. If You transfer all or some of Your rights as the Owner of this Policy as security for any of Your liabilities, with the condition that those rights be returned to You once the liability is satisfied, then the Assignment is collateral. For details, see Section 3.9: Assignment.

**Beneficiary** – is the recipient of the Policy Proceeds at the Insured's death. For details, see Section 2.1.1: Proceeds Payable and Section 3.10: Beneficiary.

**Business Day** – is a day on which the New York Stock Exchange is open for business.

**Cash Surrender Value** – is the Account Value less any Surrender Charge.

**Common Event** – is a disaster common to two or more people, which results in loss of their lives.

**Contingent Beneficiary** – means the person(s) designated by You, to receive the Policy Proceeds if the named Primary Beneficiary dies before the Insured. In the event more than one Primary Beneficiary is named, the Contingent Beneficiary will become the Beneficiary if all named Primary Beneficiaries die before the Insured. If more than one Contingent Beneficiary is named, each named Contingent Beneficiary will share equally in any benefit or rights granted by this Policy, unless You have given Us other Written Notice.

**Contingent Owner** – if any, will become the Owner if the named Owner dies before the Insured. In the event of joint Owners, the Contingent Owner will become the Owner if both named joint Owners die before the Insured.

**Endorsement or Rider** – is a form that amends this Policy or provides additional benefits.

**Fixed Account** – is an account that earns interest at a determined rate of interest. The Fixed Account Guaranteed Interest Rate shown on the Schedule of Policy Benefits is the minimum annual interest rate We will apply to the Fixed Account at any time.

**Index** – is a published numerical value, generally created and calculated by a third party, used to indicate the underlying performance of a group of stocks and/or bonds. The Indices within this Policy used in the determination of any Index Credits are described and shown on the Schedule of Policy Benefits.

**Index Account Value** – is the sum of the values of all Index Segments.

**Index Beginning Value** – is the Index Value for the first Business Day of an Index Period.

**Index Cap Rate** – is the maximum interest rate used in the calculation of the Annual Point-to-Point, and Multi-Index Annual Point-to-Point Index Crediting Methods. The Index Cap Rate will be declared by Us for each Index Segment in advance of each Index Period. The Index Cap Rate will never be less than the Minimum Index Cap Rate shown for the Index Selection on the Schedule of Policy Benefits, or in any Rider attached to this Policy.

**Index Credit** – is the amount credited to an Index Segment. The Index Credit is calculated and added to an Index Segment only on the Index Crediting Date.

**Index Crediting Date** – is the first Business Day on or after the end of the Index Period.

**Index Crediting Method** – is the method You select to calculate the Index growth. The Index Crediting Methods that are available are shown on the Schedule of Policy Benefits as a component of the Index Selections.

**Index Floor Rate** – is the minimum interest rate used in the calculation of the Index Credit. The Index Floor Rate will be declared by Us for each Index Segment in advance of each Index Period. The Index Floor Rate will never be less than zero percent.

**Index Group** – is a group comprised of the Indexes shown on the Schedule of Policy Benefits or any attached Rider for the Multi-Index Annual Point-to-Point Crediting Method. The Index Credit for an Index Selection using an Index Group will be based upon changes in the Indexes within the Index Group. For details, see Section 6.3.9.1: Calculation of Multi-Index Change.

**Index Participation Rate** – is the portion of the Index growth that will be used in the calculation of the Index Credit. The Index Participation Rate will be declared by Us for each Index Segment in advance of each Index Period. The Index Participation Rate will never be less than the Minimum Index Participation Rate shown on the Schedule of Policy Benefits, or in any Rider attached to this Policy.

**Index Period** – is the period of time during which an Index Credit is calculated. If the Index Segment is created prior to the first Monthly Anniversary, the Index Period begins on the date an Index Segment is created and ends on the first Policy Anniversary.

If the Index Segment is created on or after the first Monthly Anniversary or for any Index Segment that uses the Monthly Point-to-Point Index Crediting Method:

- (a) The Index Period is shown on the Schedule of Policy Benefits.
- (b) An Index Period begins on the date an Index Segment is created and ends on the same calendar date as it began (for example, for an Index Period of 12 months, with a beginning date of June 1, 2019, the end date will be June 1, 2020).
- (c) If an Index Period begins on February 29th and the Index Period is 12 consecutive months, then the end of the Index Period will be March 1st of the following year.

At the end of an Index Period, a new Index Period will begin and any values in the Index Segment will remain in the same Index Segment, unless You notify Us of a transfer as described in Section 7.2: Transfers from the Index Selections.

**Index Segment** – is an account that earns an Index Credit based on the Index Selection. An Index Segment is created on each date when a Net Premium or transfer is allocated to an Index Selection. For automatic recurring premiums, We reserve the right to allocate the premium to the Fixed Account or any of the Index Selections on a consistent day of the month even if that day is not a Business Day. An Index Segment ends when the value of the individual Index Segment equals zero. If an Index Segment ends before the end of the Index Period, no Index Credit will be added on the Index Crediting Date for that Index Period. This Policy may contain multiple Index Segments at one time.

**Index Selection** – is a combination of an Index and an Index Crediting Method. The available Index Selections are shown on the Schedule of Policy Benefits.

**Index Spread Rate** – is the interest rate that will be subtracted from the Index growth in the calculation of the Annual Point-to-Point with Spread Index Crediting Method. The Index Spread Rate will be determined by Us for each Index Segment in advance of each Index Period. The Index Spread Rate will never be more than the Maximum Index Spread Rate, if any, shown for the Index Selection on the Schedule of Policy Benefits, or in any Endorsement or Rider attached to this Policy.

**Index Value** – is the published closing value of the Index for each Business Day. If We need to determine the Index Value on any day that is not a Business Day, We will use the published closing value for the next Business Day following that day.

**Insured** – is the person You name whose life is covered under this Policy. The Insured is shown on the Schedule of Policy Benefits.

**Irrevocable Beneficiary** – is a Beneficiary named by You as irrevocable, whose written consent is necessary for You to exercise any rights specified in this Policy.

**Issue Age** – is the Insured's age on the Policy Date, which is shown on the Schedule of Policy Benefits.



**Maturity Date** – is the date coverage under this Policy terminates and the Policy's Net Cash Surrender Value, if any, becomes payable to You, provided this Policy is then in effect and the insured is alive. The Maturity Date is shown on the Schedule of Policy Benefits. This date may be extended. If it is extended, the Net Cash Surrender Value will not be paid out on the Maturity Date. For details, see Section 12: Maturity Date.

**Maximum Premium Limits** – the amount of premium that may be paid under this Policy without exceeding the guidelines under Section 7702 of the Internal Revenue Code of 1986, as amended, to qualify as life insurance. We will refund any premium as necessary for this Policy to continue to qualify as life insurance. If We accept a premium in error, We will refund it as soon as possible.

**Monthly Anniversary** – is the same day of the month as the Policy Date for each month this Policy is in effect. If a Monthly Anniversary does not fall on a Business Day in a given month, the Monthly Anniversary in that case will fall on the next Business Day.

**Monthly Index Cap Rate** – is the maximum monthly percentage increase in the Index Value used in the calculation of the Monthly Point-to-Point Index Crediting Method. The Monthly Index Cap Rate will be declared by Us in advance of each Index Period. The Monthly Index Cap Rate will never be less than the Minimum Index Cap Rate shown for the Index Selection in the Schedule of Policy Benefits, or in any Rider attached to this Policy.

**Monthly Index Date** – is the same day of the month as the date on which the Index Segment was created.

**Net Amount At Risk** – is equal to the Death Benefit less the Account Value. For details, see Section 2.2: Death Benefit.

**Net Cash Surrender Value** – is the Cash Surrender Value less any Policy Debt

**Net Premium** – is the portion of each premium paid that We will add to the Account Value. It is equal to the premium paid, minus the Premium Load.

**Owner** – is the person who may exercise the rights under this Policy. For details, see Section 3.8.1: Owner's Rights. The Owner is shown on the Schedule of Policy Benefits.

**Planned Periodic Premium** – is the amount and frequency of premium payments You plan to make under this Policy and is shown on the Schedule of Policy Benefits.

**Policy Age** – is the Issue Age plus the number of completed Policy Years.

**Policy Anniversary** – is the same day and month as the Policy Date for each year this Policy is in effect.

**Policy Date** – is the date this Policy is issued and coverage becomes effective, unless another date was agreed upon and We received Your written consent. All Monthly Deductions begin as of the Policy Date. The Policy Date is shown on the Schedule of Policy Benefits. It is the date from which Policy Anniversaries, Policy Years, and Policy Months are measured.

**Policy Debt** – is the total Policy Loan on this Policy on any date plus the accrued interest.

**Policy Loan** – is a loan against the Cash Surrender Value of this Policy that is taken by You while the Insured is living and this Policy is in effect, plus any unpaid interest that has been added to the Policy Loan on a prior Policy Anniversary less Policy Loan repayments. For details, see Section 9: Policy Loans.

**Policy Months and Policy Years** – refers to the months and years that have elapsed since the Policy Date.

**Policy Proceeds** – is the amount payable on the Policy. For details, see Section 2.1.1: Proceeds Payable.

**Premium Class** – is a classification determined by the underwriting process where the health and other conditions and history of the Insured are evaluated. The Premium Class for the Insured is shown on the Schedule of Policy Benefits.

**Premium Load** – is an amount that may be charged each time a premium is paid. The Premium Load is shown on the Schedule of Policy Benefits.

**Primary Beneficiary** – means the person(s), designated by You, who has the first right to receive the Policy Proceeds in the event of the death of the Insured. If more than one Primary Beneficiary is named, each named Beneficiary will share equally in any benefit or rights granted by this Policy, unless You have instructed Us otherwise by Written Notice.

**Record Date** – is the date this Policy is recorded on Our books as a policy that is in effect.

**Return Of Premium Death Benefit Amount (ROPDB Amount)** – is an amount that is included in the calculation of the Death Benefit under the Return of Premium Death Benefit Option. On the Policy Date, the ROPDB Amount is equal to the amount of premium paid on or before the Policy Date. The ROPDB Amount on any subsequent Monthly Anniversary is equal to:

- (a) The ROPDB Amount on the preceding Monthly Anniversary; plus
- (b) Any premiums received, including any disability benefits paid by the Company into the Policy under a disability benefit Rider, if any, since the preceding Monthly Anniversary minus
- (c) Any Withdrawals, Withdrawal Charge, and Withdrawal Processing Fee made since the preceding Monthly Anniversary on those amounts calculated to the Monthly Anniversary.

**Rider Charge** – means the cost of additional benefits provided by any Endorsements or Riders.

**Schedule of Policy Benefits** – means the Schedule of Policy Benefits issued with this Policy on the Policy Date. It also means amendments to the Schedule of Policy Benefits for changes that may occur after the Policy Date.

**Specified Amount** – is an amount used to determine the Death Benefit of this Policy, for details, see Section 2.2: Death Benefit. The Specified Amount is shown on the Schedule of Policy Benefits. If You take a Withdrawal, the Specified Amount will decrease as defined in Section 6.12: Withdrawals.

**Surrender Value** – means the same as Net Cash Surrender Value when referenced in any attached Endorsement, Rider, or other communications by Us.

**Total Unreserved Account Value** – is the Account Value, as described in Section 6.1: Account Value less any outstanding Policy Debt resulting from a Standard Policy Loan as described in Section 9.2: Policy Loan Options.

**Unreserved Fixed Account Value** – is the Fixed Account Value, as described in Section 6.2: Fixed Account Value less any outstanding Policy Debt resulting from a Standard Policy Loan as described in Section 9.2: Policy Loan Options.

**Withdrawal** – means a portion of the Net Cash Surrender Value paid to You while the Insured is living and this Policy is in effect.

**Written Notice** – means a written form satisfactory to Us and received by Us at Our Administrative Office.

## SECTION 2: POLICY PROCEEDS

**2.1 PAYMENT OF PROCEEDS** – Policy Proceeds, as used in this Policy, means the amount payable on the earliest of the:

- (a) The Maturity Date;
- (b) The Surrender date of this Policy; or
- (c) The death of the Insured.

The proceeds payable on the date of death of any other person insured by Endorsement or Rider will be as provided in the Endorsement or Rider.

**2.1.1 PROCEEDS PAYABLE** – If the Insured dies while this Policy is in effect, We will pay the Policy Proceeds to the Beneficiary upon:

- (a) Receipt at Our Administrative Office of due proof of the Insured's death acceptable to Us; and
- (b) Information sufficient to determine Our liability and the appropriate payee legally entitled to the Policy Proceeds; and
- (c) If Policy Proceeds depend on the action of parties other than Us, the date that legal impediments to payment are resolved and sufficient evidence is provided to Us.

We may require a request to receive Policy Proceeds be completed on Our form(s). "Proof of death" includes, but is not limited to, a certified copy of the death certificate of the Insured, or other lawful evidence providing equivalent information.

Policy Proceeds payable at the Insured's death are equal to:

- (a) The amount of the Death Benefit referenced in Section 2.2: Death Benefit; plus
- (b) Any Endorsement or Rider providing proceeds that are payable on the Insured's death; less
- (c) Any Policy Debt; and less
- (d) Any Additional Required Premium referenced in Section 4.10: Additional Required Premium.

Policy Proceeds will be paid in one lump sum, unless You or the Beneficiary entitled to the Policy Proceeds requests otherwise and such request is agreed to by Us. We will pay interest from the date of the Insured's death until the date when Policy Proceeds are paid. Interest will be paid at the annual interest rate being paid on proceeds left on deposit with Us.

We will pay an interest rate of 10% annually in the event the Policy Proceeds are not paid within 31 calendar days after the occurrence of the latest of (a), (b), and (c), where:

- (a) Is the date that due proof of death is received by Us;
- (b) Is the date We receive sufficient information to determine Our liability, the extent of the liability, and the appropriate payee legally entitled to the proceeds; and
- (c) Is the date that any legal impediments to payment of proceeds that depend on the action of parties other than Us are resolved and sufficient evidence of the same is provided to Us. Legal impediments to payment include, but are not limited to, the following:
  - 1. establishment of guardianships and conservatorships;
  - 2. appointment and qualification of trustees, executors and administrators; or
  - 3. submission of information required to satisfy state and federal reporting requirements.

Any such additional interest will be paid from the date that is 31 calendar days after the last event to occur through the date of payment.

The Policy Proceeds will be exempt from the claims of creditors and from legal process, to the extent the law permits.

If this Policy is surrendered, or is in effect on the Maturity Date, and the Maturity Date has not been extended, the Policy Proceeds payable to You will be the Net Cash Surrender Value, if any, on such date.

## **2.2 DEATH BENEFIT** – The Death Benefit Option You have chosen is shown on the Schedule of Policy Benefits.

Under the Level Death Benefit, the Death Benefit is the greater of the:

- (a) Specified Amount; or
- (b) Minimum Death Benefit as described in Section 2.3: Minimum Death Benefit.

Under the Increasing Death Benefit, the Death Benefit is the greater of the:

- (a) Specified Amount plus the Account Value; or
- (b) Minimum Death Benefit as described in Section 2.3: Minimum Death Benefit.

Under the Return of Premium Death Benefit Option, the Death Benefit is the greater of the:

- (a) Specified Amount plus the ROPDB Amount as described in Section 1: Definitions; or
- (b) Minimum Death Benefit described in Section 2.3: Minimum Death Benefit.

### **2.2.1 LIFE INSURANCE QUALIFICATION TEST** – This test is used to ensure that Your Policy qualifies for tax treatment as life insurance under federal law. The Life Insurance Qualification Test is an option that You select at the time of application. You may choose the Cash Value Accumulation Test or the Guideline Premium Test. The test You selected is shown on the Schedule of Policy Benefits and may not be changed for the life of this Policy.

### **2.3 MINIMUM DEATH BENEFIT** – The Minimum Death Benefit is equal to the Account Value multiplied by the Corridor Percentage. The Corridor Percentage is shown on the Corridor Percentage Table in the Schedule of Policy Benefits and changes on each Policy Anniversary. If You have selected the Guideline Premium Test, the Corridor Percentage depends upon the Policy Age of the Insured. If You have selected the Cash Value Accumulation Test, the Corridor Percentage depends upon the Policy Age and Sex.

- 2.4 INTENDED TO QUALIFY AS LIFE INSURANCE** – This Policy is intended to qualify as life insurance under the Internal Revenue Code of 1986, as amended. We reserve the right to amend this Policy so it remains qualified for treatment as life insurance. The Corridor Percentages and the Minimum Death Benefit are subject to change if required to continue to qualify this Policy as life insurance.

### SECTION 3: GENERAL PROVISIONS

#### 3.1 CONTRACT

- 3.1.1 ENTIRE CONTRACT** – The entire contract between You and Us consists of this Policy, including any attached Endorsements or Riders, any attached schedules, the attached written application for this Policy, and any attached supplemental written application(s). Each statement made in any such written application, in the absence of fraud, is deemed a representation and not a warranty. We will not use any statement made by the Insured, or on the Insured's behalf, to contest a claim under this Policy unless it is contained in a written application and attached to this Policy.

Any Endorsement or Rider attached to this Policy is a part of this Policy and is subject to the terms of this Policy, unless stated otherwise in the Endorsement or Rider.

- 3.1.2 CONFORMITY WITH INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION STANDARDS** – This Policy was approved under the authority of the Interstate Insurance Product Regulation Commission (IIPRC) and issued under the Commission standards. Any provision of this Policy that on the provision's effective date is in conflict with the applicable IIPRC standards for this product type in effect as of the provision's effective date of Commission policy approval is hereby amended to conform to the applicable IIPRC standards in effect as of the provision's effective date of Commission policy approval.

