

POLICY DELIVERY RECEIPT FORM 16088

BANKERS LIFE AND CASUALTY COMPANY

Home Office: 222 Merchandise Mart Plaza • Chicago, Illinois 60654-2001

POLICY DELIVERY RECEIPT

The agency regulating the sale of Life and Annuity Insurance products in your state requires a signed receipt upon delivery of your policy. Please retain one copy of this receipt for your records.

Policy No.:

I acknowledge the delivery and receipt of the policy whose policy number is shown above.

I further acknowledge that the policy examination period, which entitles me to review the policy and return it for a full refund if I am not fully satisfied, begins as of the date this policy is delivered to me.

Date

Policyowner's Signature

Agent's Signature

(Agent's signature not required when dealing directly with the Home Office.)

Agent No.

16088

Pennsylvania
Insurance Regulations

PENNSYLVANIA REGULATIONS...TITLE 31. -- INSURANCE...PART IV. -- LIFE INSURANCE...Chapter 83 -- DISCLOSURES IN SOLICITATION OF LIFE INSURANCE...Subchapter B. Cost Disclosures in the Solicitation of Life Insurance

Note: A statement of policy does not constitute a rule or regulation entitled to the force and effect of law.

31 s 83.51

Purpose

The interest adjusted method at 5% shall be used to provide a ten-year and 20-year surrender comparison index per \$1,000 of face amount of basic insurance. The index shall be based on the premise that the policy will be surrendered at the end of 10 years and 20 years. This index will provide the purchaser of life insurance with a means of making a cost comparison of the same type life insurance policies having the same premium payment period and pattern. This subchapter is not intended to prohibit any life insurance agent or insurer from providing additional means to make cost comparison which are not in violation of this subchapter, applicable Pennsylvania Statutes or other applicable Insurance Department regulations set forth in this title.

History	Adopted 4-5-74, 4 Pa.B. 661; amended 6-14-75, 5 Pa.B. 1551; amended through 12-28-79, 9 Pa.B. 4251.
Subject Categories	020 - Life insurance / insurers 720 - Information practices
Index	Surrender value comparison index AND Life insurance AND Regulatory intent
Information Type	TEXT

31 s 83.52

Applicability

(a) This subchapter applies to all insurance companies authorized to transact the business of life insurance in the Commonwealth as regards any solicitation of the sale of insurance on the life of any Commonwealth resident unless excluded in subsection (b) of this section. This subchapter equally applies to all fraternal benefit societies authorized to transact the business of life insurance in this Commonwealth and employing representatives licensed as agents or brokers or selling life insurance on a direct-response or mail-order basis.

(b) This subchapter is not applicable to the following kinds of insurance:

- (1) Annuities.
- (2) Group life insurance.
- (3) Credit life insurance.
- (4) Life insurance of less than \$5,000.
- (5) Life insurance on substandard risks.

- (6) Life insurance issued in connection with qualified funded pension plans and qualified retirement plans.
- (7) Life insurance issued as a result of a contractual policy change or conversion provision.
- (8) Life insurance where the cost is borne in whole or in part by the employer of the insured.
- (9) Policies having a varying face amount, resulting from other than the application of dividends.
- (10) Variable life insurance.
- (11) Family policies.
- (12) Term policies.
- (13) Riders.

History	Adopted 4-5-74, 4 Pa.B. 661; amended 6-14-75, 5 Pa.B. 1551; amended through 12-28-79, 9 Pa.B. 4251.
Subject Categories	020 - Life insurance / Insurers 720 - Information practices 900 - Benefit societies / assessment plan insurers
Index	Fraternal benefit societies AND Life insurance AND Surrender value comparison Index Life insurance AND Surrender value comparison index AND Applicability of insurance regulations
Information Type	TEXT

31 s 83.53

Calculation of surrender comparison index

(a) Calculation of Surrender Comparison Index After Ten Years shall be performed in the following manner:

(1) Step 1. Accumulate the annual premiums for the basic policy, excluding all built-in benefits and riders, at 5.0% interest compounded annually for ten years. For level premium policies:

$$\text{Accumulated premiums} = \text{level annual premium} \times 13.207.$$

(2) Step 2. Accumulate the annual dividends, if any, at 5.0% interest compounded annually for ten years. Include any termination dividend after ten years.

(3) Step 3. Determine the cash value after ten years.

(4) Step 4. Step 4 shall be based on the following formula:



(b) Calculation of Surrender Comparison Index After 20 years shall be performed in the following manner:

(1) Step 1. Accumulate the annual premiums for the basic policy, excluding all built-in benefits and riders, at 5.0% interest compounded annually for 20 years. For level premium policies:

Accumulated premiums = level annual premium X 34.719

(2) Step 2. Accumulate the annual dividends, if any, at 5.0% interest compounded annually for 20 years. Include any termination dividend after 20 years.

(3) Step 3. Determine the cash value after 20 years.

(4) Step 4. This step shall be based on the following formula:



(c) Factors to be excluded from computation of the Surrender Comparison Index:

Supplemental built-in benefits -- As accurate as possible a calculation of the cost of such built-in benefits as accidental death, premium waiver, guaranteed insurability, and disability monthly income, must be subtracted from the annual premium prior to calculating the index.

History	Adopted 4-5-74, 4 Pa.B. 661; amended 6-15-75, 5 Pa.B. 1551; amended through 12-28-79, 9 Pa.B. 4251.
Subject Categories	020 - Life insurance / Insurers 300 - The policy 720 - Information practices
Index	Life Insurance AND Surrender value comparison index AND Computation methods
Information Type	TEXT

31 s 83.54

Additional methods of comparison

In addition to the method required by Subchapter B of this chapter (relating to cost disclosures in the solicitation of life insurance), additional methods of cost comparison will be permitted provided that any method chosen takes into account an interest based on 5.0% that recognizes the times of payment. Prior to the use of any additional method, it must be filed with the Department for review. Traditional net cost comparison methods are prohibited.

History	Adopted 4-5-74, 4 Pa.B. 661; amended 6-14-75, 5 Pa.B. 1551; amended 12-14-79, 9 Pa.B. 4051.
Subject Categories	020 - Life insurance / Insurers 720 - Information practices
Index	Life Insurance AND Surrender value comparison Index AND Computation methods
Information Type	TEXT

31 s 83.55

Delivery

(a) The Surrender Comparison Index Disclosure must be given as a separate document upon delivery of the policy or earlier if requested by the life insurance applicant. If requested earlier, the index disclosure must be provided as soon as reasonably possible.

(b) A disclosure that is minimally satisfactory to the Insurance Department is set forth in Appendix B of this chapter. If the Appendix B disclosure will be used, a letter to that effect, prior to use, is adequate notification to the Department. However, if a disclosure different than Appendix B will be used, it must be filed with the Department for review prior to use.

(c) The Surrender Comparison Index Disclosure shall describe:

(1) The name, age, and sex of the insured.

(2) The face amount of the policy.

(3) The descriptive title of the policy, as "whole life, 20 year decreasing term, endowment at age 65," and so forth.

(4) The policy number of policy.

(5) The 10-year Surrender Index and 20-year Surrender Index per \$1,000 of face amount of basic insurance.

(6) If applicable, the amount of the equivalent level annual dividend and termination dividend reflected in each Index.

(7) If applicable, the dividend scale on which the reflected dividends are based.

(8) An explanation of the purpose and use of the Surrender Comparison Index.

(d) Italicized material in the Appendix B disclosure statement has been included for explanatory purposes only and shall not appear in copies of Appendix B used by insurers. Insurer's Appendix B form should only indicate applicable terminology or designation in lieu of italicized material.

History	Adopted 4-5-74, 4 Pa.B. 661; amended 6-14-79, 5 Pa.B. 1551; amended through 12-28-79, 9 Pa.B. 4251.
Publisher's Note	Appendix B is set out separately. See 31 s 83.55 Appendix B.
Subject Categories	020 - Life insurance / insurers 300 - The policy 720 - Information practices
Index	Information disclosure AND Surrender value comparison index AND Life insurance Consumer information AND Surrender value comparison index AND Life insurance Policy solicitation AND Surrender value comparison index AND Life insurance
Information Type	TEXT

31 s 83.55a

Certification of surrender comparison index disclosure delivery

The agent shall submit to the insurer a statement, signed by him, certifying that the surrender comparison index disclosure was given upon delivery of the policy or earlier at the request of the life insurance applicant.

History	Adopted 8-24-79, 9 Pa.B. 2885; amended 12-28-79, 9 Pa.B. 4251.
Subject Categories	020 - Life insurance / Insurers 300 - The policy 400 - Insurance representatives 720 - Information practices
Index	Life and health agents AND Surrender value comparison index AND Powers and duties
Information Type	TEXT

31 s 83.55b

Maintenance of surrender comparison index disclosure delivery certification

The insurer shall maintain the agent's certification of surrender comparison index disclosure delivery in its appropriate files for at least three years or until the conclusion of the next succeeding regular examination by the insurance department of its domicile, whichever is later. The absence of the agent's certification from the appropriate files of the insurer shall constitute prima facie evidence that no surrender comparison index disclosure was provided to the prospective purchaser of life insurance.

History	Adopted 8-24-79, 9 Pa.B. 2885; amended 12-28-79, 9 Pa.B. 4251.
Subject Categories	020 - Life insurance / insurers 720 - Information practices
Index	Life insurers AND Surrender value comparison index AND Records maintenance
Information Type	TEXT

Penalties

(a) For failing to make adequate disclosure of basic information about the product being sold, after an administrative hearing as provided by law, an agent or broker may be subject to the penalties provided in section 639 of The Insurance Department Act of 1921 (40 P.S. s 279; NILS 40-25-410) for conduct that would disqualify an agent from the initial issuance of a license under section 603 of that act (40 P.S. s 233; NILS 40-25-103) and for misrepresenting the terms of an insurance policy, a violation of section 637 of The Insurance Department Act of 1921 (40 P.S. s 277; NILS 40-25-408).