- 3.2 CHANGES TO POLICY** – No one has the authority to change any part of this Policy or to waive any of its provisions unless the change is approved in writing by Our President, one of Our Vice Presidents or Our Secretary. We may change this Policy without Your consent to conform to state or federal laws or regulations by attaching an Endorsement or Rider to this Policy that was approved by the Interstate Insurance Product Regulation Commission.

- 3.3 INCONTESTABILITY** – We cannot contest this Policy, or any Rider attached to it, after it has been in effect during the lifetime of the Insured for two years from the Policy Date or, if reinstated, for two years from the date of Reinstatement, except for:
- (a) Non-payment of premium;
  - (b) Provisions related to benefits payable in the event of total and permanent disability or accidental death benefits; or
  - (c) Fraud, when permitted by applicable law in the state where this Policy is delivered or issued for delivery.

An increase in the Specified Amount or a Premium Class change effective after the Policy Date that requires underwriting may be contested only with respect to material misstatements made in the application for the increase in the Specified Amount or Premium Class change for two years from the effective date of the increase or Premium Class change.

Reinstatements may be contested only with respect to material misstatements made in the application for Reinstatement for two years from the effective date of Reinstatement.

As long as this Policy remains contestable, the Insured, Owner, Beneficiary, or next-of-kin will cooperate with the Company in any contestable investigation conducted by the Company, including, but not limited to, supplying the Company with necessary authorizations for medical and other information.

- 3.4 SUICIDE** – If the Insured commits suicide, while sane or insane, within two years from the Policy Date, Our liability is limited to an amount equal to the total premiums paid, less any Policy Debt and Withdrawal amount. We will pay this amount to the Beneficiary in one lump sum.

If the Insured commits suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, Our liability with respect to such increase is limited to the Cost of Insurance charged for such increase.

- 3.5 MISSTATEMENT OF AGE OR SEX** – If We learn that the age or sex of the Insured has been stated incorrectly, the Specified Amount will be adjusted to be that which would have been purchased by the most recent Cost of Insurance charge. Thereafter, Monthly Deductions will be based upon the correct age and sex of the Insured. This may result in the changes described in Section 5.1: Changes in Specified Amount.

If We learn that the age or sex of the person covered under an Endorsement or Rider has been stated incorrectly, the Benefit Amount for the Endorsement or Rider, if any, will be changed to that which would have been purchased by the most recent Endorsement or Rider charge based on the covered person's correct age and sex. Thereafter, Monthly Deductions will be based upon the covered person's correct age and sex.

- 3.6 TAX IMPLICATIONS** – It is recommended that You contact a tax advisor to assess tax consequences before making any Policy changes, taking out a Policy Loan, or requesting a Withdrawal. If this Policy is in effect at the Insured's Policy Age 100, it is recommended that You contact a tax advisor since maintaining this Policy beyond such age may result in tax consequences. These recommendations are not intended as tax or legal advice.

- 3.7 NON-PARTICIPATING** – This Policy does not pay dividends or otherwise share in Our profits or surplus.

**3.8 OWNERSHIP AND BENEFICIARY**

- 3.8.1 OWNER'S RIGHTS** – This Policy belongs to You. You have all rights granted by this Policy, including the right to change Owners and Beneficiaries, subject to the rights of any:
- (a) Assignee of record with Us;
  - (b) Irrevocable Beneficiary; and
  - (c) Restricted ownership.

We must receive Written Notice informing Us of any change, designation, or revocation. Once recorded, a change, designation or revocation takes effect as of the date the Written Notice was signed. However, We are not liable for payments made by Us before We record the Written Notice.

- 3.8.2 CHANGE OF OWNER OR CONTINGENT OWNER** – On the Policy Date, the Owner and any Contingent Owner are as designated in the application. You may change the Owner by absolute Assignment. For details, see Section 3.9: Assignment. You may designate, change, or revoke a Contingent Owner. We must receive Written Notice informing Us of the designation, change, or revocation. Upon receipt, a designation, change, or revocation takes effect as of the date the Written Notice was signed, unless otherwise specified by the Owner. However, We are not liable for any payment made by Us before We record the Written Notice.

The Policy is intended to be issued to individuals and to insure individual risks. The Policy is not designed for institutional investors or the covering of multiple risks or being used in concert with other policies We issue to cover a single life. We reserve the right to reject any requested change of ownership that would materially alter the risk We assumed in issuing this Policy or any change of ownership that converts ownership to an institution other than certain grantor trusts.

- 3.9 ASSIGNMENT** – You may Assign this Policy. We are bound by an Assignment only if We receive the original Assignment, or a certified copy, at Our Administrative Office and it is accepted and recorded by Us. We are not liable for any payment made by Us before We record the Assignment. The Assignment takes effect on the date the notice of Assignment is signed by the Owner, unless otherwise specified by the Owner. We take no responsibility for the validity of any Assignment.

You may revoke any Assignment prior to its effective date provided We receive Written Notice of revocation before the Assignment is recorded by Us.

An Assignment will not change or revoke the Beneficiary designation in effect at the time the Assignment is made. If an Assignment is absolute, Your rights and privileges, including any right to change the Beneficiary, vest in the assignee. If any Assignment is collateral, the collateral assignee has priority over the interest of any Beneficiary or payee.

- 3.10 BENEFICIARY** – On the Policy Date, Beneficiaries are as stated in the application. If no Beneficiaries are designated in the application, You are the Beneficiary. A Beneficiary is revocable unless otherwise stated in the Beneficiary designation. If no Primary Beneficiaries are living at the time of the Insured's death, the Policy Proceeds are payable to the Contingent Beneficiary, if any. If there are no Beneficiaries living at the time of the Insured's death, You or Your estate will receive the Policy Proceeds.

Proceeds Payable to a single surviving Beneficiary will be the entire Policy Proceeds. If there is more than one surviving Beneficiary, they will share the Policy Proceeds as stated in the application or in a Written Notice received by Us. If a named Beneficiary predeceases the Insured, that share of the Policy Proceeds will be divided among the surviving Beneficiaries in the same proportion as stated in the application or Written Notice.

If no direction is provided by You on the application or in a Written Notice as to the division of the Policy Proceeds, they will be divided equally among the surviving Beneficiaries, as described in this Section.

- 3.10.1 CHANGE OF BENEFICIARY** – You may change a revocable Beneficiary. An Irrevocable Beneficiary can be changed if the current Irrevocable Beneficiary consents to the change. We must receive Written Notice informing Us of the change. Upon receipt, a change takes effect as of the date the Written Notice was signed by the Owner, unless otherwise specified by the Owner. However, We are not liable for any payment made by Us before We record the Written Notice.
- 3.10.2 BENEFICIARY DEATH IN COMMON EVENT** – If any Beneficiary dies with the Insured in a Common Event, benefits will be paid as if the Beneficiary predeceased the Insured unless it is proved otherwise to Our satisfaction.
- 3.11 RIGHT TO REQUEST THIS POLICY** – If You request a change that would cause the information in the Schedule of Policy Benefits, the application, or any supplemental application to be incorrect, We reserve the right to require this Policy be returned to Us so that the appropriate changes can be made.
- 3.12 EFFECTIVE DATE** – Benefits under this Policy became effective as follows:
- (a) All benefits provided in the original application are effective on the Policy Date.
  - (b) Any increase in Specified Amount or addition to coverage is effective on the Monthly Anniversary that falls on or next follows the date We approve any supplemental application. A notice will be mailed to Your last known address confirming the change and effective date of the change.
  - (c) For any insurance that has been reinstated, coverage is effective on the Monthly Anniversary that falls on or next follows the date We approve the application for Reinstatement.
- 3.13 TERMINATION OF COVERAGE** – All benefits provided by this Policy will cease if:
- (a) You request that this Policy be surrendered by asking Us to pay You the full Net Cash Surrender Value; or
  - (b) The Insured dies; or
  - (c) This Policy matures; or
  - (d) This Policy reaches the end of the Grace Period without additional payment as described in Section: 4.9 Grace Period.

We reserve the right to terminate any Endorsement or Rider at the Insured's Policy Age 120 if charges for such forms are deducted from the Account Value at that time.

## SECTION 4: PREMIUMS

- 4.1 PAYMENT OF PREMIUMS** – Premiums are payable in advance. The first premium must be received by Us by the Policy Date and may be paid to Our authorized agent or to Us at Our Administrative Office. Premiums received before the Policy Date are applied on the Policy Date. Each premium, other than the first, must be paid to Us at Our Administrative Office. Subject to the Minimum Unscheduled Premium Payment amount shown on the Schedule of Policy Benefits, and subject to the Maximum Premium Limits, subsequent premium payments may be made at any time while this Policy is in effect.

We will send premium notices to You at Your last known address according to the Planned Periodic Premium Schedule You selected, as shown on the Schedule of Policy Benefits. You may ask Us to change the amount or frequency of the premium notices as long as the amount is sufficient to keep Your Policy in effect and does not violate the Maximum Premium Limits. A premium receipt signed by one of Our officers will be furnished upon request.

For automatic recurring premiums, We reserve the right to allocate the premium to the Fixed Account or any of the Index Selections on a consistent day of the month even if that day is not a Business Day.

We will not accept premiums in excess of the Maximum Premium Limits unless needed to keep this Policy in effect.

Premium is not accepted in any years following the Insured's Policy Age 120. This includes premium for any Rider.

**4.2 MAXIMUM PREMIUM LIMITS** – We reserve the right to refuse additional premium if the additional premium would cause:

- (a) the Death Benefit to be equal to the Minimum Death Benefit as described in Section 2.3 Minimum Death Benefit; or
- (b) classification of Your Policy as a modified endowment contract under the Internal Revenue Code; unless You have agreed to such classification in writing.

**4.3 PREMIUM ALLOCATION** – You may direct premiums to be allocated among the Fixed Account or any of the Index Selections that are shown on the Schedule of Policy Benefits or added by Endorsement or Rider. The allocations are stated in percentages and they must total 100%. We reserve the right to limit the number of Index Selections that can be utilized for new premiums.

The allocation percentages that took effect on the Record Date are shown on the application. If any premium is received prior to the Record Date, the Net Premium will be allocated to the Fixed Account regardless of the allocation percentages You have specified. On the Record Date, the value in the Fixed Account will be reallocated among the Fixed Account and the Index Selections as You specified in the application.

For any premium received on or after the Record Date, if the Fixed Account Value is less than zero, all Net Premium will be allocated to the Fixed Account until the Fixed Account Value equals zero, regardless of Your premium allocation percentages currently in effect. Any remaining Net Premium will be allocated according to Your most recent premium allocation instructions among the Fixed Account or any of the Index Selections that are shown on the Schedule of Policy Benefits or added by Endorsement or Rider.

**4.4 DISCONTINUATION OF OR SUBSTANTIAL CHANGE TO AN INDEX** - If an Index is discontinued, the calculation of an Index is changed substantially, or if We are unable to utilize an Index, We may discontinue the Index or substitute a similar Index. If We substitute an Index, We will submit any such substitution to the Interstate Insurance Product Regulation Commission for prior approval. We will send notification to Your last known address of any changes.

**4.5 CHANGING YOUR PREMIUM ALLOCATIONS** – The allocation of Net Premium that took effect on the Record Date is shown on the application. You may change the allocation of future Net Premium at any time while this Policy is in effect. To do so, You must send Us Written Notice of Your allocation change unless prior written authorization has been provided to Us to accept changes via telephone. The change will take effect on the date We receive Written Notice. Any premium allocations must total 100%. There is no charge for changing premium allocations.

**4.5 CONTINUATION OF INSURANCE** – Subject to the Grace Period provision, even if You stop paying premiums, this Policy will continue as long as:

- (a) The Net Cash Surrender Value is sufficient to allow Monthly Deductions; or
- (b) This Policy is within the No Lapse Guarantee Period and the No Lapse Guarantee Premium Requirement is satisfied, as described in Section 4.7 and Section 4.8 below.

**4.7 NO LAPSE GUARANTEE PERIOD** – The No Lapse Guarantee Period begins on the Policy Date and ends on the No Lapse Guarantee Period End Date shown on the Schedule of Policy Benefits. During the No Lapse Guarantee Period, regardless of the amount of Net Cash Surrender Value, this Policy will not enter the Grace Period on any Monthly Anniversary that the No Lapse Guarantee Premium Requirement is satisfied.

During the No Lapse Guarantee Period, the Account Value may have a negative balance. We will not credit or charge interest on this negative balance. Monthly Deductions will continue to be made and will be deducted from the negative balance. At the end of the No Lapse Guarantee Period, the Net Cash Surrender Value may be insufficient to keep this Policy in effect, unless additional payment is made. If no additional payment is made the Grace Period will begin. For details, see Section 4.9: Grace Period.



- 4.8 NO LAPSE GUARANTEE PREMIUM REQUIREMENT** – The No Lapse Guarantee Premium Requirement is satisfied on any date if the sum of the premiums paid is greater than or equal to:
- (a) The sum of the No Lapse Guarantee Premium for each Policy Month from the Policy Date up to and including the current month; plus
  - (b) Any Withdrawal, Withdrawal Charge, and Withdrawal Processing Fee; plus
  - (c) Any Policy Debt.

The No Lapse Guarantee Premium in effect on the Policy Date is shown on the Schedule of Policy Benefits. We will adjust the No Lapse Guarantee Premium due to a policy change, such as, but not limited to, an increase or decrease in the Specified Amount, the addition or removal of an Endorsement or Rider, or a change in the Death Benefit Option. A notice will be mailed to Your last known address confirming the change, effective date of the change, and the adjusted No Lapse Guarantee Premium.

- 4.9 GRACE PERIOD** – Before this Policy will terminate for insufficient payment of premium, a Grace Period of 61 days will be given for the payment of additional premiums to keep this Policy in effect. Notice of such premium will be mailed to Your last known address no later than 30 days prior to termination. Such notice is also sent to any assignee of record. During the Grace Period, the Death Benefit will be equal to the Death Benefit in effect immediately prior to the Grace Period, less any Additional Required Premium that was due during the Grace Period. The Grace Period will begin on any Monthly Anniversary where this Policy does not meet the conditions as described in Section 4.6: Continuation of Insurance. If the Grace Period expires without payment of the Additional Required Premium, this Policy will terminate at the end of the Grace Period without value. Any payments sent by U.S. mail must be postmarked within the Grace Period.

- 4.10 ADDITIONAL REQUIRED PREMIUM** – If this Policy is within the No Lapse Guarantee Period, the Additional Required Premium to keep this Policy in effect will be the lesser of the premium needed to:
- (a) Satisfy the No Lapse Guarantee Premium Requirement at the beginning of the Grace Period; or
  - (b) Increase the Net Cash Surrender Value to an amount that allows the Monthly Deduction to be made.

If this Policy is beyond the No Lapse Guarantee Period, the Additional Required Premium will be the premium needed to increase the Net Cash Surrender Value to an amount that allows the Monthly Deduction to be made. As long as the Net Cash Surrender Value allows the Monthly Deduction to be made, the Policy will not enter the Grace Period.

- 4.11 REINSTATEMENT** – This Policy may be reinstated following the end of the Grace Period if You have not surrendered Your policy for its Net Cash Surrender Value. Such Reinstatement must be made within five years of the expiration of the Grace Period. For such Reinstatement, We will require:
- (a) Written application for Reinstatement received by Us;
  - (b) Evidence of insurability satisfactory to Us, which may result in the reinstated policy being in a different Premium Class;
  - (c) Payment of premium sufficient to keep this Policy in effect from the beginning of the Grace Period to the date this Policy terminated, plus payment of premium that is enough to keep this Policy in effect for two months following Reinstatement;
  - (d) All money in the Index Selections be transferred to the Fixed Account, effective on the date the Grace Period expired, and
  - (e) Payment or reinstatement of any Policy Debt, plus interest accrued from the date of termination to the date of Reinstatement.

At the time of Reinstatement, We will reallocate the value in the Fixed Account among the Fixed Account and the Index Selections according to Your most recent premium allocation instructions.

If the Grace Period expired during the No Lapse Guarantee Period and this Policy is reinstated, We will reinstate the No Lapse Guarantee Period. To reinstate the No Lapse Guarantee Period, the No Lapse Guarantee Premium Requirement must be satisfied at the time of Reinstatement. We will extend the No Lapse Guarantee Period by the number of months the Policy was not in effect and will provide You a notice with the new No Lapse Guarantee Period End Date.

If the Grace Period expired in a Policy Year where the Surrender Charge shown on the Schedule of Policy Benefits was greater than zero and this Policy is reinstated, any remaining Surrender Charge period and Surrender Charges that existed at the time the Policy terminated will be applied to the reinstated policy.



All other charges, including charges for any reinstated Endorsement or Rider, will continue to be deducted after Reinstatement.

Reinstatement is effective on the first Monthly Anniversary on or following Our approval of the Reinstatement.

A surrendered policy cannot be reinstated.