(b) For failing to insure adequate disclosure of basic information about the product being sold, after a hearing as provided by law, a company may be subject to the penalties provided in section 350 of The Insurance Company Law of 1921 (40 P.S. s 475; NILS 40-3-902) for violations of the provisions of sections 347- 349 of that act (40 P.S. s s 472- 474; NILS 40-23-110- 40-3-901).

(c) For failing to insure adequate disclosure of basic information about the product being sold, after a hearing as provided by law, a fraternal benefit society may be subject to the penalties provided in sections 817(b) and 904(d) of the Fraternal Benefit Society Code (40 P.S. ss 1141-817(b) and 1141-904(d); Repealed).

(d) In addition to the provisions of subsections (a)- (c) of this section, failure to make the disclosure outlined

in this subchapter may be considered a violation of the Unfair Insurance Practices Act (40 P.S. ss 1171.1-1171.15; NILS 40-29-101- 40-29-115).

History	Adopted 4-5-74, 4 Pa.B. 661; amended 6-14-75, 5 Pa.B. 1551; amended through 12-28-79, 9 Pa.B. 4251.
Cross References	<u>40-25-410</u> ; <u>40-25-103</u> ; <u>40-25-408</u> ; <u>40-3-902</u> ; <u>40-23-110</u> ; <u>40-3-901</u> ; <u>40-29-101</u> ; <u>40-29-115</u>
Subject Categories	020 - Life insurance / Insurers 700 - Trade practices 720 - Information practices
Index	Life insurance AND Policy solicitation AND Violations Unfair and deceptive practices AND Surrender value comparison index
Information Type	TEXT

RECOMMENDATIONS EXHIBIT

RECOMMENDATION 9

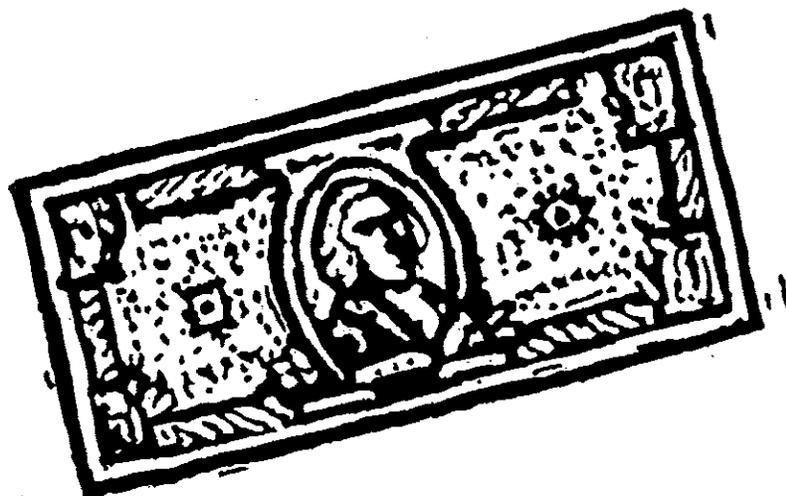
LIFE ILLUSTRATION REVIEW

Understanding the
**NAIC Life Illustration
Model Regulation**



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A WORLD OF CHANGE FOR LIFE INSURANCE SALES

The National Association of Insurance Commissioners (NAIC) has adopted a Life Insurance Illustrations Model Regulation as of December, 1995.

Are we surprised? No, not really. For years, there have been discussions and publications about regulators' concerns over creating standardized presentation formats. Although the industry has made steps in that direction, change didn't come swiftly enough. Thus, the NAIC model regulation was developed.

Although it would be easy to focus on the negativity of the regulation and the impact it has on the sales demonstration process, on the positive side, it does create a level playing field for all companies, where sales illustrations are concerned. The consumer, too, benefits by having a sales illustration format that is easier to compare company to company. All the necessary components are there in a standardized, easy-to-read format.

WHAT DOES THIS MEAN TO YOU???

Now, more than ever, you'll have to be careful in your preparation and presentation of life insurance and the sales illustration. It means being extra careful in completing the application and attaching all the right "paperwork".

Not all products are required to be illustrated. Whole Life policies are considered "non-illustrated" products. They are untouched by the regulation. You can keep doing what you've been doing in the sale of these life plans.

This regulation will impact most dramatically Universal Life products since an illustration is required with every application. Our term products, which are illustrated now, will not be illustrated in the future.

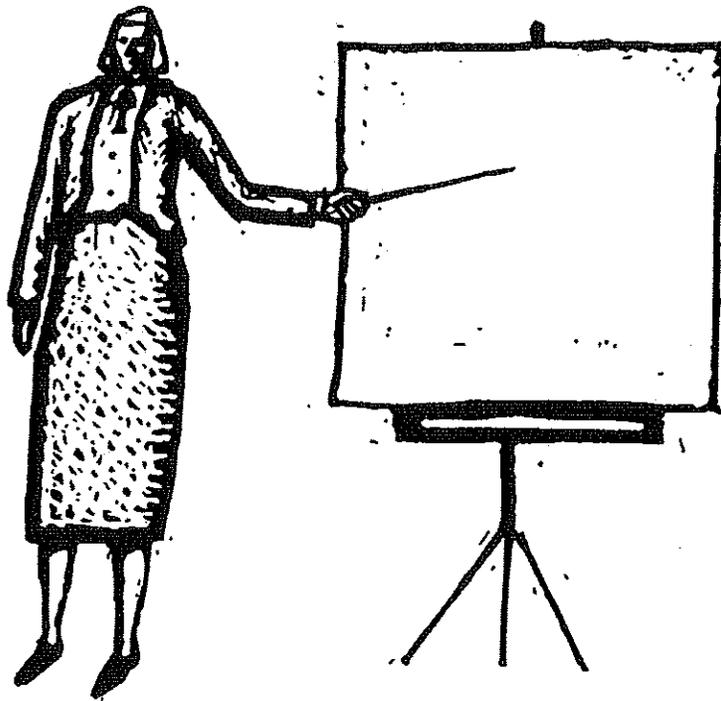
HOW WILL THIS IMPACT YOUR SALES OR COMMISSIONS?

The model regulation, adds some additional paperwork which can put a "hitch" in your sale if you don't handle it properly. As with any required paperwork, if we don't receive what we need or if what we receive is incorrect, the case will be rejected or handled OFS and your commission will be delayed until we receive all the proper paperwork. It's important to note here that a sale will become OFS if we cannot issue a policy exactly as illustrated. This can be through no fault of your own. You can sell the policy properly, complete and submit all the proper paperwork and still receive a revised illustration that needs a signature. The reason can be as simple as an interest rate changing between the date when the policy was sold and when it was issued; or a rate class change. Unfortunately, there's nothing we can do about this. We hope, these situations will be minimized.

SO WHAT'S NEXT...???

This guide will help you understand the "ins" and "outs" of the model regulation and demonstrate exactly what you are required to do.

What is a Basic Illustration?



What is a Basic Illustration?

The term, "Basic Illustration," is the formal name given to the illustration. It has three distinct parts:

Narrative Summary (The first 4 sections of the illustration):

The Narrative Summary contains a brief description of the policy being illustrated; premium outlay, policy features, riders, options, guaranteed or non-guaranteed elements and a brief definition of column headings and key terms used in the illustration.

Numeric Summary:

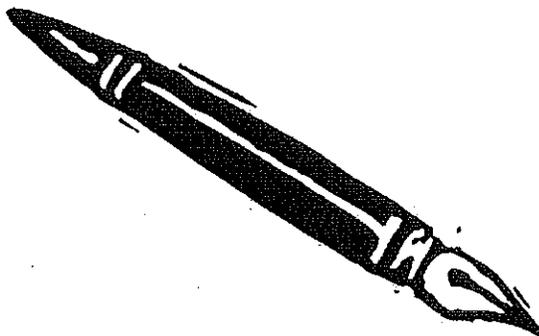
The Numeric Summary (the first page of section 5) follows the narrative summary. This is also the "Signature" page. It is here that you and the owner will sign statements to the effect that non-guaranteed values have been explained. Policy values will be illustrated on three different scales: Guaranteed, Current, and an "average" or "Midpoint (between the 'Guaranteed' and 'Current' scales)." The values will be displayed at years 5, 10, 20 and age 70 (if applicable).

Tabular Detail (Balance of Section 5):

The Tabular Detail, which is a more comprehensive projection than the Numeric Summary, contains: the premium outlay and mode the owner plans to pay; the guaranteed death benefit; and the guaranteed value upon surrender. These elements must be displayed for years 1 to 10 and every 5th policy year thereafter ending at policy maturity or lapse.

Keep these thoughts in mind when preparing a Basic Illustration:

1. You must send in ALL of the illustration pages with the application-NO EXCEPTIONS! In addition, you must leave a copy of the illustration with the prospective owner.
2. As stated above, you and the owner must sign and date the "Signature" page.
3. No matter what premium scenario you and your prospect agree on, you must submit a signed, continuous pay illustration for the policy shown on the application. The only exception allowed is on single pay cases.
4. The sales illustration system is compliance ready. Just answer the questions on the screen and you will be in business.



Sample NAIC Life Insurance Illustration

On the following pages you will find a sample NAIC Life Insurance Illustration, also known as a Basic Illustration. You should familiarize yourself with its content since this is the illustration that you will be using during your sales calls.

The following "Mark Smith" exhibit is for a 35-year-old male, Non-Smoker. He is applying for \$100,000 of Lifetime V (18D) coverage. We're illustrating a continuous pay scenario with a Waiver of Planned Periodic Premium rider and a 6% current interest rate.