## SECTION 5: CHANGES IN COVERAGE

- 5.1 CHANGES IN SPECIFIED AMOUNT** – You may change the Specified Amount while this Policy is in effect. You must send Us Written Notice for the change. We reserve the right to limit the number of changes to one per year. If We approve the change, We will send You a notice confirming the change and the effective date of the change. Such notice will be mailed to Your last known address. Any change in Specified Amount is subject to the following conditions:
- (a) If the Specified Amount is decreased:
1. The Specified Amount may not be decreased to less than the Minimum Specified Amount shown on the Schedule of Policy Benefits;
  2. The Specified Amount may not be reduced prior to the third Policy Year without prior approval by Us;
  3. The Specified Amount may not be decreased to an amount that would cause the Maximum Premium Limits to be violated;
  4. All decreases in Specified Amount will decrease previous increases in reverse order before decreasing the original Specified Amount;
  5. During the No Lapse Guarantee Period, the No Lapse Guarantee Premium shown on the Schedule of Policy Benefits may decrease, but the No Lapse Guarantee Period will not change;
  6. The Surrender Charge Factors will be applied to the reduced Specified Amount as described in Section 6.11.1: Surrender Charge after Changes in Coverage;
  7. The Unit Expense Charge will be applied to the reduced Specified Amount; and
  8. There may be a charge for the decrease as described in Section 5.2: Charge for Decreases.
- (b) If the Specified Amount is increased:
1. The Specified Amount may not be increased by less than the Minimum Increase Amount shown on the Schedule of Policy Benefits;
  2. The increase must be applied for on a supplemental application;
  3. We will need evidence of insurability satisfactory to Us;
  4. The Surrender Charge will increase and a new set of Surrender Charge Factors and a new Surrender Charge period will apply to the increase as described in 6.11.1: Surrender Charge after Changes in Coverage;
  5. During the No Lapse Guarantee Period, the No Lapse Guarantee Premium shown on the Schedule of Policy Benefits will increase, but the No Lapse Guarantee Period will not be changed;
  6. A new Unit Expense Charge will apply to the amount of the increase; and
  7. We reserve the right to refuse any increase in the Specified Amount when the Policy Age of the Insured is greater than the maximum Issue Age available for this Policy.
- 5.2 CHARGE FOR DECREASES** – Any requested decrease will be subject to a decrease charge if any Surrender Charges remain at the time of the decrease. The decrease charge will be deducted from the Account Value on the date of the decrease. If the Account Value is smaller than the decrease charge, an additional premium payment will be required to increase the Account Value to an amount that allows the decrease charge to be deducted.

When You request a decrease, You may tell Us how much of the decrease charge is to be taken from the Unreserved Fixed Account Value and the value in each Index Selection. If You do not otherwise notify Us in writing, the decrease charge will be taken from the Unreserved Fixed Account Value and each of the Index Selections in the proportions their values bear to the Total Unreserved Account Value. If there are multiple Index Segments within an Index Selection, the decrease charge will be taken from the Index Segments based on the start date of the current Index Period for that Index Segment with the values associated with the most recent dates being used first. You will not be eligible to earn any Index Credits on the amount that is taken from the Index Selections.

If there has been no prior increase, the maximum decrease charge will be the decrease amount divided by the Specified Amount prior to the decrease, multiplied by the Surrender Charge on the date of the decrease.

When a decrease is preceded by one or more increases, the maximum decrease charge, as described above, will be computed separately for the original Specified Amount and each increase in the Specified Amount.

If there is no Policy Debt at the time of the decrease, an alternate decrease charge will be calculated and the decrease charge will equal the lesser of the total maximum decrease charge and the alternate decrease charge. The alternate decrease charge will be the decrease amount divided by the Specified Amount prior to the decrease, multiplied by the Account Value on the date of the decrease. This calculation applies regardless of whether there has been a prior increase.

If there is Policy Debt at the time of the decrease, the alternate decrease charge does not apply and the decrease charge will be equal to the maximum decrease charge.

The maximum decrease charge will be the decrease amount divided by the Specified Amount times the Surrender Charge on the date of the decrease.

When a decrease is preceded by one or more increases, the maximum decrease charge will be computed, to the extent needed, in the following order:

- (a) Most recent increase; then
- (b) Next most recent increases, if any, in reverse order of their occurrence; and lastly,
- (c) Original Specified Amount of this Policy.

**5.3 CHANGES IN DEATH BENEFIT OPTION** – You may change the Death Benefit Option while this Policy is in effect. No changes can be made to the Return of Premium Death Benefit Option; this option is only available at Policy application. You must send Us Written Notice for the change. We will send You a notice confirming the change and the effective date of the change. Such notice will be mailed to Your last known address. We will not allow a change if it would cause the Maximum Premium Limits to be violated.

- (a) If the change is to the Increasing Death Benefit Option:
  1. If You are changing from the Level Death Benefit Option, the Specified Amount will not change;
  2. If You are changing from the Return of Premium Death Benefit Option, the Specified Amount will be increased by the excess, if any, of the Return of Premium Death Benefit Amount over the Account Value as of the effective date of the change;
  3. We will need evidence of insurability satisfactory to Us to approve the change;
  4. During the No Lapse Guarantee Period, the No Lapse Guarantee Premium will not change; and
  5. The Surrender Charge and Unit Expense Charge will not change.

However, You may request that the Specified Amount be reduced to equal the current Specified Amount minus the current Account Value. If You make this request, evidence of insurability will not be required and the provisions of Section 5.1: Changes in the Specified Amount will apply.

- (b) If the change is to the Level Death Benefit Option:
  1. The Specified Amount will be increased to equal the current Specified Amount plus the current Account Value when changing from Increasing Death Benefit Option; The Specified Amount will be increased by the Return of Premium Death Benefit Amount when changing from the Return of Premium Death Benefit Option. This will result in the Death Benefit on the effective date of the Death Benefit Option change remaining unchanged;
  3. The Surrender Charge and Surrender Charge period will not change;
  4. The No Lapse Guarantee Premium shown on the Schedule of Policy Benefits may increase; and
  5. We reserve the right to apply the Unit Expense Charge to the amount of the increase.

However, You may request that the Specified Amount remain constant. If You make this request, the No Lapse Guarantee Premium, Unit Expense Charge, and Surrender Charge will not change.

**5.4 CHANGES IN RIDERS** – An Endorsement or Rider may be added to this Policy after the Policy Date. To apply for an available Endorsement or Rider, or to remove an existing Endorsement or Rider prior to its termination date, You must send Us Written Notice for the change. If We approve the request, We will send You a notice confirming the change and the effective date of the change. Such notice will be mailed to Your last known address. We will not allow a change if it would cause the Maximum Premium Limits to be violated.

- (a) If an Endorsement or Rider is added:
  1. The Endorsement or Rider must be applied for on a supplemental application;
  2. We may require satisfactory evidence of the insurability of the person to be covered under the Endorsement or Rider;
  3. During the No Lapse Guarantee Period, the No Lapse Guarantee Premium shown on the Schedule of Policy Benefits may increase;
  4. The cost, if any, of the additional benefit provided by the Endorsement or Rider will be included in future Monthly Deductions; and
  5. The Surrender Charge and Unit Expense Charge will not change.
- (b) If an Endorsement or Rider is removed:
  1. During the No Lapse Guarantee Period, the No Lapse Guarantee Premium shown on the Schedule of Policy Benefits may decrease;
  2. The cost of the additional benefit, if any, provided by the Endorsement or Rider being removed will not be included in future Monthly Deductions; and
  3. The Surrender Charge and Unit Expense Charge will not change.

**5.5 CHANGES IN PREMIUM CLASS** – A change in the Insured's Premium Class may be requested on or after the end of the first Policy Year. The Insured must meet the eligibility requirements for a specified Premium Class. To apply for a change in Premium Class, We will require:

- (a) A written application for a Premium Class change received by Us; and
- (b) Evidence of insurability satisfactory to Us.

A Premium Class change is effective on the first Monthly Anniversary on or following Our approval of such change. We will send You a Written Notice confirming the Premium Class change and the effective date of the change. Such notice will be mailed to Your last known address. A Premium Class change is subject to Section 3.3: Incontestability.

If the Premium Class is changed:

- (a) During the No Lapse Guarantee Period, the No Lapse Guarantee Premium shown on the Schedule of Policy Benefits may decrease, but the No Lapse Guarantee Period will not change;
- (b) The Cost of Insurance and Unit Expense Charge for future Monthly Deductions will be based on the new Premium Class; and
- (c) The Surrender Charge will not change.

## SECTION 6: POLICY VALUES

**6.1 ACCOUNT VALUE** – The amount in Your Account Value at any time is equal to the sum of the Fixed Account Value and the Index Account Value under this Policy. The Account Value on the Policy Date is any Net Premium received on or before the Policy Date, minus the Monthly Deduction due on the Policy Date.

Any amounts credited to Your Account Value in excess of the guaranteed minimums described hereafter, cannot be forfeited except indirectly due to a surrender charge. Additional amounts, if any, will be credited no less frequently than annually.

### **6.2 FIXED ACCOUNT VALUE**

**6.2.1 CALCULATION OF THE FIXED ACCOUNT VALUE** – The Fixed Account Value at any time is equal to the accumulation at interest of:

- (a) The Fixed Account Value on the preceding Monthly Anniversary; plus
- (b) Any Net Premium or transfers allocated to the Fixed Account during the current Policy Month; minus
- (c) Any Monthly Deduction allocated to the Fixed Account at the beginning of the current Policy Month; minus
- (d) Any Withdrawals or transfers taken from the Fixed Account during the current Policy Month; minus
- (e) Any Withdrawal Charge and Withdrawal Processing Fee allocated to the Fixed Account during the current Policy Month; minus
- (f) Any charge allocated to the Fixed Account for a decrease in Specified Amount made during the current Policy Month.

Any deductions, charges, Withdrawals, or transfers taken from the Fixed Account Value will be deducted from values associated with the most recent premium payment or transfer allocations that remain in the Fixed Account.

**6.2.2 INTEREST RATE ON FIXED ACCOUNT VALUE** – The Fixed Account Guaranteed Interest Rate shown on the Schedule of Policy Benefits is the minimum annual interest rate We will apply to the Fixed Account Value while this Policy is in effect.

We may credit current interest rates that are greater than the Fixed Account Guaranteed Interest Rate at Our option based on Our expectation as to future experience. The factors We consider in setting the current interest rates may vary from time to time at Our sole discretion, and there is no assurance that any interest will be credited in the future at a rate in excess of the Fixed Account Guaranteed Interest Rate. We review interest rates at least monthly. Any change in the current interest rates will take effect on the date that We declare. The current interest rate for the Fixed Account will never be less than the Fixed Account Guaranteed Interest Rate.

The current interest rates applied to the Fixed Account Value may vary based on the date of premium payment or transfer allocation. Any portion of the Fixed Account Value that supports Policy Debt resulting from a Standard Policy Loan may be credited at a different interest rate that will not be less than the Fixed Account Guaranteed Interest Rate.

**6.3 INDEX ACCOUNT VALUE**

**6.3.1 CALCULATION OF THE INDEX ACCOUNT VALUE** – The Index Account Value is equal to the sum of all the individual Index Segments for each Index Selection. The beginning value of each individual Index Segment is equal to the amount of the Net Premium or transfer into that Index Segment. On any subsequent day, the value of each individual Index Segment equals:

- (a) The value of the Index Segment on the preceding Monthly Anniversary (or the beginning value if the Index Segment was created during the current Policy Month); minus
- (b) Any Monthly Deduction allocated to the Index Segment for the current Policy Month; plus
- (c) Any Index Credit that was added to the Index Segment during the current Policy Month; minus
- (d) Any Withdrawals or transfers taken from the Index Segment during the current Policy Month; minus
- (e) Any Withdrawal Charge and Withdrawal Processing Fee allocated to the Index Segment during the current Policy Month; minus
- (f) Any charge allocated to the Index Segment for a decrease in Specified Amount made during the current Policy Month; minus
- (g) Any amounts removed from the Index Segment during the current Policy Month for Standard Policy Loans.

**6.3.2 INDEX CREDIT** – An Index Credit is calculated on each Index Crediting Date for the associated Index Segment and added to the Index Segment on the Index Crediting Date.

The Index Credit will equal (a) multiplied by (b), where:

- (a) Is equal to the interest rate for the associated Index Crediting Method, as described in Section 6: Policy Values or Interest Rate Using the Annual Point-to-Point Method, Interest Rate Using the Multi-Index Annual Point-to-Point Method, and the Interest Rate Using the Annual Point-to-Point with Spread Method.
- (b) Is equal to:

1. The value of the Index Segment at the beginning of the current Index Period; minus
2. Withdrawals or transfers taken from the Index Segment since the beginning of the current Index Period; minus
3. Any Withdrawal Charge and Withdrawal Processing Fee taken from the Index Segment since the beginning of the current Index Period; minus
4. Any decrease charge allocated to the Index Segment for a decrease in the Specified Amount made since the beginning of the current Index Period; minus
5. Amounts removed from the Index Segment since the beginning of the current Index Period due to Standard Policy Loans.

**6.3.3 CALCULATION OF THE INDEX AVERAGE** – The Index Average for an Index Period equals the:

- (a) Sum of the Index Values on all Business Days which fall after the beginning of the Index Period until (and including) the next Index Crediting Date; divided by
- (b) Number of Business Days that fall after the beginning of the Index Period until (and including) the next Index Crediting Date.

- 6.3.4 INTEREST RATE USING THE MONTHLY POINT-TO-POINT METHOD** – When the Index Crediting Method is Monthly Point-to-Point the interest rate is equal to:
- The sum of the Monthly Index Returns, as defined in Section 6.3.6: Calculation of the Monthly Index Return, for the 12 months that are completed during the current Index Period; adjusted
  - To be no less than the Index Floor Rate.
- 6.3.5 CALCULATION OF THE MONTHLY INDEX RETURN** – The Monthly Index Return is based on the percentage increase or decrease in the Index and is calculated as follows:
- The Index Value for the Monthly Index Date, minus the Index Value for the preceding Monthly Index Date; divided by
  - The Index Value for the preceding Monthly Index Date; multiplied by
  - The Index Participation Rate for the Index Selection; adjusted
  - To be no greater than the Monthly Index Cap Rate.
- 6.3.6 INTEREST RATE USING THE ANNUAL POINT-TO-POINT METHOD** – When the Index Crediting Method is Annual Point-to-Point, the interest rate is equal to:
- The Index Value as of the Index Crediting Date for the current Index Period, minus the Index Beginning Value for the current Index Period; divided by
  - The Index Beginning Value for the current Index Period; multiplied by
  - The Index Participation Rate for the Index Selection; adjusted
  - To be no greater than the Index Cap Rate nor less than the Index Floor Rate.
- 6.3.7 INTEREST RATE USING THE ANNUAL POINT-TO-POINT WITH SPREAD METHOD** – When the Index Crediting Method is Annual Point-to-Point with Spread, the interest rate is equal to:
- The Index Value as of the Index Crediting Date for the current Index Period, minus the Index Beginning Value for the current Index Period; divided by
  - The Index Beginning Value for the current Index Period; multiplied by
  - The Index Participation Rate for the Index Selection; minus
  - The Index Spread Rate for the current Index Period; adjusted
  - To be no less than the Index Floor Rate for the Index Selection.
- 6.3.8 INTEREST RATE USING THE MULTI-INDEX ANNUAL POINT-TO-POINT METHOD** – When the Index Crediting Method is Multi-Index Annual Point-to-Point the interest rate is equal to:
- The Multi-Index Change, as defined below in Section 6.3.9.1: Calculation Of Multi-Index Change; multiplied by
  - The Index Participation Rate for the Index Selection; adjusted
  - To be not greater than the Index Cap Rate nor less than the Index Floor Rate.
- 6.3.9 CALCULATION OF MULTI-INDEX CHANGE** – The Multi-Index Change for the Index Group is equal to (a) plus (b) plus (c) where:
- is equal to:
    - The Individual Index Change, as defined below in Section 6.3.9.2: Calculation Of Individual Index Change, for the best-performing Index in the Index Group; multiplied by
    - The Best-Performing Index Weight shown on the Schedule of Policy Benefits.
  - is equal to:
    - The Individual Index Change for the second-best-performing Index in the Index Group; multiplied by
    - The Second-Best-Performing Index Weight shown on the Schedule of Policy Benefits.
  - is equal to:
    - The Individual Index Change for the third-best-performing Index in the Index Group; multiplied by
    - The Third-Best-Performing Index Weight shown on the Schedule of Policy Benefits.
- 6.3.9.1 CALCULATION OF INDIVIDUAL INDEX CHANGE** – The Individual Index Change, positive or negative, for each Index in the Index Group equals the:
- Index Value as of the Index Crediting Date for the current Index Period, minus the Index Beginning Value for the current Index Period; divided by
  - Index Beginning Value for the current Index Period.
- 6.4 MINIMUM ACCOUNT VALUE** – If the Account Value is being calculated due to any termination of this Policy (including death, surrender, or maturity), and if the Minimum Account Value is greater than the Account Value at that time, then the Minimum Account Value will be used in place of the Account Value. If, on any Monthly Anniversary, the Minimum Account Value is greater than the Account Value, then the Minimum Account Value will be used to determine if this Policy has entered the Grace Period, as stated under Section 4.9: Grace Period, and in the calculation of the Net Amount at Risk for Section 6.6: Cost of Insurance.

Periodically, the amount in the Account Value will be compared to the Minimum Account Value. The Schedule of Policy Benefits shows the date that We will make the Initial Comparison of the Minimum Account Value. The Schedule of Policy Benefits also shows the number of Policy Years that must be completed between each of the Subsequent Comparisons of the Minimum Account Value.

If the Account Value is less than the Minimum Account Value on any of these comparison dates, We will increase the Account Value so that it is at least as large as the Minimum Account Value. The increase will be added to the Fixed Account. If the Account Value is greater than the Minimum Account Value, We will not make any changes to the Account Value or the Minimum Account Value.