BANKERS LIFE AND CASUALTY COMPANY
A Life Insurance Illustration

V96.7

#5044538929

===== SECTION 1: GENERAL POLICY AND AGENT INFORMATION =====

POLICY TYPE: Flexible Premium Adjustable Life Policy
PRODUCT NAME: LIFETIME V UL 18D
POLICY FORM NUMBER: L-18D

----- INSURED -----

NAME: Mark Smith
AGE/SEX: Issue Age 35 / Male
CLASS: Nonsmoker

----- POLICY OWNER -----

NAME: Mark Smith
PHONE: (312) 444-5555
ADDRESS: 244 Lake St
Chicago IL 60630

----- AGENT -----

NAME: David Jacobson
LICENSE: 357125402
PHONE: (847) 673-1303
ADDRESS: Suite 412
6600 N. Lincoln Avenue
Lincolnwood, IL 60645

----- PREMIUM INFORMATION -----

PREMIUM FREQUENCY: Annual
INITIAL PLANNED PERIODIC PREMIUM: \$2,000.00 for 65 years

----- BENEFIT INFORMATION -----

INITIAL SPECIFIED AMOUNT: \$100,000
INITIAL DEATH BENEFIT OPTION: A Level Amount
WAIVER OF PLANNED PERIODIC PREMIUM

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A Life Insurance Illustration

V96.7

#5044538929

===== SECTION 2: DESCRIPTION OF BASIC POLICY FEATURES =====

This illustration is based on a life insurance product that is commonly referred to as a FLEXIBLE PREMIUM ADJUSTABLE LIFE POLICY. This life insurance policy allows the Owner flexibility in both premium payments and death benefits.

PREMIUM OUTLAY - The Owner has the option to vary the amount and timing of the Planned Periodic Premium as long as they are sufficient to keep the policy in force and do not violate the maximum limitations imposed by tax law. The illustration assumes that premium payments are made at the beginning of the modal period.

If actual premium payments are different than the Planned Periodic Premiums or the payment dates are not consistent with the assumptions in the illustration, then the policy values will be different than those in this illustration.

Note that if premium payments are suspended, then policy charges will continue to be applied against the policy values. Additional premiums may be required to keep the policy in force.

The guideline level premium is \$ 1,418.33. This is the maximum level premium subject to Federal tax guidelines. This premium is based on the policy, as issued, and ignores any future policy adjustments, policy loans, or partial surrenders that may be reflected in the illustration. This premium, if paid in all years, will NOT guarantee coverage until maturity age 95.

DEATH BENEFITS - A death benefit will be provided to the designated beneficiary upon the death of the insured. The death benefit is determined based on the Policy Specified Amount, Death Benefit Option, and Accumulation Account.

The death benefit is equal to the higher of the policy specified amount (or) the Accumulation Account multiplied by the minimum death benefit percentage in the schedule. Death benefits are illustrated at the beginning of the year.

CASH SURRENDER VALUES - The Owner is entitled to a Cash Surrender Value under this policy. This is the amount that the Owner would receive upon surrender of the policy. The Cash Surrender Value equals the value of the Accumulation Account less the total of the Surrender Charge and any indebtedness. The Accumulation Account is based on the premiums paid, the monthly policy charges, and the interest rate credited to the policy. The timing of premium payments will affect the policy values. Policy Cash Surrender Values are illustrated at the end of the policy year. Surrender charges are in effect for 11 years after policy issue.

LAPSE BASIS - During the first 4 policy years the Owner must pay at least the minimum Annual premium of \$ 554.49. Payment of the Minimum Premium will guarantee coverage during this period. Thereafter, the policy will continue in force as long as the Cash Surrender Value is greater than zero.

Prepared on: 12-27-96

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Prepared by: David Jacobson

BANKERS LIFE AND CASUALTY COMPANY
A Life Insurance Illustration

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===== SECTION 2: DESCRIPTION OF BASIC POLICY FEATURES =====

LOANS - The Owner may borrow funds from the contract without surrendering the policy. Loan interest will be charged on any existing loan balance. You can either pay this interest or charge it to the policy. The loan balance can be repaid.

WITHDRAWALS - Partial withdrawals may be made from the Accumulation Account after the policy has been in force for one year. No more than one partial withdrawal may be made in one policy year. The minimum partial withdrawal is five hundred dollars (\$500.00). The maximum amount is the amount of the Accumulation Account less the Surrender Charge, if any, and less any indebtedness on the policy. The specified amount will be reduced by the amount of the withdrawal if death benefit option A is in effect. The specified amount after the withdrawal may not be less than the Minimum Specified Amount shown in the schedule. We'll charge a service fee or a pro-rata Surrender Charge against the Accumulation Account on partial withdrawals. It will be \$25.00 or the amount of the Surrender Charge based upon the percentage of reduction in the specified amount, if greater.

If death benefit option A is in effect, the specified amount may be increased by the amount of a partial withdrawal, subject to evidence of insurability satisfactory to us. Such increased amount will be subject to the Incontestability provision of this policy and a charge of only \$25.00 will be imposed against the Accumulation Account.

NON-GUARANTEED ELEMENTS - We set the non-guaranteed actual monthly policy charges and credited interest rate used to determine the policy values. The current charges are based on current company expectations as to future experience. There are maximum limits on the policy charges and a minimum guaranteed interest rate. The non-guaranteed elements in this policy are described below.

INTEREST: The actual interest rate credited to the policy values may exceed the guaranteed rate. We may change the rate monthly.

COST OF INSURANCE: We establish cost of insurance rates which are based on expected mortality experience. The non-guaranteed rates are less than or equal to the guaranteed rates. We may change the non-guaranteed scale at any time.

----- NOTICE -----

THIS ILLUSTRATION INCLUDES VALUES THAT ARE NOT GUARANTEED. THE ILLUSTRATION ASSUMES THAT THE CURRENTLY ILLUSTRATED NON-GUARANTEED ELEMENTS WILL CONTINUE UNCHANGED FOR ALL YEARS SHOWN. THIS IS NOT LIKELY TO OCCUR, AND THE ACTUAL RESULTS MAY BE MORE OR LESS FAVORABLE THAN THOSE SHOWN.

Prepared on: 12-27-96

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Prepared by: David Jacobson

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A Life Insurance Illustration

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===== SECTION 3: DESCRIPTION OF ADDITIONAL BENEFITS =====

The policy as illustrated includes the following rider(s). Riders provide additional benefits that are not available through the base policy. Note that riders that have a monthly charge will reduce the surrender values otherwise available to the Owner without the rider(s).

WAIVER OF PLANNED PERIODIC PREMIUM (Form L-158Y):

- Waives the Planned Periodic Premium established at issue. The insured must be totally disabled, as defined in the rider, for six consecutive months or more before waiving will begin.
- This rider is scheduled from Policy Year 1 to Policy Year 30.

===== SECTION 4: DEFINITION OF TERMS =====

Column headings shown in the illustration of values are defined below.

PREMIUM OUTLAY - Total premiums paid into the policy. It includes Planned Periodic Premiums and any additional premiums from other funds or a policy exchange.

PARTIAL SURRENDER - Amounts withdrawn from the policy under the Partial Surrender option. Illustration assumes partial surrenders are taken at the beginning of the policy year.

ACCUMULATION ACCOUNT - Policy value determined considering premiums, partial withdrawals, charges for insurance and expenses, and credited interest but not considering surrender charges or any indebtedness. Value is shown as of the end of the policy year.

CASH SURRENDER VALUE - Amount available to the Owner upon surrender of the policy. This amount will be the Accumulation Account value reduced by any applicable surrender charges and any indebtedness. Value is shown as of end of policy year.

DEATH BENEFIT - Death benefit that would be paid to beneficiary in the event of insured's death. Value is shown as of beginning of policy year.

GUARANTEED - Assumes guaranteed interest rate of 3.00% and guaranteed policy charges. Based on a cumulative premium outlay of \$130,000.00, the policy would remain in force to maturity.

CURRENT - Assumes current interest rate of 6.00% and current policy charges will remain in effect. Based on a cumulative premium outlay of \$130,000.00, the policy would remain in force to maturity.

MID-POINT - Assumes interest rate of 4.50% which is midway between the guaranteed and current rate and an average of current and guaranteed charges. Based on a cumulative premium outlay of \$130,000.00, the policy would remain in force to maturity.

Prepared on: 12-27-96

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===== SECTION 5: SUMMARY OF VALUES =====

POLICY TYPE: Flexible Premium Adjustable Life Policy
PRODUCT NAME: LIFETIME V
POLICY FORM NUMBER: L-18D

----- INSURED -----
NAME: Mark Smith
AGE/SEX: Issue Age 35 / Male
CLASS: Nonsmoker

----- PREMIUM INFORMATION -----
PREMIUM FREQUENCY: Annual
INITIAL PLANNED PERIODIC PREMIUM: \$2,000.00 for 65 years

----- BENEFIT INFORMATION -----
INITIAL SPECIFIED AMOUNT: \$100,000
INITIAL DEATH BENEFIT OPTION: A Level Amount
RIDERS: 1 Rider Included
See -Section 3- for details