The Minimum Account Value at any time is equal to:

- (a) The Minimum Account Value on the preceding Monthly Anniversary; plus
- (b) Any Net Premium received during the current Policy Month; minus
- (c) The Monthly Deduction for the Minimum Account Value for the current Policy Month; minus
- (d) Any Withdrawals taken from this Policy during the current Policy Month; minus
- (e) Any Withdrawal Charge and Withdrawal Processing Fee assessed during the current Policy Month; minus
- (f) Any decrease charge for a decrease in the Specified Amount made during the current Policy Month; plus or minus
- (g) Interest on each of the above at the Guaranteed Interest Rate as shown on the Schedule of Policy Benefits.

If the Minimum Account Value is being calculated on a Monthly Anniversary, the Minimum Account Value will be determined prior to the Monthly Deduction being deducted.

The Minimum Account Value on the Policy Date will be set equal to the value in the Account Value. The Monthly Deduction for the Minimum Account Value is calculated as described in Section 6.5: Monthly Deduction, except that the Cost of Insurance and the Expense Amount are based on the Minimum Account Value rather than the Account Value.

**6.5 MONTHLY DEDUCTION** – The Monthly Deduction for a Policy Month is equal to the:

- (a) Cost of Insurance for that Policy Month described in Section 6.6: Cost of Insurance; plus
- (b) Expense Amount described in Section 6.7: Expense Amount; plus
- (c) Rider Charge for that Policy Month.

If the Monthly Deduction does not exceed the Unreserved Fixed Account Value on a Monthly Anniversary, that Monthly Deduction will be deducted from the Fixed Account. If the Monthly Deduction exceeds the Unreserved Fixed Account Value, the Monthly Deduction will be deducted from the Unreserved Fixed Account and each of the Index Selections in the proportions their values bear to the Unreserved Account Value on that Monthly Anniversary. If there are multiple Index Segments within an Index Selection, such deductions will be taken from the Index Segments based on the start date of the current Index Period for that Index Segment with the values associated with the most recent dates being deducted first.

**6.6 COST OF INSURANCE** – The Cost of Insurance is determined on each Monthly Anniversary. It is determined separately for the original Specified Amount and each increase in the Specified Amount. The Cost of Insurance is equal to the Cost of Insurance Rate multiplied by the Net Amount at Risk, divided by 1000. The Cost of Insurance will be zero starting at Policy Age 120.

**6.6.1 COST OF INSURANCE RATES** – The monthly Cost of Insurance Rates will never be more than those shown on the Table of Guaranteed Cost of Insurance Rates in the Schedule of Policy Benefits. We may declare Cost of Insurance Rates that differ from those shown on the Table of Guaranteed Cost of Insurance Rates in the Schedule of Policy Benefits. Cost of Insurance Rates are based on the Issue Age, Policy Anniversary, Sex, Specified Amount, and Premium Class of the Insured shown on the Schedule of Policy Benefits.

- 6.7 EXPENSE AMOUNT** – The Expense Amount will never be more than the:
- (a) Policy Expense Charge shown on the Schedule of Policy Benefits; plus
  - (b) Unit Expense Charge shown on the Schedule of Policy Benefits multiplied by the Specified Amount divided by 1000; plus
  - (c) Percent of Account Value Charge shown on the Schedule of Policy Benefits multiplied by the difference between the Account Value and Policy Debt.

The Unit Expense Charge is determined separately for the original Specified Amount and each increase in the Specified Amount.

- 6.8 DECLARED RATES AND CHARGES** – We may declare Cost of Insurance Rates, Policy Expense Charges, Unit Expense Charges, Premium Loads, Withdrawal Processing Fees, Interest Rates, Index Participation Rates, Index Spread Rate, and Index Cap Rates that differ from those stated in the Schedule of Policy Benefits. Changes in the Cost of Insurance Rates, Policy Expense Charge, Unit Expense Charge, Premium Load, Withdrawal Processing Fee, Interest Rates, Index Participation Rates, and Index Cap Rates will be based upon changes in future expectations for such elements as investment earnings, mortality, persistency, and expenses. Changes in the declared Cost of Insurance Rates are based on the Issue Age, Policy Anniversary, Sex, Specified Amount, and Premium Class of the Insured.

- 6.9 SURRENDER** – At any time while the Insured is alive and this Policy is in effect, upon Written Notice, You may surrender this Policy for its Net Cash Surrender Value. We will pay the Net Cash Surrender Value in one lump sum. If this Policy is surrendered, coverage will terminate immediately.

- 6.10 CASH SURRENDER VALUE** – The Cash Surrender Value is equal to the Account Value less the Surrender Charge. The Cash Surrender Value available under this Policy is not less than the minimum values required by or pursuant to the NAIC Universal Life Insurance Regulation, Model #585. We have filed a detailed statement of the method of computation of the policy values with the Interstate Insurance Product Regulation Commission.

If a surrender occurs during the first 31 days of a Policy Year, the Cash Surrender Value will not be less than it was on the first day of that Policy Year less any subsequent Policy Loans and Withdrawals.

- 6.11 SURRENDER CHARGE** – The Surrender Charge is based on the Sex and Issue Age of the Insured and varies by Policy Year. The Surrender Charge for the original Specified Amount is equal to the:
- (a) Surrender Charge Factor found in the Table of Surrender Charges in the Schedule of Policy Benefits; multiplied by the
  - (b) Specified Amount divided by 1000.

As described in Section 5.1: Changes in Specified Amount, additional Surrender Charges will apply upon an increase in Specified Amount.

As described in Section 5.2: Charge for Decreases, a portion of the Surrender Charge will be charged upon a decrease in Specified Amount.

As described in Section 6.13: Withdrawal Charge, a Withdrawal Charge may be charged against the Account Value when a Withdrawal occurs.

- 6.11.1 SURRENDER CHARGE AFTER CHANGES IN COVERAGE** – The Surrender Charge will be computed separately for any increase, decrease, or Withdrawal as follows:
- (a) For each increase, the Surrender Charge will be equal to the Surrender Charge Factor shown on the applicable Table of Surrender Charges for the Policy Year applicable to that increase, multiplied by the amount of the increase divided by 1000. We will provide notice of the amount and duration of those charges to Your last known address.
  - (b) After any decrease or Withdrawal, the remaining Surrender Charge will be computed separately for the remaining original Specified Amount and each remaining increase layer, if any. Each Surrender Charge will be equal to the Surrender Charge Factor shown on the applicable Table of Surrender Charges for the Policy Year applicable to that layer, multiplied by the remaining Specified Amount for that layer divided by 1000.



**6.12 WITHDRAWALS** – You may request a Withdrawal of part of the Net Cash Surrender Value on any Monthly Anniversary while this Policy is in effect. You must send Us Written Notice for the request.

The Maximum Withdrawal Percentage allowed in any one Policy Year is shown on the Schedule of Policy Benefits. This percentage is based on the Net Cash Surrender Value at the time of Withdrawal. Withdrawals in excess of this amount will not be allowed. Any request for a Withdrawal must be at least the Minimum Withdrawal Amount shown on the Schedule of Policy Benefits. We reserve the right to limit the number of Withdrawals to one in the first Policy Year.

The total amount deducted from the Account Value upon a Withdrawal will be:

- (a) The amount of the Withdrawal requested; plus
- (b) The Withdrawal Charge, if any; plus
- (c) Any applicable Withdrawal Processing Fee.

There is no Withdrawal Processing Fee for the first Withdrawal made in a Policy Year. There is a Withdrawal Processing Fee for each subsequent Withdrawal made in that Policy Year. The Withdrawal Processing Fee is shown on the Schedule of Policy Benefits.

A Withdrawal will not be allowed if it would result in the Specified Amount being less than the Minimum Specified Amount shown on the Schedule of Policy Benefits, or if it would cause the Maximum Premium Limits to be violated.

When You make a Withdrawal, You may tell Us how much of the total amount of the Withdrawal is to be taken from the Unreserved Fixed Account Value and the value in each Index Selection. If You do not otherwise notify Us in writing, the amount will be taken from the Unreserved Fixed Account Value and each of the Index Selections in the proportions their values bear to the Total Unreserved Account Value. If there are multiple Index Segments within an Index Selection, the amount will be taken from the Index Segments based on the start date of the current Index Period for that Index Segment with the values associated with the most recent dates being used first. You will not be eligible to earn any Index Credits on the amount that is taken from the Index Selections.

**6.13 WITHDRAWAL CHARGE** – If a requested Withdrawal results in a reduction of the Specified Amount while the Level Death Benefit Option is in effect, the Withdrawal will be subject to a Withdrawal Charge if any Surrender Charges remain at the time of the Withdrawal. The Withdrawal Charge will be the Withdrawal divided by the Specified Amount times the Surrender Charge on the date of the Withdrawal.

If the Return of Premium Death Benefit Option is in effect when a requested Withdrawal results in a reduction of the Specified Amount, the Withdrawal amount will be subject to a Withdrawal Charge equal to the total decrease amount's pro rata share of the Specified Amount times the Surrender Charge on the date of Withdrawal.

When a Withdrawal is preceded by one or more increases in Specified Amount, the Withdrawal Charge will be computed to the extent needed, in the following order from the:

- (a) Most recent increase; then
- (b) Next most recent increases, if any, in reverse order of their occurrence; and lastly
- (c) Original Specified Amount of the Policy.

For details on the remaining Surrender Charges after a Withdrawal, see Section 6.11.1: Surrender Charges After Changes in Coverage.

**6.14 FREE WITHDRAWAL** – After the first Policy Year a portion of Your Withdrawal may be made without a Withdrawal Charge. You may make one Free Withdrawal per Policy Year. The Free Withdrawal amount will be no greater than (a) multiplied by (b), where:

- (a) is the Free Withdrawal Percentage shown on the Schedule of Policy Benefits; and
- (b) is the Account Value at the time of the Withdrawal request.

Your right to a Free Withdrawal is non-cumulative which means if You do not make a Free Withdrawal request in a given Policy Year, You may not then use that Free Withdrawal in a subsequent Policy Year along with Your right to request one Free Withdrawal in such subsequent Policy Year.

Withdrawals in excess of the above amount will be subject to a Withdrawal Charge as described in Section 6.13: Withdrawal Charge.



Your Withdrawal will reduce Your Specified Amount as described in Section 6.15: Specified Amount After Withdrawal.

- 6.15 SPECIFIED AMOUNT AFTER WITHDRAWAL** – If the Level Death Benefit Option is in effect at the time of the Withdrawal, the amount of the Withdrawal will be deducted from the Specified Amount. However, the Specified Amount will not be reduced if it is already less than the Minimum Death Benefit described in Section 2.3: Minimum Death Benefit, as determined from the Account Value minus the requested Withdrawal amount.

If the Return of Premium Death Benefit Option is in effect at the time of Withdrawal, the ROPDB Amount will be decreased by the amount of any Withdrawal, including any Withdrawal Charge and Withdrawal Processing Fee. The ROPDB Amount is decreased even if no Specified Amount reduction is made. If the Withdrawal results in a ROPDB Amount that is greater than zero, We will not reduce the Specified Amount of the Policy by the amount of that Withdrawal, Withdrawal Charge, and Withdrawal Processing Fee.

If a Withdrawal decreases the ROPDB Amount to less than zero, We will reduce the Specified Amount of the Policy by the amount that the ROPDB Amount is less than zero. The ROPDB Amount will then be reset to zero.

The amount of the Withdrawal will be deducted first from any past increases in reverse order of the increases, and then from the original Specified Amount.

If a requested Withdrawal results in a reduction of the Specified Amount, there will be a charge for the decrease as described in Section 6.13: Withdrawal Charge. The Unit Expense Charge and Surrender Charge will be applied to the reduced Specified Amount. The No Lapse Guarantee Premium may decrease.

- 6.16 OUR RIGHT TO DEFER SURRENDER AND WITHDRAWALS** – We reserve the right to defer payment for up to six months after We receive Your request. If payment is deferred, We will pay interest from the date of Surrender or Withdrawal at an annual rate of interest that We decide, but not less than the rate required by the laws of the state in which this Policy is delivered.

- 6.17 PAID-UP LIFE INSURANCE BENEFIT** – At any time before Policy Age 120, You have the option to apply the Net Cash Surrender Value to purchase guaranteed paid-up life insurance. The amount of the guaranteed paid-up life insurance is determined by applying the Net Cash Surrender Value to provide such paid-up life insurance. We will compute the amount of insurance based on an interest rate that is the greater of the Paid-Up Life Insurance Interest Rate or the Fixed Account Guaranteed Interest Rate, and the Basis of Values table, all of which are shown on the Schedule of Policy Benefits.

Any paid-up life insurance purchased in excess of the Death Benefit then payable may be subject to evidence of insurability satisfactory to Us.

If You surrender a paid-up life insurance benefit during the first 31 days of a Policy Year, the Cash Surrender Value of the paid-up life insurance benefit will not be less than it was on the first day of that Policy Year, less any subsequent Policy Loans and Withdrawals.

## SECTION 7: TRANSFER OF VALUES

- 7.1 TRANSFERS FROM FIXED ACCOUNT** – You may transfer money from the Fixed Account at any time by telephone authorization, so long as We have written authorization from You to accept via telephone, or by sending Us a written request. Transfers from the Fixed Account will occur on the first Business Day on or after the date We receive Notice from You requesting the transfer.
- 7.2 TRANSFERS FROM INDEX SELECTIONS** – You may transfer money from Your Index Selections by telephone authorization, so long as We have written authorization from You to accept via telephone, or by sending Us a written request. Any such transfer will occur at the end of the Index Period for each Index Segment within the Index Selection. Your written request or telephone instructions must be received by Us at least 10 Business Days prior to the end of the Index Period in order for Us to transfer the money at the end of the current Index Period.

On any date when money is transferred to an Index Selection, a new Index Segment will be created and will remain in effect until We receive a written request or telephone authorization from You of a change. We will only transfer money from the particular Index Selections that You request. All other Index Selections will remain in effect.

## SECTION 8: ANNUAL REPORT OF POLICY STATUS

We will send an annual report, to Your last known address, at no charge, which gives a summary of this Policy's status as of the beginning and end of each Policy Year and shall provide current information that will be no more than four months prior to the date of mailing. This report will give information on the Death Benefit covered by this Policy and the Account Value at the beginning and at the end of the current report period. The Net Cash Surrender Value, premium payments, Monthly Deductions, interest credits, Withdrawal amounts, Withdrawal Charges, and outstanding Policy Loans will be shown as of the end of the current report period.

In addition to an annual report, at Your request and after this Policy has been in effect for one year or more, We will prepare an illustration of current and future benefits and values based on guaranteed and current assumptions. After the first illustration in each year, We will not charge more than \$25 for each additional illustration.

## SECTION 9: POLICY LOANS

- 9.1 POLICY LOAN VALUE** – The Policy Loan Value is the amount available for loan on any date. A Policy Loan is available anytime the Policy has a Cash Surrender Value.

For Variable Interest Policy Loans, the maximum Policy Loan Value is equal to:

- (a) The Net Cash Surrender Value; less
- (b) The sum of the estimated Monthly Deductions for three months; less
- (c) Interest on any existing Policy Debt and interest on the new Policy Loan for three months, estimated using the current Variable Interest Policy Loan Interest Rate.

For Standard Policy Loans, the maximum Policy Loan Value is equal to:

- (a) The Net Cash Surrender Value; less
- (b) The sum of the estimated Monthly Deductions for three months; less
- (c) Interest on any existing Policy Debt and interest on the new Policy Loan for three months. For this calculation, the interest rate will be equal to the current Standard Policy Loan Interest Rate minus the interest rate We credit on the loaned portion of Your Account Value.

- 9.2 POLICY LOAN OPTIONS** – You may choose a Variable Interest Policy Loan or a Standard Policy Loan (subject to availability as described below) at the time You request a Policy Loan, unless Your Policy currently has Policy Debt at the time You request a new Policy Loan. In that case, the new Policy Loan will have the same Policy Loan Option as the Policy Debt. If You do not specify a Policy Loan type and do not currently have Policy Debt, We will assume that You are requesting a Standard Policy Loan.

One time per Policy Year, You may change Your Policy Loan Option and switch between a Variable Interest Policy Loan and a Standard Policy Loan. The change will occur on the Monthly Anniversary following Our approval of Your written request. Only one Policy Loan Option can be in effect at any time.

- 9.2.1 VARIABLE INTEREST POLICY LOAN REQUIREMENTS** – You may borrow all or part of the Policy Loan Value as a Variable Interest Policy Loan if the following conditions are met:
- (a) This Policy must have a positive Policy Loan Value;
  - (b) The Insured is living;
  - (c) This Policy is in effect;
  - (d) You send Us Written Notice; and
  - (e) You Assign this Policy to Us as sole security for a Policy Loan.

When You take a Variable Interest Policy Loan, the loaned portion of Your Account Value will continue to earn any applicable Fixed Account interest and any applicable Index Credits on the Index Segments.

We reserve the right to require this Policy accompany Your Written Notice.

- 9.2.1.1 VARIABLE INTEREST POLICY LOAN INTEREST RATE** – We will charge interest on any Variable Interest Policy Loan at a rate that does not exceed the greater of the following:
- (a) The Published Monthly Average, as defined below, for the calendar month ending two months prior to the date the rate is determined; or
  - (b) The Guaranteed Interest Rate as shown on the Schedule of Policy Benefits, plus 1% per annum.

In no case will the interest rate for a Variable Interest Policy Loan exceed the Maximum Variable Policy Loan interest Rate shown on the Schedule of Policy Benefits.

For purposes of this Policy, the Published Monthly Average is defined as follows:

- (a) Moody's Corporate Bond Yield Average – Monthly Average Corporates as published by Moody's Investors Services, Inc., or any successor thereto; or
- (b) In the event that the Moody's Corporate Bond Yield Average – Monthly Average Corporates is no longer published, a substantially similar average will be used that has been approved by the Interstate Insurance Product Regulation Commission.