END OF YR	AGE	ANNUAL PREMIUM OUTLAY	----- GUARANTEED 3.00% -----			----- NON-GUARANTEED 6.00% -----		
			ACCUM ACCOUNT	CASH SURR VALUE	DEATH BENEFIT	ACCUM ACCOUNT	CASH SURR VALUE	DEATH BENEFIT
1	36	2,000	\$1,044	\$134	\$100,000	\$1,103	\$193	\$100,000
2	37	2,000	2,698	1,788	100,000	2,896	1,986	100,000
3	38	2,000	4,393	3,483	100,000	4,793	3,883	100,000
4	39	2,000	6,129	5,220	100,000	6,797	5,887	100,000
5	40	2,000	7,909	6,999	100,000	8,915	8,005	100,000
6	41	2,000	9,730	8,911	100,000	11,152	10,333	100,000
7	42	2,000	11,594	10,866	100,000	13,511	12,783	100,000
8	43	2,000	13,502	12,866	100,000	15,998	15,362	100,000
9	44	2,000	15,455	14,909	100,000	18,619	18,073	100,000
10	45	2,000	17,453	16,999	100,000	21,378	20,923	100,000
11	46	2,000	19,497	19,133	100,000	24,284	23,920	100,000
12	47	2,000	21,586	21,586	100,000	27,352	27,352	100,000
13	48	2,000	23,723	23,723	100,000	30,591	30,591	100,000
14	49	2,000	25,908	25,908	100,000	34,015	34,015	100,000
15	50	2,000	28,142	28,142	100,000	37,636	37,636	100,000
16	51	2,000	30,425	30,425	100,000	41,471	41,471	100,000
17	52	2,000	32,755	32,755	100,000	45,537	45,537	100,000
18	53	2,000	35,134	35,134	100,000	49,852	49,852	100,000
19	54	2,000	37,559	37,559	100,000	54,434	54,434	100,000
20	55	2,000	40,031	40,031	100,000	59,306	59,306	100,000

Prepared on: 12-27-96

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Prepared by: David Jacobson

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A Life Insurance Illustration

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#5044538929

===== SECTION 5: SUMMARY OF VALUES =====

POLICY TYPE: Flexible Premium Adjustable Life Policy
PRODUCT NAME: LIFETIME V
POLICY FORM NUMBER: L-18D

----- INSURED -----

NAME: Mark Smith
AGE/SEX: Issue Age 35 / Male
CLASS: Nonsmoker

----- PREMIUM INFORMATION -----

PREMIUM FREQUENCY: Annual
INITIAL PLANNED PERIODIC PREMIUM: \$2,000.00 for 65 years

----- BENEFIT INFORMATION -----

INITIAL SPECIFIED AMOUNT: \$100,000
INITIAL DEATH BENEFIT OPTION: A Level Amount
RIDERS: 1 Rider Included
See -Section 3- for details

END OF YR	AGE	CUMULATIVE PREMIUM OUTLAY	----- GUARANTEED 3.00% -----			---- NON-GUARANTEED 6.00% ----		
			ACCUM ACCOUNT	CASH SURR VALUE	DEATH BENEFIT	ACCUM ACCOUNT	CASH SURR VALUE	DEATH BENEFIT
----- SUMMARY TOTALS (EVERY 5 YEARS) -----								
25	60	50,000	53,156	53,156	100,000	88,503	88,503	109,863
30	65	60,000	67,795	67,795	100,000	127,018	127,018	144,520
35	70	70,000	85,294	85,294	100,000	177,900	177,900	193,273
40	75	80,000	106,384	106,384	108,988	245,219	245,219	246,155
45	80	90,000	130,931	130,931	132,151	335,440	335,440	331,235
50	85	100,000	157,063	157,063	159,378	451,837	451,837	447,540
55	90	110,000	183,149	183,149	186,928	598,826	598,826	595,166
60	95	120,000	213,796	213,796	208,392	794,094	794,094	735,925
65	100	130,000	257,849	257,849	248,510	1,073,751	1,073,751	1,011,119
----- SUMMARY TOTALS (KEY AGES) -----								
At Age	60	50,000	53,156	53,156	100,000	88,503	88,503	109,863
At Age	65	60,000	67,795	67,795	100,000	127,018	127,018	144,520
At Age	70	70,000	85,294	85,294	100,000	177,900	177,900	193,273
At Age	75	80,000	106,384	106,384	108,988	245,219	245,219	246,155
At Age	100	130,000	257,849	257,849	248,510	1,073,751	1,073,751	1,011,119

BANKERS LIFE AND CASUALTY COMPANY
A Life Insurance Illustration

V96.7

#5044538929

===== SECTION 6: ADDITIONAL NOTES =====

POLICY LOANS

Loan interest on this policy is 7.4% payable in advance. The portion of the Accumulation Account value backing the policy loan will earn the guaranteed interest rate associated with this policy.

There are no loans assumed in this policy illustration.

PARTIAL SURRENDERS

A pro rata surrender charge will be imposed on partial withdrawals from your Cash Surrender Value. The amount of surrender charge will be based on the percentage of reduction in the specified amount, but will not be less than twenty-five dollars (\$25.00). These withdrawals are subject to government tax guidelines.

There are no partial surrenders assumed in this policy illustration.

SURRENDER CHARGES

This policy has surrender charges during the first eleven years.

YEAR	SURRENDER CHARGE	YEAR	SURRENDER CHARGE	YEAR	SURRENDER CHARGE
1	829.00	5	829.00	9	497.40
2	829.00	6	746.10	10	414.50
3	829.00	7	663.20	11	331.60
4	829.00	8	580.30		

Any reduction in specified amount will result in a pro-rated surrender charge.

PREMIUM GUIDELINES

The premiums on this policy are subject to federal tax guidelines which limit the amount of premium you can pay into your policy. These premiums are summarized below. Future policy changes such as specified amount adjustments, rider additions & partial surrenders may require that premiums be recalculated. Please consult your tax advisor for further information.

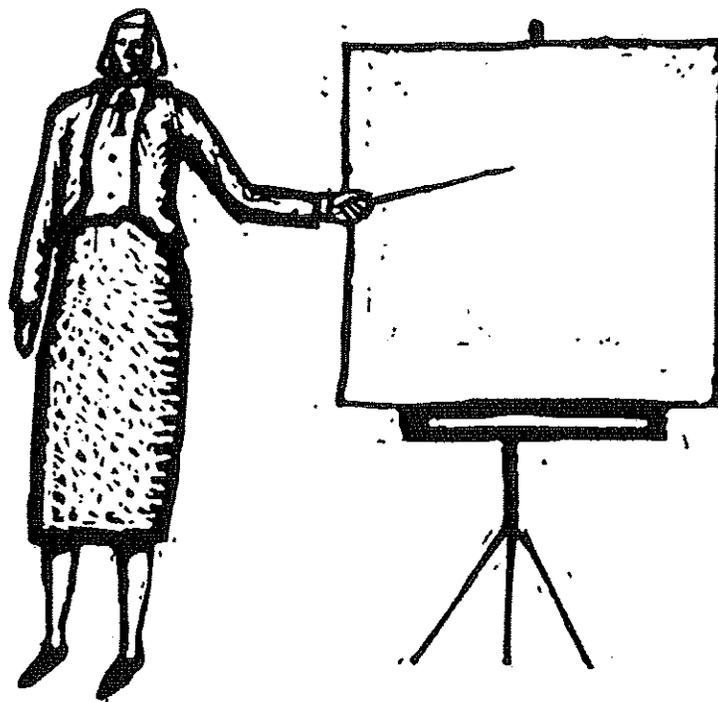
GUIDELINE LEVEL PREMIUM	\$1,418.33
GUIDELINE SINGLE PREMIUM	\$49,620.90
HEC PREMIUM (7-PAY TEST)	\$4,032.13

Prepared on: 12-27-96

Page 8 of 8

Prepared by: David Jacobson

What is Different at the Point-of-Sale and Point-of-Issue?



What's different about Point-of-Sale Activity?

As mentioned at the beginning of this workbook, the sale of Life insurance requires a formal set of procedures. Let's examine these new procedures and what they mean to you.

Whole Life Insurance:

Since our Whole Life Insurance products do not have "non-guaranteed" elements, they do not need an illustration. The Regulation has had no impact on the sale of these products.

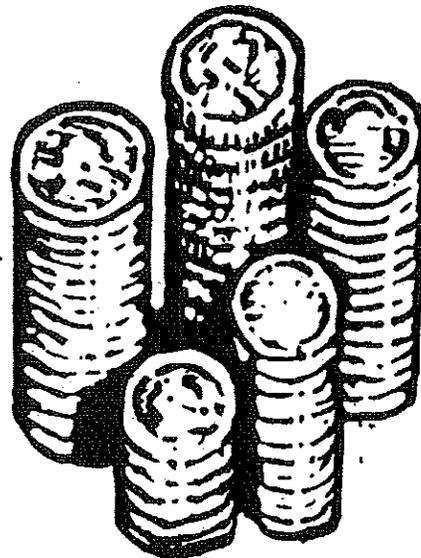
Term Insurance:

Term Insurance has "non-guaranteed" premiums. Because the Regulation requires us to designate a product as "illustrated" or "non-illustrated," we will market Term Insurance as a "non-illustrated" product. Accordingly, you cannot use an illustration when you are presenting Term Insurance. You may use your rate book, but you are limited to discussing guaranteed premiums, only!

Remember, we do not guarantee premiums in all years. You cannot say: "We do not expect to raise premiums," or "We have never raised premiums in the past," or any other words that would suggest premiums are not likely to increase.

Universal Life Insurance:

As mentioned in the Basic Illustration section, UL is an "illustrated" product that requires a signed proposal at the point-of-sale. Besides a signed illustration that must accompany the application, a signed copy must be left with the applicant. You can run "what if" scenarios at point-of-sale for your prospect (these should not be signed). However, except for single pay cases, the "pay for all years with no loans, withdrawals or changes" version, must be signed and submitted to the home office.



What Happens at Policy Issue?

Whole Life Insurance:

There is no change to current procedures.

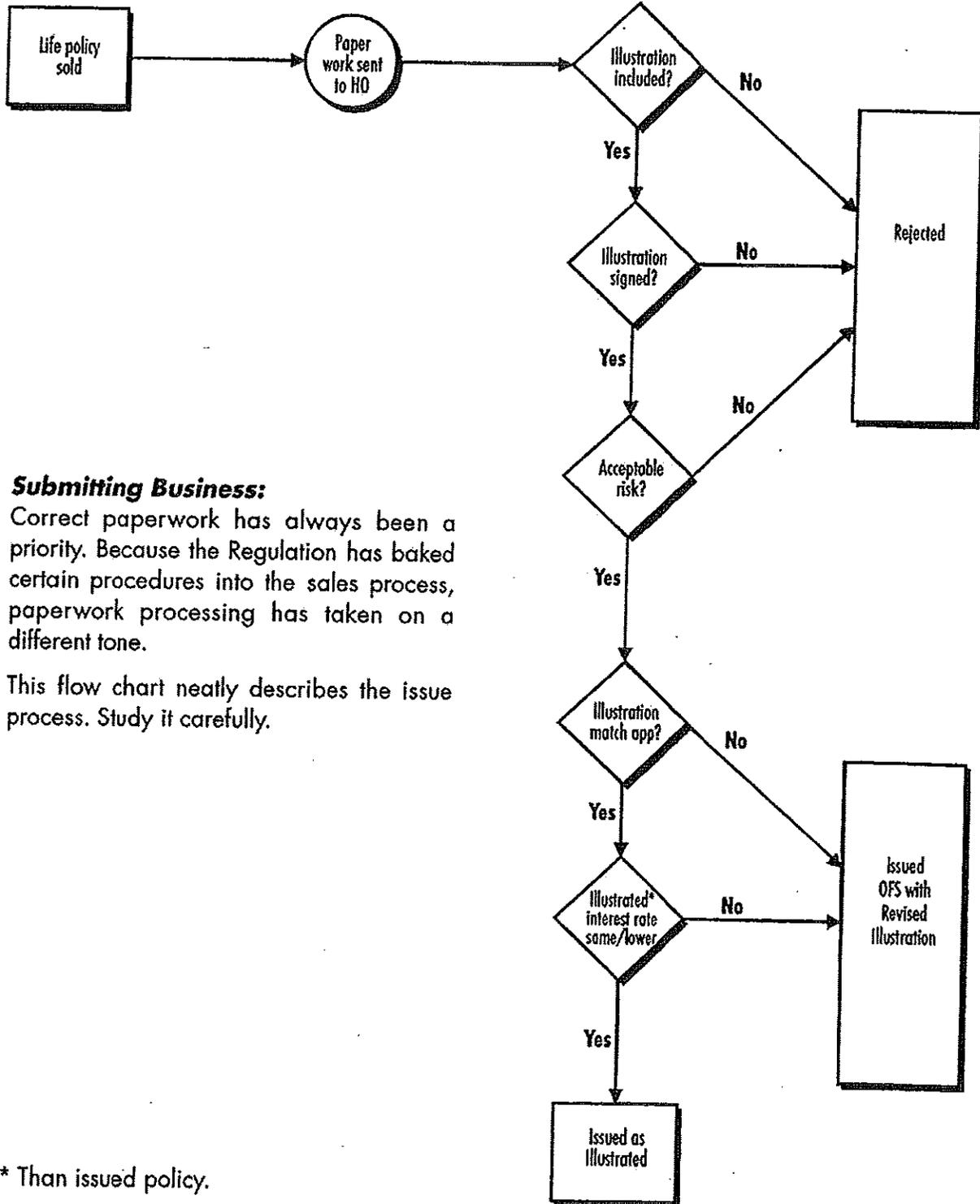
Term Insurance:

There is no change to current procedures.

Universal Life Insurance:

As you have probably surmised from the preceding sections, special procedures are required for Universal Life Insurance at point-of-issue. If it's true that "a picture is worth a thousand words," the graphic on the following page says it all when it comes to UL at point-of-issue. Take a look.





Submitting Business:

Correct paperwork has always been a priority. Because the Regulation has baked certain procedures into the sales process, paperwork processing has taken on a different tone.

This flow chart neatly describes the issue process. Study it carefully.

* Than issued policy.

What to Look for?

When an application is submitted on a form required to be illustrated, Life Underwriting will use the following checklist:

	<u>Yes</u>	<u>No</u>
1) Is a complete illustration (all pages) attached?	_____	_____
2) Is the illustration on the proposed insured?	_____	_____
3) Is the illustration dated and signed by both the proposed policy owner and agent?	_____	_____
4) Does the proposed insured appear to be an insurable risk?	_____	_____

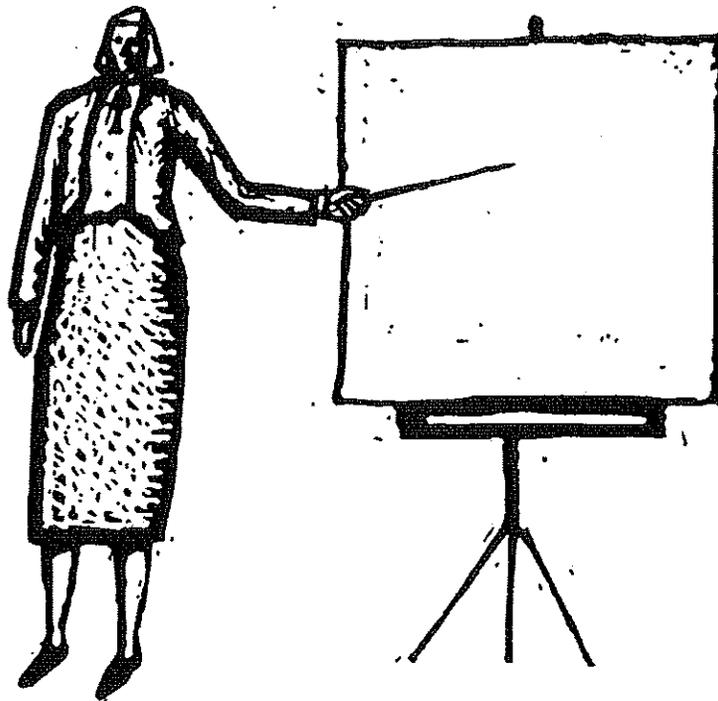
If any of the above are answered "No," the application will be declined.

At issue, the underwriter will compare the illustration with the policy being issued, to decide if the following items match:

	<u>Yes</u>	<u>No</u>
1) Plan form	_____	_____
2) Issue age and sex	_____	_____
3) Premium class (smoker, non-smoker, select)	_____	_____
4) Rating	_____	_____
5) Premium mode	_____	_____
6) Planned Periodic Premium	_____	_____
7) Interest rate	_____	_____
8) Specified Amount	_____	_____
9) Death Benefit option	_____	_____
10) Riders	_____	_____
11) "In-House" 1035 amount	_____	_____
12) Additional payments	_____	_____

If any of the above are answered "No," we will issue the application with a revised illustration on an out-for-signature basis.

What is a Revised Illustration?



The preceding checklists and flow chart clearly identify the requirements and pitfalls of submitting business. As stated in the beginning of this guide:

"The model regulation adds some additional paperwork that can put a 'hitch' in your sales if you don't handle it properly. As with any required paperwork, if we don't receive what we need or if what we receive is incorrect, the case will be rejected or handled OFS and your commission will be delayed until we receive all the proper paperwork. It's important to note here that a sale will become OFS if we cannot issue a policy exactly as illustrated. This can be through no fault of your own. You can sell the policy properly, complete and submit all the proper paperwork and still receive a revised illustration that needs a signature. The reason can be as simple as an interest change between the date when the policy was sold and when it was issued; or a rate class change. Unfortunately, there's nothing we can do about this. We hope, these situations will be minimized."

A Revised Illustration:

- * Has the same format as the Basic Illustration, except for page 1.
- * Is always produced by the Home Office in duplicate.
- * Reflects the policy "as issued."
- * Has the same signature requirements as the Basic Illustration.
- * Means the policy and illustration have been issued OFS.

Following is the cover page of a revised illustration. We've highlighted the differences for you.



BANKERS LIFE AND CASUALTY COMPANY

V96.7[HO][LINK]

Policy: 7408647

Revised Life Insurance Illustration

App: 1217301102

=====
SECTION 1: GENERAL POLICY AND AGENT INFORMATION
=====

POLICY TYPE: Flexible Premium Adjustable Life Policy
PRODUCT NAME: LIFETIME V UL 18D
POLICY FORM NUMBER: L-18D

INSURED

NAME: MARK SMITH
AGE/SEX: Issue Age 35 / Male
CLASS: Smoker

POLICY OWNER

NAME: MARK SMITH
PHONE: (312)444-5555
ADDRESS: 244 LAKE ST
CHICAGO IL 60630

AGENT

NAME: DAVID JACOBSON
LICENSE: 357125402
PHONE: (847)673-1303
ADDRESS: SUITE 412
6600 N. LINCOLN AVENUE
LINCOLNWOOD IL 60645

PREMIUM INFORMATION

PREMIUM FREQUENCY: Annual
INITIAL PLANNED PERIODIC PREMIUM: \$2,000.00 for 65 years

BENEFIT INFORMATION

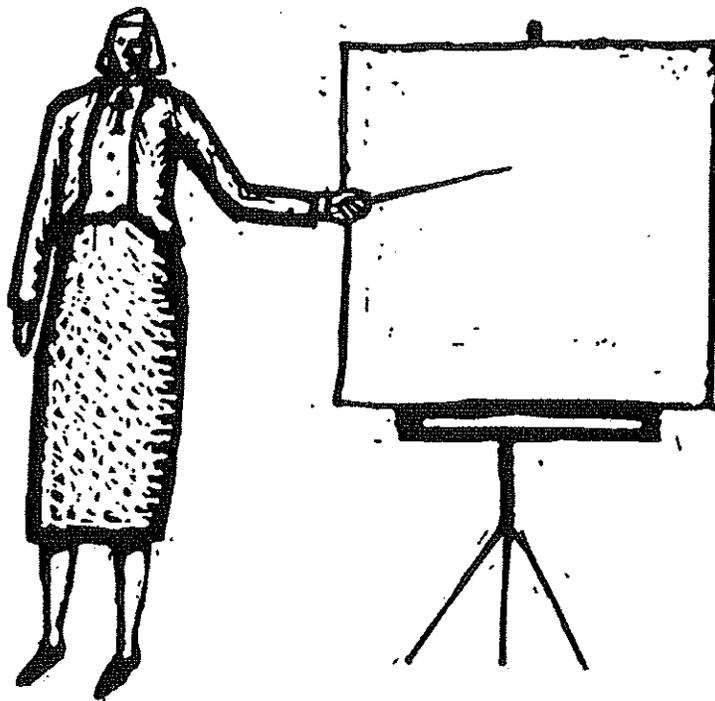
INITIAL SPECIFIED AMOUNT: \$100,000
INITIAL DEATH BENEFIT OPTION: A Level Amount
WAIVER OF PLANNED PERIODIC PREMIUM