Interest is due at the end of each Policy Year. If interest is not paid when due, it will be added to the Policy Loan and bear interest at the same rate as the rest of the Policy Loan.

- 9.2.1.2 CHANGES TO VARIABLE INTEREST POLICY LOAN INTEREST RATE** – We will determine the Variable Interest Policy Loan Interest Rate as of March 31st, June 30th, September 30th and December 31st of each calendar year as described in Section 9.2.1.1: Variable Interest Policy Loan Interest Rate. We may change the Variable Interest Policy Loan Interest Rate for Your Policy once a year on the Policy Anniversary. We will send to You at Your last known address a notice of the Variable Interest Policy Loan Interest Rate at the time the Policy Loan is taken.

The Variable Interest Policy Loan Interest Rate may be increased whenever such increase would increase the rate by 0.5% or more per annum. The Variable Interest Policy Loan Interest Rate will be reduced whenever such reduction would decrease the rate by 0.5% or more per annum. Any change in the Variable Interest Policy Loan Interest Rate will apply to any existing Policy Debt and new Policy Loans.

We will send a notice to You at Your last known address each time the Variable Interest Policy Loan Interest Rate increases while any Policy Debt exists on this Policy with a Variable Interest Policy Loan Interest Rate. This notice will be sent at least 30 days prior to the effective date of the increase.

- 9.2.2 STANDARD POLICY LOAN REQUIREMENTS** – You may borrow all or part of the Policy Loan Value as a Standard Policy Loan if the following conditions are met:
- (a) This Policy has a positive Policy Loan Value;
  - (b) The Insured is living;
  - (c) This Policy is in effect;
  - (d) You send Us a Written Notice; and
  - (e) You Assign this Policy to Us as sole security for the Policy Loan.

We reserve the right to require this Policy accompany Your Written Notice.

When You take a Standard Policy Loan, You may tell Us how much of the requested Policy Loan is to be allocated to the Unreserved Fixed Account and the value in each Index Selection. If You do not otherwise notify Us in writing, We will allocate the requested Policy Loan to the Unreserved Fixed Account Value. If the requested Policy Loan exceeds the Unreserved Fixed Account Value, such excess will be allocated to the Index Account Value. Any Policy Loan amount allocated to the Index Account Value will be taken from each of the Index Selections in the proportions it bears to the Index Account Value.

If there are multiple Index Segments within an Index Selection, the Policy Loan will be taken from the Index Segments based on the start date of the current Index Period for each Index Segment, with the values associated with the most recent dates being used first. Any Policy Loan amount allocated to an Index Selection will be transferred to the Fixed Account on the date of the Policy Loan.

If, on any Policy Anniversary, the Fixed Account Value is less than the outstanding Policy Debt resulting from a Standard Policy Loan, a transfer from the Index Account Value to the Fixed Account will occur. The transfer amount will be equal to the outstanding Policy Debt less the Fixed Account Value. This transfer will be taken from each of the Index Selections in the proportions it bears to the Index Account Value.

If there are multiple Index Segments within an Index Selection, the amount will be taken from the Index Segments based on the start date of the current Index Period for each Index Segment, with the values associated with the most recent dates being used first.

You will not be eligible to earn any Index Credits on the amount that is transferred from the Index Selection(s) as a result of a Standard Policy Loan.

The portion of the Account Value that supports Policy Debt resulting from a Standard Policy Loan will be kept as a part of the Fixed Account where it will earn interest at the annual effective rate We declare for loaned amounts.

The Fixed Account Guaranteed Interest Rate for the Fixed Account is shown on the Schedule of Policy Benefits.

**9.2.2.1 STANDARD POLICY LOAN INTEREST RATE** – We will not charge more than the Maximum Standard Policy Loan Interest Rate shown on the Schedule of Policy Benefits on any Standard Policy Loan. However, a lower rate may be charged. If the interest rate is lowered, it can be increased later. Any increase or decrease will occur no more than once a year. Any increase in the interest rate will be limited to a maximum of 1% a year. You will be given notice sent to Your last known address of any such increase at least 30 days before the effective date of the increase.

Interest is due at the end of each Policy Year. If interest is not paid when due, it will be added to the Policy Loan and bear interest at the same rate as the rest of the Policy Loan.

**9.2.2.2. NET ZERO COST POLICY LOANS** – Starting in the Initial Policy Year For Net Zero Cost Policy Loans shown on the Schedule of Policy Benefits, We guarantee that any new or existing Standard Policy Loan will be a Net Zero Cost Policy Loan from that time forward.

We guarantee that the Policy Loan Interest Rate We charge on Net Zero Cost Policy Loans for Standard Policy Loans will be the Fixed Account Guaranteed Interest Rate shown on the Schedule of Policy Benefits, unless a higher rate is required by the Internal Revenue Service. If the Internal Revenue Service requires a higher interest rate, We will charge the minimum interest rate allowed.

**9.3 POLICY LOAN AND REPAYMENT** – We have the right to postpone making a Policy Loan for up to six months from the time We receive Your request. However, We will not postpone a Policy Loan if it will be used to pay premiums on other policies issued by Us. All or part of any Policy Debt may be paid back at any time while this Policy is in effect.

If any payment is received that is not specified as either a premium payment or a Policy Loan repayment, it will be treated as a Policy Loan repayment to the extent there is Policy Debt outstanding.

If the Insured dies before a Policy Loan is repaid, the amount of the Policy Debt will be deducted from the Policy Proceeds.

**9.4 EXCESS POLICY DEBT** – If the Policy Debt grows to be equal to or greater than the Cash Surrender Value, Your Policy will enter the Grace Period, unless this Policy meets the conditions in Section 4.6: Continuation of Insurance.

## SECTION 10: OVERLOAN PROTECTION BENEFIT

We guarantee that during the Overloan Protection Period described in Section 10.5: Overloan Protection Period, Your Policy will remain in effect until the Insured's death provided: (1) this Policy is not terminated due to surrender; and (2) You do not take Policy Loans or Withdrawals during the Overloan Protection Period. The election of this Overloan Protection Benefit may reduce the Specified Amount as described in Section 10.4: Overloan Protection Effective Date.

**10.1 OVERLOAN PROTECTION AVAILABILITY** – The Overloan Protection Benefit is available provided the following conditions are met:

- (a) The Protected Death Benefit described in Section 11: Protected Death Benefit is not in effect; and
- (b) This Policy has been in effect for at least 15 Policy Years; and

- (c) The Insured's Policy Age is at least age 65; and
- (d) You have made Withdrawals of all Your premium; and
- (e) Policy Debt does not exceed the Overloan Election Amount described in Section 10.2: Overloan Election Amount.

**10.2 OVERLOAN ELECTION AMOUNT** – The Overloan Election Amount is defined as follows:

- (a) 89% of the Account Value for Policy Ages that are greater than or equal to age 65 but less than or equal to age 74;
- (b) 93% of the Account Value for Policy Ages that are greater than or equal to age 75.

**10.3 OVERLOAN PROTECTION ELECTION** – You may exercise the Overloan Protection Benefit while You meet the Overloan Protection Availability conditions by sending Us Written Notice. When the Overloan Protection Availability conditions listed above are satisfied and the Policy Debt is greater than or equal to 87% of the Account Value, a notice will be sent to Your last known address at least once each Policy Year to notify You of the availability of this benefit. If You decide to exercise the Overloan Protection Benefit at that time, You must send Us Written Notice within 30 days of the date We mail this notice. However, if You choose to take Policy Loans or Withdrawals that cause the Policy Debt to exceed the Overloan Election Amount during that 30 day period, the Overloan Protection Benefit will not be available.

**10.4 OVERLOAN PROTECTION EFFECTIVE DATE** – The Overloan Protection Effective Date will be the Monthly Anniversary Date that follows the date We receive Your Written Notice.

The entire amount of Your Account Value must be allocated to the Fixed Account on and after the Overloan Protection Effective Date. If You have any portion of the Account Value in other accounts on the Overloan Protection Effective Date, We will transfer it to the Fixed Account on that date. You will not be eligible to earn any Index Credits on any amount that is taken from the Index Account Value.

On and after the Overloan Protection Effective Date, the following changes may occur:

- (a) Your Death Benefit Option will be changed to the Level Death Benefit Option, and the Death Benefit will be subject to the Overloan Protection Minimum Death Benefit provision described in Section 10.6: Overloan Protection Minimum Death Benefit.
- (b) If the Policy Debt does not exceed the Specified Amount as of the Overloan Protection Effective Date, the Specified Amount will be decreased to equal the Account Value as of the Overloan Protection Effective Date. There will not be a decrease charge applied for a Specified Amount decrease when this occurs. A notice will be sent to Your last known address to reflect the new Specified Amount.
- (c) All Endorsements and Riders will terminate.
- (d) Any outstanding Variable Interest Policy Loans will be transferred to a Standard Policy Loan with no further access to Variable Interest Policy Loans.

Within 30 days after the Overloan Protection Effective Date, a notice will be sent to Your last known address outlining any of the above changes made to this Policy.

**10.5 OVERLOAN PROTECTION PERIOD** – The Overloan Protection Period is effective as of the Overloan Protection Effective Date and ends on the earlier of:

- (a) The Insured's death; or
- (b) Surrender of the Policy; or
- (c) The date any Policy Loans or Withdrawals are taken.

During the Overloan Protection Period:

- (a) Your Policy will become paid-up life insurance that will continue to have the same Account Value and Net Cash surrender value under the terms of this contract. We guarantee Your Policy will remain in effect until the Insured's death, provided this Policy is not terminated due to surrender, and no Policy Loans or Withdrawals are taken after the Overloan Protection Effective Date.
- (b) The Excess Policy Debt provision described in Section 9.4: Excess Policy Debt will be suspended.
- (c) Monthly Deductions will continue to be taken.
- (d) We will not allow any:
  1. Premium payments; or
  2. Transfers to the indexed account; or
  3. Specified Amount changes; or
  4. Death Benefit Option changes.

Policy Loan Repayment – You may make a Policy Loan repayment(s) at any time during the Overloan Protection Period. Interest charged on Policy Debt will continue to accrue during the Overloan Protection Period.

- 10.6 OVERLOAN PROTECTION MINIMUM DEATH BENEFIT** – During the Overloan Protection Period, the amount of the Death Benefit will be determined exclusively by the Level Death Benefit Option and will be equal to the greater of the following amounts for the then current Policy Year:
- (a) 100% of the Account Value as of the date of the Insured's death; or
  - (b) The Minimum Death Benefit necessary for the Policy to continue its qualification as a life insurance contract for federal tax purposes as described in Section 2.3: Minimum Death Benefit.

In some circumstances, electing the Overloan Protection Benefit may cause Your Policy to become a modified endowment contract as defined by Section 7702A of the Internal Revenue Code. **You may wish to contact a tax advisor prior to making Policy changes, taking Policy Loans or Withdrawals to help You avoid situations that may result in Your Policy becoming a modified endowment contract.**

## SECTION 11: PROTECTED DEATH BENEFIT

We guarantee Your Policy will remain in effect and that the Death Benefit, less any Policy Debt at the Insured's death, shall at least be equal to the Protected Death Benefit Amount, provided the following conditions are met:

- (a) You have elected the Protected Death Benefit; and
- (b) You do not take Policy Loans or Withdrawals that exceed the Protected Death Benefit Distributable Account.

As long as the above conditions are met, this guarantee applies at the Insured's death even if the Net Cash Surrender Value is insufficient to pay the Monthly Deductions under Your Policy. This benefit does not guarantee that other Endorsements and Riders that are attached to the Policy will remain in effect. If the Protected Death Benefit Distributable Account becomes less than zero, We will make the following changes to Your Policy and send You a notice to Your last known address to inform You of these changes:

- (a) We will terminate any Endorsements or Riders that deduct Rider Charges or other fees from the Account Value.
- (b) We will reduce the Specified Amount to equal the Protected Death Benefit Amount.

The Protected Death Benefit cannot be elected if the Overloan Protection Benefit described in Section 10: Overloan Protection Benefit is in effect, or if the ratio of the Policy Debt to the Account Value is greater than the Protected Death Benefit Percentage.

- 11.1 PROTECTED DEATH BENEFIT ACCOUNT** – The Protected Death Benefit Account is used to determine if the Protected Death Benefit is in effect, and it dictates the amount of Your Account Value that is required to be allocated to the Fixed Account. This Account will remain positive as long as You do not take Policy Loans or Withdrawals in excess of the Protected Death Benefit Distributable Account. The Protected Death Benefit Account does not represent an independent dollar account that can be accessed by You. The Protected Death Benefit Account is not an addition to Your Account Value, Cash Surrender Value or any other Account described in the Policy.

The Protected Death Benefit Account at any time is equal to the accumulation at the Protected Death Benefit Interest Rate of:

- (a) The Protected Death Benefit Account on the preceding Monthly Anniversary; minus
- (b) Any Protected Death Benefit Cost of Insurance at the beginning of the current Policy Month; minus
- (c) The Protected Death Benefit Expense Charge at the beginning of the month; minus
- (d) Any Withdrawals of values in excess of the Protected Death Benefit Distributable Account.

The Protected Death Benefit Interest Rate and Protected Death Benefit Expense Charge are shown on the Schedule of Protected Death Benefit Amounts.

- 11.2 INITIAL PROTECTED DEATH BENEFIT ACCOUNT** – The Initial Protected Death Benefit Account is based upon the Protected Death Benefit Amount that You choose, the Policy Age, Sex and Premium Class of the Insured. At the time You elect the Protected Death Benefit, We will send a notice to Your last known address of the value of this Account.

- 11.3 PROTECTED DEATH BENEFIT ELECTION** – You may elect the Protected Death Benefit by sending Us Written Notice on or after the date the following conditions are met:
- (a) The Policy has been in effect for at least 15 Policy Years, and
  - (b) The Insured's Policy Age is equal to or greater than the Protected Death Benefit Minimum Age shown on the Schedule of Protected Death Benefit Amounts.

Your Written Notice must include the Protected Death Benefit Amount that You choose to elect. The Protected Death Benefit Amount that You elect cannot be greater than the Maximum Protected Death Benefit Amount nor less than the Minimum Protected Death Benefit Amount defined below. If Your Policy Debt exceeds the Protected Death Benefit Distributable Account, it must be reduced to where it is less than or equal to the Protected Death Benefit Distributable Account.

If the Death Benefit Option is the Increasing Death Benefit Option, it must be changed to the Level Death Benefit Option.

Within 60 days of the first Monthly Anniversary on which You are eligible to elect the Protected Death Benefit, a notice will be sent to Your last known address informing You of Your right to elect the Protected Death Benefit.

Within 90 days of the date We receive Your Written Notice, a notice will be sent to Your last known address. This notice will provide You with:

- (a) The Protected Death Benefit Amount You have elected;
- (b) The Initial Protected Death Benefit Account; and
- (c) The Protected Death Benefit Effective Date.

Once the Protected Death Benefit is elected, an amount equal to the Protected Death Benefit Account must be allocated to the Fixed Account on and after the Protected Death Benefit Effective Date. If, on any Policy Anniversary, the Unreserved Fixed Account Value is less than the Protected Death Benefit Account, We will transfer the necessary amount from the Index Account Value to the Fixed Account so that the Unreserved Fixed Account Value is at least equal to the Protected Death Benefit Account. You may tell Us how much of the Protected Death Benefit Account value amount is to be taken from the value in each Index Selection. If You do not otherwise notify Us in writing, any amount taken from the Index Account Value will be taken from each of the Index Selections in the proportions it bears to the Index Account Value. If there are multiple Index Segments within an Index Selection, the amount will be taken from the Index Segments based on the start date of the current Index Period for each Index Segment, with the values associated with the most recent dates being used first.

You will not be eligible to earn any Index Credits on the amount that is transferred from the Index Selection(s) as a result of a need to increase the Unreserved Fixed Account Value to be equal to the Protected Death Benefit Account.

- 11.4 MAXIMUM PROTECTED DEATH BENEFIT AMOUNT** – The Maximum Protected Death Benefit Amount is determined by the Net Cash Surrender Value at the time of election. The amount depends on the Protected Death Benefit Percentage, Policy Age, Sex, and Premium Class of the Insured. The Maximum Protected Death Benefit Amount will be less than or equal to Your Specified Amount of insurance at the time You exercise Your right to the Protected Death Benefit.
- 11.5 MINIMUM PROTECTED DEATH BENEFIT AMOUNT** – The Minimum Protected Death Benefit Amount is \$25,000.
- 11.6 PROTECTED DEATH BENEFIT EFFECTIVE DATE** – The Protected Death Benefit Effective Date will be the First Monthly Anniversary that follows the date We receive Your completed Written Notice.
- 11.7 PROTECTED DEATH BENEFIT INTEREST RATE** – The effective annual Protected Death Benefit Interest Rate is guaranteed in all years and is shown on the Schedule of Protected Death Benefit Amounts. The monthly Protected Death Benefit Interest Rate is the monthly rate that will produce an effective annual yield equal to the Protected Death Benefit Interest Rate.
- 11.8 PROTECTED DEATH BENEFIT COST OF INSURANCE RATES** – The Protected Death Benefit Cost of Insurance Rates are based on Policy Age, Sex, and Premium Class of the Insured. The monthly Protected Death Benefit Cost of Insurance Rates are guaranteed in all years. For Premium Classes other than rated, the rates are shown on the Table of Guaranteed Protected Death Benefit Monthly Cost of Insurance Rates in the Schedule of Protected Death Benefit Amounts.



**11.9 PROTECTED DEATH BENEFIT COST OF INSURANCE** – The Protected Death Benefit Cost of Insurance is determined on each Monthly Anniversary. It is equal to (a) multiplied by the difference between (b) and (c), divided by 1000 where:

- (a) Is the Monthly Protected Death Benefit Cost of Insurance Rate;
- (b) Is the Protected Death Benefit Amount;
- (c) Is the Protected Death Benefit Account.

**11.10 PROTECTED DEATH BENEFIT AMOUNT** – The Protected Death Benefit Amount provided as of the Protected Death Benefit Effective Date is selected by You, but must be within the limits outlined in Section 11.3: Protected Death Benefit Election.

The Protected Death Benefit Amount after the Protected Death Benefit Effective Date may be adjusted by Withdrawals. Whenever a change occurs in the Protected Death Benefit Amount, a notice will be sent to Your last known address to inform You of the change and provide You with the new Protected Death Benefit Amount.

**11.11 PROTECTED DEATH BENEFIT PERCENTAGE** – The Protected Death Benefit Percentage is shown on the Table of Protected Death Benefit Percentages on the Schedule of Protected Death Benefit Amounts. This percentage varies by the Policy Age.

**11.12 PROTECTED DEATH BENEFIT DISTRIBUTABLE ACCOUNT** – The Protected Death Benefit Distributable Account is equal to 97% of the result of (a) less (b), where:

- (a) Is the Account Value; and
- (b) Is the greater of 1 and 2, where
  1. Is (100% minus the Protected Death Benefit Percentage) times the Account Value; and
  2. Is the Protected Death Benefit Account.

**11.13 PROTECTED DEATH BENEFIT WITHDRAWAL AMOUNT** – The Protected Death Benefit Withdrawal Amount is equal to the Protected Death Benefit Distributable Account, less the Policy Debt.

If a Withdrawal does not exceed the Protected Death Benefit Withdrawal Amount, it is not deducted from the Protected Death Benefit Account. If a Withdrawal is in excess of the Protected Death Benefit Withdrawal Amount, the amount of the Withdrawal in excess of the Protected Death Benefit Withdrawal Amount will be deducted from the Protected Death Benefit Account.

On any date a Withdrawal is taken from the Protected Death Benefit Account, the Protected Death Benefit Amount will be reduced by:

- (a) The Protected Death Benefit Amount in effect at the end of the previous day; times
- (b) The amount withdrawn from the Protected Death Benefit Account; divided by
- (c) The Protected Death Benefit Account on the date of the Withdrawal before deducting the amount of the Withdrawal.

A Withdrawal will not be allowed if it could result in the Protected Death Benefit Amount being less than the Minimum Protected Death Benefit Amount, or if it would cause the Maximum Premium Limits to be violated.

**11.14 IMPACT OF POLICY LOANS ON PROTECTED DEATH BENEFIT** – If You take a Policy Loan that causes Your Policy Debt to exceed the Protected Death Benefit Distributable Account, this will result in termination of the Protected Death Benefit. If Your Policy Debt exceeds the Protected Death Benefit Distributable Account, and You take a Policy Loan, this will result in termination of the Protected Death Benefit. Prior to obtaining a Policy Loan that causes the termination of the Protected Death Benefit, We will require that You sign a disclosure form that states You are aware that this will occur.

You may make a Policy Loan repayment(s) at any time during the Protected Death Benefit Period. Interest charged on Policy Debt will continue to accrue during the Protected Death Benefit Period.

In some circumstances, electing the Protected Death Benefit may cause Your Policy to become a modified endowment contract as defined by Section 7702A of the Internal Revenue Code. **You may wish to contact a tax advisor prior to making Policy changes, taking Policy Loans or Withdrawals to help You avoid situations that may result in Your Policy becoming a modified endowment contract.**



**11.15 PROTECTED DEATH BENEFIT PERIOD** – The Protected Death Benefit Period begins on the Effective Date of the Protected Death Benefit and ends on the earliest of:

- (a) The Insured's death; or
- (b) Surrender of the Policy; or
- (c) The date You elect the Overloan Protection Benefit; or
- (d) The date You take a Policy Loan that causes Your Policy Debt to exceed the Protected Death Benefit Distributable Account; or
- (e) The date You take a Policy Loan while Your Policy Debt is exceeding the Protected Death Benefit Distributable Account; or
- (f) The date You elect to accelerate the Death Benefit of this Policy.

During the Protected Death Benefit Period:

- (a) We guarantee Your Policy will remain in effect and that the Death Benefit, less any Policy Debt shall at least be equal to the Protected Death Benefit Amount. This guarantee applies at the Insured's death even if the Net Cash Surrender Value is insufficient to pay the Monthly Deductions under Your Policy.
- (b) Monthly Deductions will continue to be taken from the Unreserved Fixed Account and Index Selections as described in Section 6.5: Monthly Deduction.
- (c) We will not allow any:
  1. Transfers from the Fixed Account that cause the Fixed Account Value to decrease below the Protected Death Benefit Account; or
  2. Specified Amount changes; or
  3. Death Benefit Option changes.
- (d) Before You take any Policy Loans, You must first withdraw all the Premiums from Your Policy.
- (e) If, at any time, the Policy Debt exceeds the Protected Death Benefit Distributable Account:
  1. The Specified Amount will be decreased to equal the Protected Death Benefit Amount;
  2. Any Endorsements and Riders that deduct Rider Charges or other fees from the Account Value will be terminated;
  3. Any outstanding Variable Interest Policy Loans will be transferred to a Standard Policy Loan with no further access to Variable Interest Policy Loans; and
  4. Notice will be sent to Your last known address to inform You of the changes in items 1., 2. and 3.
- (f) All Premium payments will first be applied to any outstanding Policy Loans before being applied to the Account Value.

## SECTION 12: MATURITY DATE

The original Maturity Date of this Policy is shown on the Schedule of Policy Benefits. If the Insured is living on the Maturity Date, the Net Cash Surrender Value will be paid to You. At least 90 days prior to the original Maturity Date, We will mail notice to Your last known address informing You of Your option to extend the Maturity Date. Such notice is also sent to any assignee of record. We will only extend the Maturity Date if You request Us to extend the Maturity Date. We will only extend the Maturity Date if, in Our opinion, this Policy still qualifies as life insurance according to the Internal Revenue Service. We will take reasonable steps necessary to determine if this Policy will still qualify as life insurance beyond the Maturity Date, but We do NOT guarantee that Our interpretation is consistent with the opinion of the Internal Revenue Service. **You should consult a tax advisor prior to electing to extend the Maturity Date.**

- (a) To continue this Policy beyond the original Maturity Date:
  1. Your request to continue this Policy beyond the original Maturity Date must be received by Us.
  2. This Policy cannot be in the Grace Period;
  3. All of the Account Value must be transferred to the Fixed Account; and
  4. The Death Benefit Option must be the Level Death Benefit Option.
- (b) Once this Policy is extended beyond the original Maturity Date:
  1. We will not allow any increases to the Specified Amount;
  2. We will not allow any changes in the Death Benefit Option;
  3. We will not accept any premium payments;
  4. We will not allow transfers;
  5. We will continue to credit interest on the Account Value;
  6. We will not make further Monthly Deductions;
  7. We will allow Policy Loans, but all Variable Interest Policy Loans are converted to Standard Policy Loans;
  8. We will allow Withdrawals, subject to the conditions in Section 6.12: Withdrawals; and
  9. Any Endorsements or Riders will terminate.

Once this Policy is extended beyond the original Maturity Date, the Account Value will continue to accumulate interest until the Insured dies or until You elect to surrender and receive the Net Cash Surrender Value. Any Policy Debt will continue to accrue interest. If Policy Debt causes the Net Cash Surrender Value to decrease to a negative amount, We will send notice requesting a payment large enough to bring the Net Cash Surrender Value to an amount that equals one year's interest on the Policy Debt. Notice of such payment will be mailed to Your last known address no later than 30 days prior to termination. If such payment is not received within 30 days after mailing the notice, all coverage under this Policy will terminate without value at the end of the 30 days.

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[www.NorthAmericanCompany.com](http://www.NorthAmericanCompany.com)

**ACCELERATED DEATH BENEFIT ENDORSEMENT  
FOR TERMINAL, CHRONIC AND CRITICAL ILLNESSES**

THE POLICY'S DEATH BENEFIT OR FACE AMOUNT, MONTHLY DEDUCTIONS OR PREMIUMS, AS APPLICABLE, AND, IF APPLICABLE, POLICY VALUES, WHICH INCLUDE, BUT ARE NOT LIMITED TO, THE ACCOUNT VALUE, NET CASH SURRENDER VALUE, AND POLICY LOAN VALUE WILL BE REDUCED IN PROPORTION TO THE AMOUNT OF THE DEATH BENEFIT OR FACE AMOUNT THAT IS ACCELERATED.

UNLIKE CONVENTIONAL LIFE INSURANCE PROCEEDS, AMOUNTS PAYABLE AS ACCELERATED DEATH BENEFITS COULD BE TAXABLE UNDER SOME CIRCUMSTANCES. WE RECOMMEND THAT YOU CONSULT YOUR PERSONAL TAX ADVISOR PRIOR TO ELECTING AN ACCELERATED DEATH BENEFIT UNDER THIS ENDORSEMENT TO ASSESS THE TAX TREATMENT IN YOUR INDIVIDUAL CIRCUMSTANCES. NORTH AMERICAN COMPANY FOR LIFE AND HEALTH INSURANCE SHALL ACT AS IT DETERMINES IS REQUIRED BY THE INTERNAL REVENUE CODE AND THE REGULATIONS IN REPORTING ANY AMOUNTS PROVIDED PURSUANT TO AN ELECTION UNDER THIS ENDORSEMENT.

THE ACCELERATED DEATH BENEFITS OF THIS ENDORSEMENT ARE NOT PAYABLE IF THE POLICY TO WHICH IT IS ATTACHED IS NOT IN EFFECT.

When used in this Endorsement, "Death Benefit" applies to a permanent life insurance policy; "Face Amount" applies to a term life insurance policy.

The Owner is referred to as "You" or "Your". North American Company for Life and Health Insurance is referred to as "We", "Our", or "Us".

This Endorsement is attached to and made a part of the Policy. Except as provided in this Endorsement, all other definitions, terms, provisions and conditions of the Policy remain the same.

For policies covering two lives where the insurance proceeds are payable upon the death of the Survivor, benefits under this Endorsement may only be elected after the death of the first Insured during the lifetime of the Survivor. The Survivor, not the first Insured, is the "Insured" for purposes of this Endorsement.

**EFFECTIVE DATE** – The Effective Date of this Endorsement is the Policy Date shown on the Schedule of Policy Benefits of the Policy.

**CONSIDERATION** – This Endorsement is issued in consideration of the application and payment of the initial premium for the base Policy. There is no additional Monthly Deduction or premium for this Endorsement. However, an Administrative Fee may be required each time an Election is made.

**ENDORSEMENT BENEFITS** – This Endorsement provides Accelerated Death Benefits for the following Qualifying Events:

- (a) Terminal Illness;
- (b) Chronic Illness; and
- (c) Critical Illness.

You can only elect to Accelerate Death Benefits under one of these Qualifying Events at any given time.

We will pay You, or Your estate, a portion of the Policy Death Benefit or Face Amount, as applicable, You wish to accelerate. Unless the Accelerated Death Benefits have been otherwise assigned or designated by You, such Accelerated Death Benefits will be paid:

- (a) Upon Election by You; and
- (b) Immediately after Our receipt of Proof of Qualifying Event as defined in this Endorsement; and

- (c) While the Policy is in effect, other than by reduced paid-up life insurance; and
- (d) In lieu of payment of the full Death Benefit or Face Amount of the Policy upon the death of the Insured; and
- (e) Subject to the terms of this Endorsement.

The Insured's Accidental Death Benefit, if any, will not be affected by the acceleration of Death Benefit or Face Amount under this Endorsement.

At time of election and upon payment of Accelerated Death Benefits, You, and any Irrevocable Beneficiary, will be provided a statement demonstrating the effect of the Accelerated Death Benefit Payment on the Death Benefit or Face Amount, Monthly Deductions or premiums, and, if applicable, on the Policy's Net Cash Surrender Value, and Policy Debt. The statements will be mailed to the last known address of You and any Irrevocable Beneficiary. If applicable, it will include any premium necessary to continue coverage following acceleration, any applicable Administrative Fee and the discount applied to the Accelerated Death Benefit.

**ACCELERATED DEATH BENEFIT PAYMENT** – The Accelerated Death Benefit Payment will be determined upon Your Election. The following factors may be used in the determination of the payment:

- (a) The Accelerated Death Benefit;
- (b) The Account Value of the Policy;
- (c) The Guaranteed Maximum Cost of Insurance Rates or Guaranteed Annual Premiums of the Policy;
- (d) Our determination of the future expected lifetime of the Insured;
- (e) The Accelerated Death Benefit Interest Rate in effect;
- (f) The Administrative Fee; and
- (g) The Debt Repayment Amount.

The Accelerated Death Benefit Payment will be less than the Accelerated Death Benefit. This discount reflects the early payment of the Policy's Death Benefit or Face Amount, as applicable, that is being accelerated. The sections below contain additional details about the calculation of the specific payment for Terminal, Chronic, and Critical Illnesses.

The Accelerated Death Benefit Payment is subject to the Lifetime Maximum Accelerated Death Benefit amount shown on the Schedule of Policy Benefits.

**DEATH BENEFIT/FACE AMOUNT** – If You elect to receive Accelerated Death Benefits under this Endorsement, the Policy's Death Benefit or Face Amount, as applicable, payable upon due proof of death of the Insured to Your Beneficiary will be reduced. We will reduce the Death Benefit or Face Amount by the Accelerated Death Benefits under this Endorsement. Upon due proof of death of the Insured, We will pay the Beneficiary any remaining portion of the Death Benefit or Face Amount that We have not accelerated to the Owner under this Endorsement.

**COORDINATION OF ACCELERATED DEATH BENEFITS** – We will not simultaneously accelerate any portion of the Policy's Death Benefit or Face Amount, as applicable, for more than one Qualifying Event under this Endorsement.

**POLICY PROVISIONS OR ENDORSEMENTS OR RIDERS THAT RESTRICT CHANGES TO THE DEATH BENEFIT/FACE AMOUNT** – If You have elected a Policy provision, Endorsement or Rider that restricts You from making changes to the Death Benefit or Face Amount, as applicable, You may not elect Accelerated Death Benefits under this Endorsement.

### QUALIFYING EVENT DEFINITIONS

**QUALIFYING EVENT** – means a medical condition that results in a Terminal Illness, Chronic Illness or Critical Illness as defined in this Endorsement.

**TERMINAL ILLNESS** – means the Insured has been certified through a written certification by a Physician that the Insured has been diagnosed with a medical condition that results in a drastically limited life span. A drastically limited life span is a life span of 24 months or less.

**CHRONIC ILLNESS** – means the Insured has been certified through a written certification by a Physician within the last 12 months as:

- (a) Being unable to perform, for at least 90 days without Substantial Assistance from another person, at least two Activities of Daily Living; or

- (b) Requiring Substantial Supervision by another person, to protect oneself from threats to health and safety due to Severe Cognitive Impairment.

**Activities of Daily Living** – are those basic human functional abilities, which measure the Insured's ability for self care, to live independently without Substantial Assistance from another person as described below.

- (a) Bathing – the ability to wash oneself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower;
- (b) Continence – the ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag);
- (c) Dressing – the ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs;
- (d) Eating – the ability to feed oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously;
- (e) Toileting – the ability to get to and from the toilet, getting on and off the toilet, and performing associated personal hygiene; and
- (f) Transferring – the ability to move into or out of a bed, chair or wheelchair.

**Severe Cognitive Impairment** – means deterioration or loss of intellectual capacity that is measured by clinical evidence and standardized tests, which reliably measure impairment in:

- (a) Short-term or long-term memory;
- (b) Orientation to person, place or time;
- (c) Deductive or abstract reasoning; and
- (d) Judgment as it relates to safety awareness.

**Substantial Assistance** – means stand-by or hands-on assistance from another person without which the Insured receiving such assistance would be unable to perform Activities of Daily Living. Stand-by assistance means the presence of another person within arm's reach of the Insured that is necessary to prevent, by physical intervention, injury to the Insured while he/she is performing Activities of Daily Living. Hands-on assistance means the direct physical assistance of another person.

**Substantial Supervision** – means requiring continual supervision by another person to protect the Insured from threats to health or safety due to Severe Cognitive Impairment and may include cueing by verbal prompting, gestures, or other similar demonstrations.

**Critical Illness** – means the Insured has been certified through written certification by a Physician as having incurred a Specified Medical Condition within the past 12 months.

**Specified Medical Condition** – A Specified Medical Condition is defined as one of the following five events:

- (a) **Cancer** – means any malignant tumor positively diagnosed with histological confirmation and characterized by the uncontrolled growth of malignant cells and invasion of tissue. The term malignant tumor includes leukemia, lymphoma and sarcoma.

The following are NOT covered:

1. All cancers that are histologically classified as any of the following:
  - i) Premalignant;
  - ii) Non-invasive;
  - iii) Cancer in situ;
  - iv) Having borderline malignancy; or
  - v) Having low malignancy potential.
2. All tumors of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2NOM0.
3. Any skin cancer, other than malignant melanoma, that has been histologically classified as having caused invasion beyond the epidermis (outer skin layer).
4. Thyroid Cancer classified as T1NOMO.

(b) **Heart Attack** – means the death of heart muscle due to inadequate blood supply that has resulted in evidence of myocardial infarction based on typical rise and gradual fall of Troponin and other biochemical markers of myocardial necrosis with at least one of the following:

1. Typical clinical symptoms (chest pain may or may not be present);
2. Characteristic electrocardiogram (ECG or EKG) changes; or
3. Coronary artery intervention.