Prepared on: 12-13-1996

Page 1 of 8

Prepared by: Home Office

Commonly Asked Questions



NAIC Questions and Answers

- Q:** Can I submit a Universal Life application without an illustration?
- A:** No! If an application is received without an illustration, it will be declined.
- Q:** Can I prepare multiple illustrations during a single sales presentation?
- A:** Yes, but only the illustration matching the policy applied for should be signed and submitted.
- Q:** I don't have a lap top computer and can't prepare a customized illustration. Can I use a sample document with generic information?
- A:** No, you should obtain age, gender, health and policy information before visiting the applicant. Then prepare a customized illustration to present to the applicant.
- Q:** What if the applicant decides to purchase a different specified amount or make other changes to the "customized" illustration I prepared for the sales presentation?
- A:** Before the application is submitted, another illustration matching what the applicant wants should be prepared and signed. This may often require additional visits. It might be a good idea to prepare some alternate illustrations for your first visit.
- Q:** Can I illustrate policy loans, partial withdrawals and other post issue changes on the basic illustration?
- A:** You can prepare illustrations in these instances and give copies to the applicant. However, these future events are not contractually stated in the policy. The signed illustration sent to the Home Office cannot detail future policy changes, loans or partial withdrawals.
- Q:** Can I illustrate without riders but submit the application with riders?
- A:** The illustration submitted with the application must be complete. All riders must be included. Illustrations without riders can also be prepared but must not be submitted with the application.
- Q:** I will be writing 25 PRD Universal Life policies. Do I have to submit an illustration for every application?
- A:** Yes, there are no exceptions.
- Q:** Do I need to submit an illustration on a term conversion to a Universal Life policy?
- A:** Yes, there are no exclusions for term conversions.
- Q:** What happens if the declared interest rate for a UL product changes between the time I submit the illustration and the policy is issued?
- A:** A revised illustration will be sent if the declared interest rate is lower than the interest rate used on your illustration. You and the policy owner must sign and return the revised illustration. A revised illustration will not be sent if the interest rate is higher when the policy is issued.

Q: The applicant wants to purchase a UL policy and not pay any or reduce premiums after the 10th policy year. How should I illustrate this?

A: You can prepare an illustration with premiums ending or reducing after 10 years and give it to the applicant. However, the policy doesn't contractually state that premiums will be ended or reduced after 10 years. The illustration that you and the applicant should sign should show premiums paid for the lifetime of the contract.

Q: The applicant wants to pay a single premium. How should I illustrate this?

A: The payment should be entered as a lump sum additional payment. You should explain that additional funds may be needed later if future interest credits, expense and cost of insurance charges change.

Q: The applicant wants to pay \$2,000 a year. At this rate, guideline premiums are violated in the 12th policy year. How do I illustrate this case?

A: You can illustrate the \$2,000 annual payment up to the time the guideline premiums are violated and give a copy to the applicant. But, the signed illustration submitted with the application must include level premiums paid throughout the lifetime of the policy. Illustrate a \$2,000 payment for the first year and the maximum level guideline premium for the balance of the policy years.

Q: How do I illustrate a 1035 Tax-Free Exchange?

A: If you know the amount of funds we will be receiving from the **other** company, you can run an illustration including that amount and present it to the owner. But you cannot submit this illustration to the Home Office since the funds won't be present when the application is processed. The signed illustration sent to the Home Office must include continuous planned periodic premium payments.

If the funds are from an existing Bankers/Certified policy, the illustration that is signed and submitted must include the correct amount of transferred funds or it will be OFS.

Q: Do I have to return all pages of the Basic or Revised Illustration?

A: Yes. Failure to return all pages will result in a Revised OFS Illustration.

RECOMMENDATIONS EXHIBIT

RECOMMENDATION 12

FRAUD WARNING

APPLICATION FOR LIFE INSURANCE TO
BANKERS LIFE AND CASUALTY COMPANY
 222 Merchandise Mart Plaza, Chicago, IL 60654-2001

1 Print Applicant's Full Name (Last, First, & Middle Initial) _____

2 First Name & Initial of Applicant and Each Person to be Insured (and Last if not same as Applicant)	A. (Applicant)	B.	C.	D.	E.	F.
Sex						
Married (M); Single (S)						
Relationship to Applicant						
Date of Birth (Mo/Day/Yr)/Age	/ /	/ /	/ /	/ /	/ /	/ /
State or Country of Birth						
U.S. Citizen	Yes <input type="checkbox"/> No <input type="checkbox"/>					
Height/Weight	/	/	/	/	/	/

3 LIFE PLAN NAME _____ FORM NO. _____

If UNIVERSAL LIFE is applied for, complete the following:

Benefit Amount \$ _____	Death Benefit Option <input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/>
Term Period _____	Planned Premium \$ _____ Payable _____
	Lump Sum Premium \$ _____

3a. APPLICATION OF EXCESS INTEREST (If Applicable) Paid-Up Additions Reduce Premium One Year Term

3b. ADDITIONAL BENEFITS APPLIED FOR

Waiver of Prem. Accidental Death (Units) _____ Spouse Insurance (Units) _____ Other _____

Waiver of Cost Ins. Waiver of Planned Periodic Payment _____ Children Insurance (Units) _____ _____ Term Rider for _____ yrs.

3c. ACCELERATED DEATH BENEFIT (If Applicable) Yes No (If YES, complete required form.)

4 HOME ADDRESS (List previous address in Section 16. If residing here less than 2 years)	5 BILLING ADDRESS (If different than Home Address)
Street or P.O. Box _____	Name _____
City/Town _____ State _____	Street or P.O. Box _____
Zip Code _____ Phone No. (____) _____	City/Town _____ State _____ Zip Code _____

6 Requested Issue Date _____

7a. Premium To Be Paid Annually (12) Quarterly (03) PRD (01) Semi-Annually (06) A/O (0)

7 Amt. Pre-Paid \$ _____ or COD P.P.S.P. (01) Government Allotment (01) Draft Date _____

8 Beneficiary (Primary) _____ Relationship/Age _____

(Contingent) _____ Relationship _____

(Show additional beneficiaries, if any in Section 16)

9 Will any existing Life, Health, Accident & Sickness, Disability Income or Annuity Contract(s) be replaced or changed if the proposed insurance is issued? If yes, attach required replacement forms. Yes No

10 EMPLOYMENT/FINANCIAL INFORMATION (On Insured) (On Payor If Payor Benefits Are Requested or Joint Insured)

a. Name of Employer/Length of Employment _____

Business Address _____

Annual Income-This Occupation \$ _____

Describe duties _____

b. Annual Income other than above. Earned \$ _____ Unearned \$ _____

11 (questions 11 thru 15 refer to proposed insured(s) and the applicant if payor benefits requested.)

Has any person to be insured:	Yes	No	Details of Yes answers, and person(s) involved
a. Ever been declined, postponed, rated or charged extra premium for Life or Health insurance or offered a policy different from that applied for, or been refused reinstatement or renewal of Life or Health insurance?	<input type="checkbox"/>	<input type="checkbox"/>	
b. Applied for any other Life or Health insurance now pending or contemplated?	<input type="checkbox"/>	<input type="checkbox"/>	
c. Plans to make, or in the past 12 months made any flight as a pilot, student pilot, or member of the crew of any aircraft? (If Yes, complete aviation questionnaire.)	<input type="checkbox"/>	<input type="checkbox"/>	

11	Has any person to be insured: (Continued)	Yes	No	Details of Yes answers, and person(s) involved
d.	Plans to engage in, or in the past 12 months engaged in, parachuting, hang gliding, vehicle racing, skin or scuba diving, or mountain climbing? (If Yes, complete appropriate questionnaire.)	<input type="checkbox"/>	<input type="checkbox"/>	
e.	Any intention of traveling, working or living outside the U.S.A. in the next 2 years or lived or traveled outside the U.S.A. within the past 12 months?	<input type="checkbox"/>	<input type="checkbox"/>	
f.	Used tobacco in the past year? If Yes, type.	<input type="checkbox"/>	<input type="checkbox"/>	
g.	Had their drivers license suspended, or revoked or received two (2) or more moving violations in the past 3 years? Been convicted for driving under the influence of alcohol or drugs within the past 5 years? If Yes, list license number.	<input type="checkbox"/>	<input type="checkbox"/>	
h.	Been convicted of a felony within the past 10 years?	<input type="checkbox"/>	<input type="checkbox"/>	

12	MEDICAL DATA Has any person to be insured:	Yes	No	Details of Yes answers, and person(s) involved
a.	Been under observation or taking treatment or been medically advised to have any diagnostic test, hospitalization, or surgery which was not completed?	<input type="checkbox"/>	<input type="checkbox"/>	
b.	In the past 9 months become pregnant?	<input type="checkbox"/>	<input type="checkbox"/>	
c.	Used in the past 5 years:			
1.	Alcoholic beverages? If so, to what extent?	<input type="checkbox"/>	<input type="checkbox"/>	
2.	Barbiturates, sedatives, tranquilizers, or morphine? If yes, how often?	<input type="checkbox"/>	<input type="checkbox"/>	
3.	L.S.D., marijuana, cocaine, heroin, or any other narcotic? If Yes, how often?	<input type="checkbox"/>	<input type="checkbox"/>	
d.	In the past 10 years, been medically treated for alcoholism or drug habit?	<input type="checkbox"/>	<input type="checkbox"/>	
e.	Had a weight loss in the past year (10 pounds or more)?	<input type="checkbox"/>	<input type="checkbox"/>	
f.	Had medical treatment for AIDS, AIDS related complex (ARC) or had positive test results to the AIDS virus?	<input type="checkbox"/>	<input type="checkbox"/>	

13 Has any person to be insured ever, to the best of your knowledge and belief, had or does any person have (answer each question by checking the appropriate box or boxes): If "Yes" give details in question 14.