This does NOT include:

1. Angina;
2. Elevated biochemical cardiac markers as a result of intra arterial cardiac procedures including, but not limited to, coronary angiography and coronary angioplasty, in the absence of new Q waves; or
3. ECG changes suggesting a prior myocardial infarction, which do not meet the definition of Heart Attack described above.

(c) **Kidney Failure** – means chronic and end stage renal failure (failure of both kidneys to function effectively) diagnosed and managed by a nephrologist, as a result of which regular dialysis is necessary.

(d) **Major Organ Transplant** – means the undergoing as a recipient of a transplant of bone marrow or a complete heart, kidney, liver, lung, small intestine, or pancreas, or inclusion on the United Network of Organ Sharing (UNOS) waiting list. Transplant of any other organs, parts of organs, tissues or cells is not covered.

(e) **Stroke** – (cerebrovascular accident) means a definite diagnosis of an acute cerebrovascular event caused by intra-cranial thrombosis, hemorrhage, or embolism with acute onset of new neurological symptoms and new objective neurological deficits on clinical examination, persisting for at least 96 hours following the date of diagnosis. These new symptoms and deficits must be corroborated by diagnostic imaging testing.

The following are NOT included:

1. Transient ischemic attacks;
2. Brain damage due to an accident or injury, infection, vasculitis, and inflammatory disease;
3. Vascular disease affecting the eye or optic nerve;
4. Ischemic disorders of the vestibular system; or
5. Chronic Cerebrovascular insufficiency.

#### OTHER DEFINITIONS

**Accelerated Death Benefits** – are the advance payment of a portion of the Death Benefit or Face Amount, as applicable, payable under the Policy, subject to the conditions of this Endorsement. At the time of each Election, You will specify the portion of the Death Benefit or Face Amount You wish to accelerate, which is the Accelerated Death Benefit on the Election Date.

**Accelerated Death Benefit Interest Rate** – means the interest rate used in calculating the Accelerated Death Benefit Payment under a Chronic or Terminal Illness. If this Endorsement is attached to a term life insurance policy, this interest rate will also be used for calculating the Accelerated Death Benefit Payment for Critical Illness. The Accelerated Death Benefit Interest Rate will not exceed the greater of:

- (a) The yield on 90-day U.S. Treasury Bills on the Election Date; and
- (b) The maximum adjustable Policy Loan interest rate allowed by law on each Election Date.

**Chronic Illness Election Period** – is a period of time that begins on the Election Date of a Chronic Illness and ends immediately prior to the Monthly Anniversary or Monthly Policy Date, as applicable, that occurs 12 Policy Months after the Election Date.

**Critical Illness Election Period** – is shown on the Schedule of Policy Benefits. The Critical Illness Election Period begins on the Election Date of a Critical Illness and ends immediately prior to the Monthly Anniversary or Monthly Policy Date, as applicable, that occurs when the number of completed Policy Months as shown on the Schedule of Policy Benefits is completed.

**Debt Repayment Amount** – If this Endorsement is attached to a Policy with a Policy Loan provision, the Debt Repayment Amount is equal to the Policy Debt on the Election Date multiplied by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

**Election Date** – means the Monthly Anniversary or Monthly Policy Date, as applicable, immediately following the date the signed application to elect Accelerated Death Benefits under this Endorsement is approved by Us.

**Immediate Family** – means the spouse, children, siblings, parents, grandparents, grandchildren, and any of their spouses.

**Initial Election Date** – means the first Election Date You elect Accelerated Death Benefits under this Endorsement.

**Lifetime Maximum Accelerated Death Benefit** – is the total amount of Death Benefit or Face Amount, as applicable available for acceleration under the Policy. The Lifetime Maximum Accelerated Death Benefit is shown on the Schedule of Policy Benefits.

**Occurrence Date** – means the date the Insured was diagnosed and/or treated for a Specified Medical Condition as defined in this Endorsement.

**Physician** – is a licensed medical doctor (M. D. or D. O.) operating within the scope of the state license issued within the United States. A Physician cannot be You, the Insured, a member of Your Immediate Family, or a member of the Insured's or Owner's Immediate Family.

**Proof of Qualifying Event** – is a Written Notice consisting of documents necessary to prove the Insured's eligibility for Accelerated Death Benefits under this Endorsement. "Written Notice" is a properly completed application form and a Physician's written certification acceptable to Us that the Insured meets the definition of a Qualifying Event. We may request additional medical information that may include complete records of the Insured's diagnosis and treatments for the condition, in addition to the Physician's written certification that describes the nature and extent of the Qualifying Event.

For Chronic Illness, a Physician's written certification must be received every 12 months to continue to qualify for Accelerated Death Benefits.

After We receive Proof of Qualifying Event, We may require a second opinion and examination by a Physician We designate. In the event the Insured's Physician and Our appointed Physician disagree on whether the Insured is Terminally Ill, Chronically Ill, or Critically Ill, Accelerated Death Benefit eligibility will be determined by a third medical opinion provided by a Physician mutually acceptable to both You and Us. We will pay for the expense of these additional medical opinions.

**Protected Status** – means the Policy is guaranteed to not enter the Grace Period. Protected Status only applies if this Endorsement is attached to a Policy with an Account Value provision and only for Accelerated Death Benefits for Chronic Illness.

**Protected Status Eligibility** – If this Endorsement is attached to a Policy with an Account Value provision and the total Death Benefits accelerated under this Endorsement are equal to or greater than the Cumulative Accelerated Death Benefit Percentage for Protected Status shown on the Schedule of Policy Benefits for this Endorsement, multiplied by the Death Benefit on the Initial Election Date, the Policy will permanently be placed in Protected Status.

**Residual Death Benefit** – is shown on the Schedule of Policy Benefits. The Residual Death Benefit only applies to Accelerated Death Benefits for Chronic Illness.

## SECTION 1: ACCELERATED DEATH BENEFITS FOR TERMINAL ILLNESS

**BENEFIT AMOUNT FOR TERMINAL ILLNESS** – At the time of Election, You will specify the Accelerated Death Benefit, which is the portion of the Policy Death Benefit or Face Amount, as applicable, You wish to accelerate.

The minimum and maximum Accelerated Death Benefit amounts for Terminal Illness on the Election Date are shown on the Schedule of Policy Benefits.



The Accelerated Death Benefit may be limited when Policy changes are made. See the Policy Changes provision in Section 1A for details.

**BENEFIT PAYMENT FOR TERMINAL ILLNESS** – The Accelerated Death Benefit Payment will be paid in a lump sum and is subject to the Maximum Administrative Fee shown on the Schedule of Policy Benefits. The Administrative Fee We charge may be less than the maximum fee shown.

If this Endorsement is attached to a Policy with a Cash Surrender Value provision, the Accelerated Death Benefit Payment will never be less than the Net Cash Surrender Value multiplied by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

We will pay the present value of the Accelerated Death Benefit. An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount will be based on mortality rates that have been determined by Us. The Accelerated Death Benefit Interest Rate will be declared by Us and will be in effect as of the Election Date.

**ELECTION OF BENEFITS FOR TERMINAL ILLNESS** – To elect Accelerated Death Benefits, You must complete an application. We will provide this application within 15 days of the receipt of Your written request at Our Administrative Office. If We do not send the application to Your last known address within 15 days of the receipt of Your request, it will be considered You complied with the Election requirements as long as You submit a Physician's written certification that the Insured is Terminally Ill. We may request additional medical information that may include complete records of the Insured's diagnosis and treatments for the condition in addition to the Physician's written certification, which describes the nature and extent of the Qualifying Event. You must also provide Us with written consent of any assignee and any Irrevocable Beneficiaries.

Only one Election can be made.

If the Insured dies after You elect to receive Accelerated Death Benefits under this Endorsement, but before any Accelerated Death Benefit Payment is made, the Election will be cancelled and the Death Benefit or Face Amount, as applicable, will be paid as described in the Policy.

#### **SECTION 1A: EFFECT OF TERMINAL ILLNESS ACCELERATED DEATH BENEFIT PAYMENTS ON POLICY PROVISIONS AND ENDORSEMENTS OR RIDERS**

**SPECIFIED AMOUNT/FACE AMOUNT** – The Specified Amount or Face Amount, as applicable, will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date
- (b) Death Benefit or Face Amount immediately prior to the Election Date

The remaining portion of the Specified Amount or Face Amount in effect may be less than Our minimum requirements for the Policy.

**MONTHLY DEDUCTION/PREMIUMS** – If this Endorsement is attached to a Policy with a Monthly Deductions provision, We will waive the Monthly Deductions following the Election of Accelerated Death Benefits for Terminal Illness.

If this Endorsement is attached to a term life insurance policy, We will waive premiums following the Election of Accelerated Death Benefits for Terminal Illness.

**ACCOUNT VALUE** – If this Endorsement is attached to a Policy with an Account Value provision, the Account Value will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date
- (b) Death Benefit immediately prior to the Election Date.

**MINIMUM ACCOUNT VALUE** – If this Endorsement is attached to a Policy with a Minimum Account Value provision, the Minimum Account Value will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.



**GRACE PERIOD** – After You receive Accelerated Death Benefits for Terminal Illness under this Endorsement, the Policy will not enter the Grace Period.

**NO LAPSE GUARANTEE** – If this Endorsement is attached to a Policy with a No Lapse Guarantee provision, the No Lapse Guarantee period will not change and We will consider the Monthly No Lapse Guarantee Premium as having been paid for the purpose of the No Lapse Guarantee calculation as described in the Policy.

**POLICY DEBT** – If this Endorsement is attached to a Policy with a Policy Loan provision, and the Policy has Policy Debt, a portion of the Accelerated Death Benefit Payment will be used to reduce the Policy Debt. On the Election Date, the Policy Debt and the Accelerated Death Benefit Payment will be reduced by the Debt Repayment Amount.

**ADDITIONAL ACCOUNTS** – If a Policy provision, Endorsement or Rider includes an additional account that is only used to determine whether some or all of the Policy's Death Benefit will remain in effect, the additional account and the Specified Amount used in the calculation of the additional account will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

After You receive benefits for Accelerated Death Benefits for Terminal Illness under this Endorsement, We will waive any items deducted from the additional account.

**OTHER ENDORSEMENTS AND RIDERS** – Upon Election, all Endorsements and Riders attached to the Policy will continue to be effective subject to the terms and conditions of each Endorsement or Rider.

**POLICY LOANS** – If this Endorsement is attached to a Policy with a Policy Loan provision, after You receive Accelerated Death Benefits for Terminal Illness under this Endorsement, You may obtain Policy Loans as described under the Policy Loan provisions of the Policy. As described under the Policy Debt provision above, a portion of the Accelerated Death Benefit Payment will be used to repay any Policy Debt in effect on the Election Date.

**WITHDRAWALS** – If this Endorsement is attached to a Policy with a Withdrawals provision, after You receive Accelerated Death Benefits for Terminal Illness under this Endorsement, You may take Withdrawals as described in the Policy.

**POLICY CHANGES** – If this Endorsement is attached to a Policy with a Policy Changes provision, after You receive Accelerated Death Benefits for Terminal Illness under this Endorsement, You may elect to increase or decrease the Specified Amount or change the Death Benefit Option as described in the Policy.

## **SECTION 2: ACCELERATED DEATH BENEFITS FOR CHRONIC ILLNESS**

**BENEFIT AMOUNT FOR CHRONIC ILLNESS** – At the time of Election, You will specify the Accelerated Death Benefit which is the portion of the Policy Death Benefit or Face Amount, as applicable, You wish to accelerate.

The minimum and maximum Accelerated Death Benefit amounts for Chronic Illness at each Election, are shown on the Schedule of Policy Benefits.

You can accelerate an amount less than the minimum Accelerated Death Benefit for Chronic Illness allowed if it is necessary to do so to comply with the Lifetime Maximum Accelerated Death Benefit limitation for this Endorsement or if You are making a Final Election.

The Accelerated Death Benefit may be limited when Policy changes are made. See the Policy Changes provision in Section 2A for details.

**BENEFIT PAYMENT FOR CHRONIC ILLNESS** – Each Accelerated Death Benefit Payment will be paid in a lump sum and is subject to the Maximum Administrative Fee shown on the Schedule of Policy Benefits for each Election. The Administrative Fee We charge may be less than the maximum fee shown.

If this Endorsement is attached to a Policy with a Cash Surrender Value provision, the Accelerated Death Benefit Payment will never be less than the Net Cash Surrender Value immediately prior to the Election Date multiplied by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

We will pay the present value of the Accelerated Death Benefit. An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount will be based on mortality rates that have been determined by Us. The Accelerated Death Benefit Interest Rate will be declared by Us and will be in effect as of the Election Date.

**FINAL ELECTION** – A Final Election is available if, at the time of Election, the Maximum Accelerated Death Benefit for Chronic Illness shown on the Schedule of Policy Benefits is greater than (a) less (b), where:

- (a) is the remaining Death Benefit or Face Amount, as applicable in the Policy; and
- (b) is the Residual Death Benefit.

A Final Election occurs when You accelerate all of the remaining Death Benefit or Face Amount, in the Policy minus the Residual Death Benefit. The payment must first be applied to pay off any Policy Debt to Us.

Upon a Final Election, all Endorsements and Riders attached to the Policy, except this Endorsement, will terminate on the Final Election date. Policy Loans are not available after a Final Election.

**RESIDUAL DEATH BENEFIT** – If a Final Election has occurred, the Residual Death Benefit will be paid to the Beneficiary in a lump sum upon due proof of death of the Insured.

**ELECTION OF BENEFITS FOR CHRONIC ILLNESS** – To elect Accelerated Death Benefits, You must complete an application. We will provide this application within 15 days of the receipt of Your written request at Our Administrative Office. If We do not send the application to Your last known address within 15 days of the receipt of Your notice, it will be considered You complied with the Election requirements as long as You submit a Physician's written certification that the Insured is Chronically Ill. We may request additional medical information that may include complete records of the Insured's diagnosis and treatments for the condition in addition to the Physician's written certification, which describes the nature and extent of the Qualifying Event. You must also provide Us with written consent of any assignee and any Irrevocable Beneficiaries.

Only one Election can be made for Chronic Illness during the Chronic Illness Election Period.

If the Insured dies after You elect to receive Accelerated Death Benefits, but before the payment is made, the Election will be cancelled and the Death Benefit or Face Amount, as applicable, will be paid as described in the Policy.

#### **SECTION 2A: EFFECT OF CHRONIC ILLNESS ACCELERATED DEATH BENEFIT PAYMENTS ON POLICY PROVISIONS AND ENDORSEMENTS OR RIDERS**

**SPECIFIED AMOUNT/FACE AMOUNT** – The Specified Amount or Face Amount, as applicable, will be reduced on each Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit or Face Amount immediately prior to the Election Date.

The remaining portion of the Specified Amount or Face Amount in effect may be less than Our minimum requirements for the Policy.

If this Endorsement is attached to a Policy with a Cost of Insurance provision, and prior to a Final Election We are no longer paying Accelerated Death Benefits, the Cost of Insurance charges will be calculated as if the Policy had been originally issued at the reduced Specified Amount.

If this Endorsement is attached to a term life insurance policy, premiums will be calculated as if the Policy had been originally issued at the reduced Face Amount.

**MONTHLY DEDUCTION** – If this Endorsement is attached to a Policy with a Monthly Deduction provision, and the Death Benefit immediately prior to the initial Election Date does not exceed the Lifetime Maximum Accelerated Death Benefit, We will waive the Monthly Deductions during the Chronic Illness Election Period.

If the Death Benefit immediately prior to the Initial Election Date exceeds the Lifetime Maximum Accelerated Death Benefit while the Policy is in the Chronic Illness Election Period, the Monthly Deductions will be multiplied by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Specified Amount immediately prior to the Initial Election Date less the Lifetime Maximum Accelerated Death Benefit.
- (b) Specified Amount on the Election Date.

Monthly Deductions will stop being waived after the Chronic Illness Election Period.

**ACCOUNT VALUE** – If this Endorsement is attached to a Policy with an Account Value provision, the Account Value will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

**MINIMUM ACCOUNT VALUE** – If this Endorsement is attached to a Policy with a Minimum Account Value provision, the Minimum Account Value will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

**PREMIUMS** – If this Endorsement is attached to a term life insurance policy, premiums for the Policy and any Waiver of Premium rider attached to the Policy will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Face Amount immediately prior to the Election Date.

Premiums for riders, other than a Waiver of Premium rider, and any policy fee referenced on the Schedule of Policy Benefits, will not be reduced.

Premiums will not be waived during the Chronic Illness Election Period. After each Election Date, premiums will continue to be payable, but will be calculated at the reduced Face Amount.

**GRACE PERIOD** – If this Endorsement is attached to a Policy with a Monthly Deductions provision, the Policy will not enter the Grace Period during the Chronic Illness Election Period or while the Policy is in Protected Status.

If this Endorsement is attached to a term life insurance policy, premiums will not be waived during the Chronic Illness Election Period. The terms of the Grace Period provision in the Policy will be used to determine if the Policy is in the Grace Period.

**NO LAPSE GUARANTEE** - If this Endorsement is attached to a Policy with a No Lapse Guarantee provision, the No Lapse Guarantee period will not change and We will consider the Monthly No Lapse Guarantee Premium as having been paid for the purpose of the No Lapse Guarantee calculation as described in the Policy during the Chronic Illness Election Period or while the Policy is in Protected Status.

If the Policy is not in the Chronic Illness Election Period and the Policy is not in Protected Status, any Monthly No Lapse Guarantee Premium required to continue the No Lapse Guarantee will be due. The new Monthly No Lapse Guarantee Premium after each Accelerated Death Benefit Payment will be calculated as if the Policy had been originally issued at the reduced Specified Amount.

**POLICY DEBT** – If this Endorsement is attached to a Policy with a Policy Loan provision and You elect to receive Accelerated Death Benefits under this Endorsement while the Policy has Policy Debt, a portion of the Accelerated Death Benefit Payment will be used to reduce the Policy Debt. On the Election Date, the Policy Debt and the Accelerated Death Benefit Payment will be reduced by the Debt Repayment Amount.

**ADDITIONAL ACCOUNTS** – If a Policy provision, Endorsement or Rider includes an additional account that is only used to determine whether some or all of the Policy's Death Benefit will remain in effect, the additional account and the Specified Amount used in the calculation of the additional account will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

During the Chronic Illness Election Period, We will waive any items deducted from the additional account. We will also waive these items after a Final Election.

**OTHER ENDORSEMENTS OR RIDERS** – Upon any Election, other than a Final Election, all Endorsements and Riders attached to the Policy will continue to be effective subject to the terms and conditions of each Endorsement or Rider. Upon a Final Election, all Endorsements and Riders, except this Endorsement, attached to the Policy will terminate on the Final Election date. After the Initial Election Date, no additional Endorsements or Riders may be added to the Policy to which this Endorsement is attached. The Insured's Accidental Death Benefit, if any, will not be affected by the acceleration of Death Benefits or Face Amount, as applicable, under this Endorsement.

**POLICY LOANS** – If this Endorsement is attached to a Policy with a Policy Loan provision, after any Election, other than a Final Election, You may obtain Policy Loans as described under the Policy Loan provisions of the Policy. As described under the Policy Debt provision above, a portion of each Accelerated Death Benefit Payment will be used to repay any Policy Debt. Following a Final Election, Policy Loans are not available.

**WITHDRAWALS** – If this Endorsement is attached to a Policy with a Withdrawal provision, if You elect to receive Accelerated Death Benefits under this Endorsement, Withdrawals are not available during the Chronic Illness Election Period or when the Policy is in Protected Status. If the Policy is not in the Chronic Illness Election Period and the Policy is not in Protected Status, You may take Withdrawals as described in the Policy.

**POLICY CHANGES** – If this Endorsement is attached to a Policy with a Policy Changes provision, and prior to the Election of Accelerated Death Benefits for Chronic Illness under this Endorsement, You elect to increase the Specified Amount or change from a Level Death Benefit Option to an Increasing Death Benefit Option while this Endorsement is in effect and the evidence of insurability is not satisfactory to meet the requirements for this Endorsement, the total Policy Death Benefit that is eligible for acceleration under this Endorsement will be limited to the Death Benefit immediately prior to the increase or change in the Death Benefit Option.

If You elect to receive Accelerated Death Benefits for Chronic Illness under this Endorsement, You cannot elect to increase or decrease the Specified Amount or change the Death Benefit Option on the Policy during the Chronic Illness Election Period or while the Policy is in Protected Status. If the Policy is not in the Chronic Illness Election Period and the Policy is not in Protected Status, You may elect to increase or decrease the Specified Amount or change the Death Benefit Option as described in the Policy.

**DEATH BENEFIT/FACE AMOUNT AFTER MAXIMUM BENEFIT** – If You have accelerated the Lifetime Maximum Accelerated Death Benefit shown on the Schedule of Policy Benefits, the following provisions will apply:

- (a) If a Final Election has occurred, the Residual Death Benefit will be paid upon due proof of death of the Insured.
- (b) If a Final Election has not occurred and the Policy is in Protected Status, the Policy is guaranteed not to enter the Grace Period, and, upon due proof of death of the Insured, We will pay the Beneficiary any remaining portion of the Death Benefit that We have not accelerated to the Owner under this Endorsement.
- (c) If a Final Election has not occurred and the Policy is not in Protected Status, We will pay a Death Benefit or Face Amount, as applicable, of at least \$50,000 upon due proof of death of the Insured.

### SECTION 3: ACCELERATED DEATH BENEFITS FOR CRITICAL ILLNESS

**BENEFIT AMOUNT FOR CRITICAL ILLNESS** – At the time of Election, You will specify the Accelerated Death Benefit which is the portion of the Policy Death Benefit or Face Amount, as applicable, You wish to accelerate.

The minimum and maximum Accelerated Death Benefit amounts for Critical Illness at each Election are shown on the Schedule of Policy Benefits.

You can accelerate an amount less than the minimum Accelerated Death Benefit for Critical Illness allowed if it is necessary to do so to comply with the Lifetime Maximum Accelerated Death Benefit limitation for this Endorsement.

The Accelerated Death Benefit may be limited when Policy changes are made. See the Policy Changes provision in Section 3A for details.

**BENEFIT PAYMENT FOR CRITICAL ILLNESS** – Each Accelerated Death Benefit Payment will be paid in a lump sum.

If this Endorsement is attached to a Policy with an Account Value, the lump sum payment will equal the Accelerated Death Benefit on the Election Date times the Critical Illness Death Benefit Percentage as shown on the Schedule of Policy Benefits.

If this Endorsement is attached to a Policy with a Cash Surrender Value provision, the Accelerated Death Benefit Payment will never be less than the Net Cash Surrender Value immediately prior to the Election Date multiplied by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

If this Endorsement is attached to a Policy with a Monthly Deductions provision, an Administrative Fee is not required for an Election for Critical Illness.

If this Endorsement is attached to a term life insurance policy:

- (a) The Accelerated Death Benefit Payment is subject to the Maximum Administrative Fee shown on the Schedule of Policy Benefits. The Administrative Fee We charge may be less than the maximum fee shown; and
- (b) The lump sum payment will equal the present value of the Accelerated Death Benefit. An actuarial discount based on mortality and interest will be applied to the Accelerated Death Benefit. This discount will be based on mortality rates that have been determined by Us. The Accelerated Death Benefit Interest Rate will be declared by Us and will be in effect as of the Election Date.

**ELECTION OF BENEFITS FOR CRITICAL ILLNESS** – Election of Accelerated Death Benefits for Critical Illness is required within 12 months of the Occurrence Date of a Specified Medical Condition. There can only be one Election made for each occurrence of a Specified Medical Condition.

To elect Accelerated Death Benefits, You must complete an application. We will provide this application within 15 days of the receipt of Your written request at Our Administrative Office. If We do not send the application to Your last known address within 15 days of the receipt of Your notice, it will be considered You complied with the Election requirements as long as You submit a Physician's written certification that the Insured is Critically Ill. We may request additional medical information that may include complete records of the Insured's diagnosis and treatments for the condition in addition to the Physician's written certification, which describes the nature and extent of the Qualifying Event. You must also provide Us with written consent of any assignee and any Irrevocable Beneficiaries.

If the Insured dies after You elect to receive Accelerated Death Benefits, but before the payment is made, the Election will be cancelled and the Death Benefit or Face Amount, as applicable, will be paid as described in the Policy.

**SECTION 3A: EFFECT OF CRITICAL ILLNESS ACCELERATED DEATH BENEFIT PAYMENTS  
ON POLICY PROVISIONS AND ENDORSEMENTS OR RIDERS**

**SPECIFIED AMOUNT/FACE AMOUNT** – The Specified Amount or Face Amount, as applicable, will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit or Face Amount immediately prior to the Election Date.

The remaining portion of the Specified Amount or Face Amount in effect may be less than Our minimum requirements for the Policy.

**MONTHLY DEDUCTION** – If this Endorsement is attached to a Policy with a Monthly Deduction provision, following an Election for Critical Illness, Monthly Deductions will continue as described in the Policy and be based on the reduced Specified Amount.

**ACCOUNT VALUE** – If this Endorsement is attached to a Policy with an Account Value provision, the Account Value will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

**MINIMUM ACCOUNT VALUE** – If this Endorsement is attached to a Policy with a Minimum Account Value provision, the Minimum Account Value will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

**PREMIUMS** – If this Endorsement is attached to a term life insurance policy, premiums for the Policy and any Waiver of Premium rider attached to the Policy will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Face Amount immediately prior to the Election Date.

Premium for riders, other than a Waiver of Premium rider, and any policy fee referenced on the Schedule of Policy Benefits, will not be reduced. Premiums will not be waived during the Critical Illness Election Period. After each Election Date, premiums will continue to be payable, but be calculated at the reduced Face Amount.

**GRACE PERIOD** – If this Endorsement is attached to a Policy with a Monthly Deductions provision, the Policy will not enter the Grace Period during the Critical Illness Election Period. If the Policy is not in the Critical Illness Election Period, the terms of Grace Period provision in the Policy will be used to determine if the Policy is in the Grace Period.

If this Endorsement is attached to a term life insurance policy, premiums will not be waived during the Critical Illness Election Period. The terms of the Grace Period provision in the Policy will be used to determine if the Policy is in the Grace Period.

**NO LAPSE GUARANTEE** – If this Endorsement is attached to a Policy with a No Lapse Guarantee provision, the No Lapse Guarantee period will not change and We will consider the Monthly No Lapse Guarantee Premium as having been paid for the purpose of the No Lapse Guarantee calculation as described in the Policy during the Critical Illness Election Period.

If the Policy is not in the Critical Illness Election Period, any Monthly No Lapse Guarantee Premium required to continue the No Lapse Guarantee will be due. The new Monthly No Lapse Guarantee Premium after each Accelerated Death Benefit Payment will be calculated as if the Policy had been originally issued at the reduced Specified Amount.



**POLICY DEBT** – If this Endorsement is attached to a Policy with a Policy Loan provision, and You elect to receive Accelerated Death Benefits under this Endorsement while the Policy has Policy Debt, a portion of the Accelerated Death Benefit Payment will be used to reduce the Policy Debt. On the Election Date, the Policy Debt and the Accelerated Death Benefit Payment will be reduced by the Debt Repayment Amount.

**ADDITIONAL ACCOUNTS** – If a Policy provision, Endorsement or Rider includes an additional account that is only used to determine whether some or all of the Policy's Death Benefit will remain in effect, the additional account and the Specified Amount used in the calculation of the additional account will be reduced on the Election Date by the ratio of (a) divided by (b), where (a) and (b) are as defined below:

- (a) Accelerated Death Benefit on the Election Date.
- (b) Death Benefit immediately prior to the Election Date.

**OTHER ENDORSEMENTS AND RIDERS** – After an Election for Critical Illness, all Endorsements and Riders attached to the Policy will continue to be effective subject to the terms and conditions of each Endorsement or Rider. After the Initial Election Date, no additional Endorsements or Riders may be added to the Policy to which this Endorsement is attached. The Insured's Accidental Death Benefit, if any, will not be affected by the acceleration of Death Benefits under this Endorsement.

**POLICY LOANS** – If this Endorsement is attached to a Policy with a Policy Loan provision, after any Election, You may obtain Policy Loans as described under the Policy Loan provisions of the Policy. As described under the Policy Debt provision above, a portion of each Accelerated Death Benefit Payment will be used to repay any Policy Debt.

**WITHDRAWALS** – If this Endorsement is attached to a Policy with a Withdrawal provision, if You elect to receive Accelerated Death Benefits under this Endorsement, Withdrawals are not available during the Critical Illness Election Period. If the Policy is not in the Critical Illness Election Period, You may take Withdrawals as described in the Policy.

**POLICY CHANGES** – If this Endorsement is attached to a Policy with a Policy Changes provision, and prior to the Election of Accelerated Death Benefits for Critical Illness under this Endorsement, You elect to increase the Specified Amount or change from a Level Death Benefit Option to an Increasing Death Benefit Option while this Endorsement is in effect, and the evidence of insurability is not satisfactory to meet the requirements for this Endorsement, the total Policy Death Benefit that is eligible for acceleration under this Endorsement will be limited to the Death Benefit immediately prior to the increase or change in the Death Benefit Option.

If You elect to receive Accelerated Death Benefits for Critical Illness under this Endorsement, You cannot elect to increase or decrease the Specified Amount or change the Death Benefit Option on the Policy during the Critical Illness Election Period. If the Policy is not in the Critical Illness Election Period, You may elect to increase or decrease the Specified Amount or change the Death Benefit Option as described in the Policy.

#### OTHER PROVISIONS

**INCONTESTABILITY** – This Endorsement is contestable on the same basis as the Policy to which it is attached.

**REINSTATEMENT** – If the Policy is reinstated, this Endorsement will be reinstated unless the Maximum Accelerated Death Benefit has been paid under this Endorsement.

**LIMITATIONS** – Accelerated Death Benefits are not available if the law requires the benefit to meet the claims of creditors, whether in bankruptcy or otherwise, or a government agency requires the benefit in order to apply for, obtain, or keep a government benefit or entitlement.

**TERMINATION OF THIS ENDORSEMENT** – This Endorsement will terminate upon the earliest of:

- (a) The date the Insured dies;
- (b) The Election Date the Lifetime Maximum Accelerated Death Benefit shown on the Schedule of Policy Benefits is reached;
- (c) The Monthly Anniversary or Monthly Policy Date, as applicable, following Our receipt of Your written request to terminate this Endorsement;

- (d) The date the Policy terminates;
- (e) If this Endorsement is attached to a term life insurance policy, the date You elect the Full Conversion provision under the Policy; or
- (f) The date You elect a Non-Forfeiture Option under the Policy.

Termination of this Endorsement will not affect any Accelerated Death Benefit Payment for any Qualifying Event that occurred while this Endorsement was in effect.

Issued and signed by North American Company for Life and Health Insurance

*B. Khan*

Secretary

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**North American Company for Life and Health Insurance**

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A Stock Company

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**WAIVER OF SURRENDER CHARGE OPTION RIDER**

This Rider is attached to and made a part of the Policy. Except as provided in this Rider, all other definitions, terms, provisions and conditions of the Policy remain the same. Undefined terms in this Rider shall have the meaning given to them in the Policy.

**EFFECTIVE DATE** – The Effective Date of this Rider is the Policy Date shown on the Schedule of Policy Benefits of the Policy.

**1. The following provision is added to Policy SECTION 6: POLICY VALUES:**

**6.18 WAIVER OF SURRENDER CHARGE OPTION** – The Waiver of Surrender Charge Option is an option that You selected at the time of application and it may not be changed for the life of this Policy. When this Option is selected, We will waive the Surrender Charges shown in the Schedule of Policy Benefits unless either of the following occurs:

- (a) You request this Policy to be surrendered and subsequently transferred, directly or indirectly, to another insurance company to achieve an exchange under Section 1035 of the Internal Revenue Code.
- (b) You make policy changes that result in a decrease charge.

The Waiver of Surrender Charge Fee is determined on each Monthly Anniversary during the Waiver of Surrender Charge period. For details, see the Expense Amount Section. The Waiver of Surrender Charge period begins on the Policy Date. The date the Waiver of Surrender Charge period ends is shown in the Schedule of Policy Benefits.

If an increase in Specified Amount is requested and approved, a new Waiver of Surrender Charge period and Waiver of Surrender Charge Fee will apply to the increased amount. Notice of the amount of the Waiver of Surrender Charge Fee and duration of the Waiver of Surrender Charge period will be sent to Your last known address.

**2. Policy provision 6.7 EXPENSE AMOUNT is deleted and replaced with the following:**

**6.7 EXPENSE AMOUNT** – The Expense Amount will never be more than:

- 1. The Policy Expense Charge shown in the Schedule of Policy Benefits, plus
  - (a) The Unit Expense Charge shown in the Schedule of Policy Benefits times the current Specified Amount in effect divided by 1000, plus
  - (b) The Percent of Account Value Charge shown in the Schedule of Policy Benefits times the difference between the Account Value and the Policy Debt, plus
  - (c) The Waiver of Surrender Charge Fee shown in the Schedule of Policy Benefits times the current Specified Amount in effect divided by 1000.

The Unit Expense Charge and the Waiver of Surrender Charge Fee are determined separately for the original Specified Amount and each increase in the Specified Amount

**3. The following is added to Policy provision 5.1 CHANGES IN SPECIFIED AMOUNT, item (a), "if the Specified Amount is decreased":**

- 9. The Waiver of Surrender Charge Fee will be applied to the reduced Specified Amount.

**4. Policy Provision 6.13 WITHDRAWAL CHARGE is hereby deleted and all references to a Withdrawal Charge throughout the Policy are deleted.**

**REINSTATEMENT** – This Rider can be reinstated if the Policy is reinstated.

**INCONTESTABILITY** – This Rider will be incontestable after it has been in effect during the lifetime of the Insured for a period of 2 years from its Effective Date.

**TERMINATION** – This Rider will terminate on the earliest of the following dates:

1. The Expiry Date shown in the Schedule of Policy Benefits; or
2. The date the Policy terminates.

Issued and signed by North American Company for Life and Health Insurance.

*B. A.*  
Secretary

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**FLEXIBLE PREMIUM ADJUSTABLE UNIVERSAL LIFE INSURANCE POLICY  
WITH INDEXED FEATURES AND OVERLOAN PROTECTION BENEFIT**

**ADJUSTABLE DEATH BENEFIT**

**INSURANCE PAYABLE UPON DEATH BEFORE MATURITY DATE**

**PREMIUMS PAYABLE TO INSURED'S AGE 120**

**SEE THE "POLICY PROCEEDS" PROVISION TO DETERMINE THE AMOUNT PAYABLE AT DEATH  
BENEFITS, VALUES, PERIODS OF COVERAGE, OR PREMIUMS ARE ON AN INDETERMINATE BASIS**

**NON PARTICIPATING - NOT ELIGIBLE FOR DIVIDENDS**