A.	Any Nervous, or Mental Trouble?	Yes	No	E.	Any Lung or Respiratory Trouble?	Yes	No
	<input type="checkbox"/> Chronic Headaches	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Asthma	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Dizziness	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Blood Spitting	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Epilepsy	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Bronchitis	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Nervous Fatigue				<input type="checkbox"/> Shortness of Breath	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/> Persistent Hoarseness or Cough		
B.	Any Heart or Circulatory Trouble?	Yes	No	F.	Any Back, Joint, Bone, or Muscle Trouble?	Yes	No
	<input type="checkbox"/> Chest Pain	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Arthritis	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Heart Murmur	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Back	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Heart Disease	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Hemiated Disc	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Rheumatic Fever				<input type="checkbox"/> Neuritis	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Palpitations				<input type="checkbox"/> Gout	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/> Rheumatism	<input type="checkbox"/>	<input type="checkbox"/>
C.	Any Endocrine or Metabolic Trouble?	Yes	No	G.	Any Stomach, Digestive, Intestinal or Rectal Trouble?	Yes	No
	<input type="checkbox"/> Diabetes	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Gall Bladder	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Goiter				<input type="checkbox"/> Intestines	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Sugar in Urine	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Ulcer	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/> Jaundice	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/> Liver	<input type="checkbox"/>	<input type="checkbox"/>
D.	Any Genito-Urinary or Breast Trouble?	Yes	No	H.	Any of the following?	Yes	No
	<input type="checkbox"/> Breast	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Cancer	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Kidney	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Cyst	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Prostate	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Ear Trouble	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Reproductive Organ	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/> Eye Trouble	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Venereal Disease				<input type="checkbox"/> Leukemia	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/> Blood in Urine				<input type="checkbox"/> Malaria	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/> Tumor		

14 List full details of any sickness above, also give full details of any other sickness, disability, medical, mental or surgical treatments or check-ups in the past five (5) years. If None, check here .

Name	Conditions and Complications	Date of			Days in Hospital	Name and Addresses of Physicians/Hospitals/Clinics
		Onset Mo. Yr.	Operation Mo. Yr.	Recovery Mo. Yr.		

15 FAMILY RECORD		(Insured)			(Payor or Joint Insured)		
		Age if Living	Age at Death	Cause of Death	Age if Living	Age at Death	Cause of Death
Father							
Mother							
Brothers and Sisters	#Living				#Living		
	#Dead				#Dead		

REMARKS

ACKNOWLEDGEMENTS

- 17 THE APPLICANT, AND PROPOSED INSURED IF OTHER THAN THE APPLICANT, EACH TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, REPRESENT AND AGREE AS FOLLOWS:
- a. I have read, or had read to me, the completed application and realize that any false material statements or misrepresentation in this application may result in loss of coverage under the policy.
 - b. The statements in this application concerning past and present health are complete, true and correct.
 - c. No agent is authorized to waive or modify any terms of this application. An agent's knowledge of any facts not disclosed in this application will not be considered knowledge by the Company nor be binding on the Company.
 - d. No agent, medical examiner or other person is authorized to accept risks, pass upon insurability, make or modify contracts or waive any of the Company's rights or requirements.
 - e. Any insurance policy issued as a result of this application shall, together with the application, constitute a single and entire contract of insurance.
 - f. If premium was paid with this application, I have read the receipt given to me and fully understand the conditions and limitations stated in the receipt and that no agent can waive or change such conditions and limitations.
 - g. Any insurance issued as a result of this application will either: (i) not take effect for each person proposed for insurance unless and until the full first premium is paid and the policy is delivered during such person's lifetime and while such person is in the condition of health set forth in this application; or (ii) take effect only as specified in the receipt, if any, attached to this application.
 - h. Provisions concerning exceptions, exclusions, limitations and renewal of the insurance plan applied for have been explained and are understood.
 - i. The applicant shall be the owner of any insurance applied for unless otherwise requested.

AUTHORIZATION

18 In connection with an application for insurance currently made to Bankers Life and Casualty Company (the Company), I hereby authorize any licensed physician, medical practitioner, hospital, clinic or other medical or medically related facility, insurance company, the Medical Information Bureau or other organization, institution or person, that has any records or knowledge of me or any of the members of my family named in said application or of our health, to disclose to the Company or its reinsurers any such information upon presentation of this authorization or reproduction thereof. This authorization will be valid for a period of 2 years and 6 months from the date signed. I also acknowledge receipt of the Investigative Consumer Report Notice.

19 SIGNATURES Dated at City _____ State _____ Zip _____
 This _____ Day of _____ 20____
 Signature of Applicant(s) X _____
 Social Security Number(s) _____
 or Employer Identification number, if applicable _____

If other than Applicant, Proposed Insured(s) who are of legal age must sign below. I consent to this application and confirm that the answers recorded above are complete and true.

Name	B.	C.	D.	E.	F.
Signature of Proposed Insured					
Social Security Number					

I have witnessed the signature of the Applicant and Proposed Insured(s) if different. I certify that I asked all the questions and truly and accurately recorded the answers contained herein. To the best of my knowledge and belief, the insurance applied for is likely, is not or is not likely to replace or change any existing policy(ies) or contract(s).

Signature of Licensed Resident Agent X _____ No. _____ B.O. _____
 Signature of Licensed Resident Agent X _____ No. _____

L-11602B-PA

(04)

NOTICE: ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

MAKE ALL CHECKS PAYABLE TO BANKERS LIFE AND CASUALTY COMPANY

7 FINANCIAL INFORMATION (Proposed Insured)

- a. If self-employed, number of full time employees _____ (If none, or not applicable, check here)
- b. Annual Income (as Reported on your Federal Tax return), Full Time Job: Current Year \$ _____
 Last Year \$ _____ 2 Years Ago \$ _____
- c. Annual Income (as Reported on your Federal Tax return), Other Job(s) \$ _____ (If none, check here)
- d. Unearned Income (as Reported on your Federal Tax return) and Sources:
 Dividends \$ _____ Interest \$ _____ Rental \$ _____ Pension \$ _____
 Other \$ _____ (Give Details) _____
- Total Unearned Income: \$ _____ (If none, check here)
- e. Net Worth (Assets minus Liabilities): \$ _____
- f. Are you eligible for (but not currently receiving):
 Federal Social Security? Yes No Workers Compensation? Yes No State Cash Sickness Plan? Yes No
- g. Have you declared bankruptcy in the past 7 years? Yes No

8 INSURANCE IN FORCE ON PROPOSED INSURED

Disability Income in force None (Include all Disability Benefits under Individual, Group or Association Policies; all Salary Continuation, Sick Leave, Pension and Union Welfare Plans which provide Disability benefits; Disability Riders on Life Insurance.) If more space is needed, use Section 10p.

Company or Source	Monthly Amount	Benefit Period	Elimination Period	To Be Replaced		Replacement Date
				Yes	No	

9 Will any other existing Life, Health, Accident & Sickness, Disability Income or Annuity contracts be replaced or changed if a proposed policy is issued? Yes No (If yes, show details in Section 10p.)

10 HAS THE PROPOSED INSURED:

	Yes No		Details of Yes answers (Identify No. of question)
	Yes	No	
a. Ever been declined, postponed, rated or charged an extra premium for Life or Health or Disability Income Insurance or offered a policy different from that applied for, or been refused reinstatement or renewal of Life, Health or Disability Income Insurance?	<input type="checkbox"/>	<input type="checkbox"/>	
b. An application for any other Disability Income Insurance now pending or being considered?	<input type="checkbox"/>	<input type="checkbox"/>	
c. Ever received or claimed disability benefits, or a pension for any injury, sickness, or impaired condition?	<input type="checkbox"/>	<input type="checkbox"/>	
d. Made in the last 12 months, or plan to make, any flight as a pilot, student pilot, or member of the crew of any aircraft?	<input type="checkbox"/>	<input type="checkbox"/>	
e. Engaged in the last 12 months, or plan to engage in any sport or hobby such as paragliding, parakiting, parachuting, hang gliding, vehicle racing, mountain climbing, scuba or skin diving?	<input type="checkbox"/>	<input type="checkbox"/>	
f. 1. Lived or traveled outside the U.S.A. within the past 12 months? 2. Any intention of living or working outside the U.S.A. within the next 2 years?	<input type="checkbox"/>	<input type="checkbox"/>	
g. Had military service deferment, rejection or discharge because of a physical or mental condition?	<input type="checkbox"/>	<input type="checkbox"/>	
h. Been under observation, or taking medical treatment, or been medically advised to have any diagnostic test, hospitalization, or surgery which was not completed?	<input type="checkbox"/>	<input type="checkbox"/>	
i. In the past 9 months, become pregnant?	<input type="checkbox"/>	<input type="checkbox"/>	
j. Had his/her drivers license been suspended, or revoked or received two (2) or more moving violations in the past 3 years? If yes, give details in 10p.	<input type="checkbox"/>	<input type="checkbox"/>	
k. Been convicted of a felony within the past 10 years?	<input type="checkbox"/>	<input type="checkbox"/>	

10 HAS THE PROPOSED INSURED: (continued)

	Yes	No
i. In the past 5 years used:		
1. Alcoholic beverages? If yes, to what extent?	<input type="checkbox"/>	<input type="checkbox"/>
2. Barbiturates, sedatives, tranquilizers, or morphine unless prescribed by a licensed physician? If yes, to what extent?	<input type="checkbox"/>	<input type="checkbox"/>
3. L.S.D., marijuana, cocaine, heroin, or any narcotic drug? If yes, how often?	<input type="checkbox"/>	<input type="checkbox"/>
m. Ever had medical attention related to the use of alcohol, drugs, or the effects of their use?	<input type="checkbox"/>	<input type="checkbox"/>
n. Had a change in weight in the past year (10 pounds or more)?	<input type="checkbox"/>	<input type="checkbox"/>
o. Had, or been medically treated for AIDS, AIDS related complex (ARC)		
p. Additional Details to Questions 8, 9 and 10 (Identify No. of questions):		

Details of Yes answers
(Identify No. of question)

11 Has the person to be insured ever, to the best of your knowledge and belief, had or have (answer each question by checking the appropriate box or boxes): If "Yes" give details in question 12.

A. Any Brain, Nervous, or Mental Trouble including but not limited to those listed below?		E. Any Lung or Respiratory Trouble?		Yes	No
<input type="checkbox"/> Anxiety	<input type="checkbox"/> Epilepsy	<input type="checkbox"/> Asthma	<input type="checkbox"/> Pleurisy	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Chronic Headaches	<input type="checkbox"/> Nervous Fatigue	<input type="checkbox"/> Blood Spitting	<input type="checkbox"/> Throat	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Depression	<input type="checkbox"/> Meningitis	<input type="checkbox"/> Bronchitis	<input type="checkbox"/> Tuberculosis	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Dizziness	<input type="checkbox"/> Paralysis	<input type="checkbox"/> Shortness of Breath	<input type="checkbox"/> Emphysema	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/> Persistent Hoarseness or Cough			
B. Any Heart or Circulatory Trouble?		F. Any Back, Joint, Bone or Muscle Trouble?		Yes	No
<input type="checkbox"/> Chest Pain	<input type="checkbox"/> Palpitation	<input type="checkbox"/> Amputation	<input type="checkbox"/> Neuritis	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Heart Murmur	<input type="checkbox"/> Stroke	<input type="checkbox"/> Arthritis	<input type="checkbox"/> Gout	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Heart Disease	<input type="checkbox"/> Varicose Veins	<input type="checkbox"/> Back	<input type="checkbox"/> Deformity	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Rheumatic Fever	<input type="checkbox"/> High Blood Pressure	<input type="checkbox"/> Fracture	<input type="checkbox"/> Bursitis	<input type="checkbox"/>	<input type="checkbox"/>
C. Any Endocrine or Metabolic Trouble?		G. Any Stomach, Digestive, Intestinal or Rectal Trouble?		Yes	No
<input type="checkbox"/> Diabetes	<input type="checkbox"/> Sugar in Urine	<input type="checkbox"/> Appendicitis	<input type="checkbox"/> Diverticulitis	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Gland Trouble	<input type="checkbox"/> Blood in Urine	<input type="checkbox"/> Colitis	<input type="checkbox"/> Indigestion	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Goiter	<input type="checkbox"/> Thyroid	<input type="checkbox"/> Gall Bladder	<input type="checkbox"/> Jaundice	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/> Hemorrhoids	<input type="checkbox"/> Liver	<input type="checkbox"/>	<input type="checkbox"/>
D. Any Genito-Urinary or Breast Trouble?		H. Any of the following?		Yes	No
<input type="checkbox"/> Breast	<input type="checkbox"/> Reproductive Organ	<input type="checkbox"/> Allergy	<input type="checkbox"/> Eye Trouble	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Kidney	<input type="checkbox"/> Urinary Bladder	<input type="checkbox"/> Anemia	<input type="checkbox"/> Leukemia	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Prostate	<input type="checkbox"/> Venereal Disease	<input type="checkbox"/> Cancer	<input type="checkbox"/> Polyp	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Pus in Urine		<input type="checkbox"/> Cyst	<input type="checkbox"/> Tumor	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/> Ear Trouble	<input type="checkbox"/> Dermatitis	<input type="checkbox"/>	<input type="checkbox"/>

12 List full details of any condition above; also give full details of any other sickness or accident, or medical, mental or surgical treatments or check-ups in the past five (5) years. (If none, check here)

Question Number	Conditions and Complications	Date of			Days in Hosp.	Names, Addresses, Phone Numbers of Physicians/Doctors/Hospitals
		Onset Mo. Yr.	Operation Mo. Yr.	Recovery Mo. Yr.		

13 Is the proposed insured, to the best of your knowledge and belief, free from mental or physical deformity or defect except as noted above? If "No" give details in question 12. Yes No

14 FAMILY RECORD OF PROPOSED INSURED

	Age if Living	Age at Death	Cause of Death, if known
Father			
Mother			
Brothers and Sisters	#Living	#Dead	

15

REMARKS

ACKNOWLEDGEMENTS

16 THE APPLICANT, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, REPRESENTS AND AGREES AS FOLLOWS:

- a. I have read, or had read to me, the completed application and realize that any false statements or misrepresentation in this application may result in loss of coverage.
- b. The statements in this application concerning past and present health are complete, true and correct.
- c. No agent is authorized to waive or modify any terms of this application. An agent's knowledge of any facts not disclosed in this application will not be considered knowledge by the Company nor be binding on the Company.
- d. No agent, medical examiner or other person is authorized to accept risks, pass upon insurability, make or modify contracts or waive any of the Company's rights or requirements.
- e. Any individual insurance policy issued as a result of this application shall, together with the application, constitute a single and entire contract of insurance.
- f. If premium was paid with this application, I have read the receipt(s) for same and fully understand the conditions and limitations stated in the receipt(s) and that no agent can waive or change such conditions and limitations.
- g. Any insurance issued as a result of this application will either: (i) not take effect for each person proposed for insurance unless and until the full first premium is paid and the policy or certificate is delivered during such person's lifetime and while such person is in the condition of health set forth in this application; or (ii) take effect only as specified in the receipt(s), if any, attached to this application.
- h. For an exchange, the new coverage will be treated as a renewal of any current coverage. Any loss that begins before the effective date of the new coverage will be considered within the limit of benefits contained in both the new and current coverage, subject to the applicable time limits on certain defenses.
- i. For upgrades, all policy waiting periods will apply to any increase in benefits. The waiting periods will start on the effective date of the increase.
- j. Provisions concerning exceptions, exclusions, limitations and renewal of the insurance plan(s) applied for have been explained and are understood.
- k. The applicant shall be the owner of any insurance applied for.

17 SIGNATURES Dated at City _____ State _____ Zip _____

this _____ Day of _____ 20 _____

Signature of Applicant X _____

Social Security _____

Number | | | - | | | - | | | | Driver's License Number _____

Proposed Insured sign below, IF OTHER THAN APPLICANT, I consent to this application and confirm that the answers recorded above are, to the best of my knowledge and belief, complete and true.

Signature of Proposed Insured X _____

Relationship to Applicant _____ Social Security Number | | | - | | | - | | | |

I have witnessed the signatures of the Applicant and Proposed Insured, if different. I certify that I asked all the questions and truly and accurately recorded the answers contained herein. To the best of my knowledge and belief, the insurance applied for is or is likely, is not or is not likely to replace or change any existing policy(ies) or contract(s).

Signature of Licensed Resident Agent X _____ No. _____ Branch _____

Signature of Licensed Resident Agent X _____ No. _____

(Agent's Signature Not Needed When Dealing Directly With The Home Office)

12046B-PA

NOTICE: ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

MAKE ALL CHECKS PAYABLE ONLY TO BANKERS LIFE AND CASUALTY COMPANY

TO BANKERS LIFE AND CASUALTY COMPANY, Chicago, Illinois 60654-2001 (hereinafter called the Company)

1. I apply for a Policy on Form No. _____,

2. _____
 Print Applicant's Full Name (Last, First, & Middle Initial)

3. Home Address _____ Post Office Box No. _____
 (Number and Street or Distance and Direction From Town)
 City/Town _____ State _____ Zip Code _____ County _____

4. Sex	Date of Birth (Mo.) (Day) (Year)	Age (Nearest Birthday) years	Policy numbers of Bankers' policies:
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Exact Duties of Employment	Avg. Mo. Earnings Past 12 Mo. \$ Prev. 12 Mo. \$	Occ. Class	Name and Address of Employer	Business of Employer
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Beneficiary (Primary) _____ Relationship/Age _____
 (Contingent) _____ Relationship _____

5. Will any other existing Life, Health, Accident & Sickness, Disability Income or Annuity contracts be replaced or changed if a proposed policy is issued? Yes No

I, to the best of my knowledge and belief, represent and agree that: (1) Any policy issued as a result of this application shall, together with the application, constitute a single and entire contract of insurance. (2) No agent or any other person is authorized to accept risks, pass upon insurability, make or modify contracts or waive any of the Company's rights or requirements. (3) The insurance takes effect on the Issue Date of the policy if the first premium is paid.

I have paid a total of \$ _____ with this application for the initial premium to insure me for _____ months.

I have read, or had read to me, the above questions and my answers to them. To the best of my knowledge and belief, they are complete, true and correct.

Dated at _____

6. this _____ day of _____, 20 _____

 Signature of Applicant

I have witnessed the signature of the Applicant. I certify that I asked all the questions and truly and accurately recorded the answers contained herein. I also certify that the Applicant read, or had read to him/her the completed application. To the best of my knowledge and belief, the insurance applied for is or is likely, is not or is not likely to replace or change any existing policy (ies) or contract(s).

Signature of Licensed Resident Agent
 _____ No. _____ B.O. _____

Social Security Number _____
 3833-PL

 No. _____ (F-PA)

Any person who, knowingly and with intent to defraud any insurance or other person, files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

