



Application for Annuity



Lafayette Life
Insurance Company

A member of Western & Southern Financial Group

400 Broadway
Cincinnati, Ohio 45202-3341
800-243-6631 • FAX: 888-558-9329
www.lafayettelife.com

INSTRUCTIONS FOR COMPLETING ANNUITY APPLICATION FORM 1460-B FOR MARQUIS CENTENNIAL 10

TAX YEAR: Needed on IRA, IRA-SEP or ROTH IRA. Please be sure to complete the Tax Year on Page 1 of the application.

QUALIFIED IRA - SEP: Need Form 5305-SEP. Form is located on the IRS website.

IRA and TSA DIRECT TRANSFERS: Form LL-1633 is needed.

ANNUITY SUITABILITY QUESTIONNAIRE: Form LL-2201 is needed.

Policy Dates

The Policy Date for an annuity is the date the first payment is received in the Home Office.

Disclosure:

Form LL-2568. Complete both copies. Provide 1 copy to Applicant and 1 copy to Home Office.

Buyer's Guide to Deferred Annuities. Leave this document with the Applicant only for applications sold in CA,GA, HI, IA, KY, NV, NY, OH, OK, OR, RI, and UT.

Issue Ages: 0-85
Minimum Premium: \$1,000

Directions: Questionnaire for Suitability

FINANCIAL PROFESSIONAL'S CONSIDERATIONS FOR RECOMMENDING SUITABLE SALES

"Suitability Information" means information that is reasonably appropriate to determine the suitability of an annuity purchase recommendation. In order to determine the suitability of this annuity purchase, including any recommended transfer/exchange transactions related to this purchase, please complete the Questionnaire for Suitability with the contract's proposed owner. Each applicable question on the Questionnaire for Suitability must be completed. If an applicant is hesitant to provide all information, please complete as much of the information requested as possible. Failure to complete any questions may lead to delays in sending any transfer and/or exchange request (if applicable) to outside companies/carriers and/or in issuing the contract. **The Company reserves the right to contact the proposed owner directly if additional information or explanation is necessary. Additionally, the company may contact the proposed owner if a reasonable basis for contract issue cannot be determined by the information provided on the Questionnaire for Suitability.** Any changes to a signed Questionnaire for Suitability must be initialed and dated by the proposed owner.

CUSTOMER CONTACT PROGRAM

The customer may receive a suitability verification phone call prior to contract issue to determine his or her understanding of the:

- Type of product purchased;
- Length of surrender penalty period;
- Source of funds/liquidity provisions;
- Changes being made to other coverage in connection with the purchase (replacement); and
- Whether the producer conducted a needs analysis before recommending the contract.

Knowing about the Customer Contact Program and preparing customers to receive a telephone call has significant benefits for the financial professional and our Company. These benefits include:

- Assuring owners understand what they have purchased;
- Solidifying customer understanding of the sale;
- Using best practices to assure sales are suitable and in compliance with state regulations and Company guidelines;
- Demonstrating ethical sales and suitability practices on behalf of the customer.

HOW SHOULD THE FORM BE COMPLETED?

1. General Information (Complete for all proposed owner(s))

a) Name of Owner/Owners:

Enter the name of the proposed contract's owner and joint owner (if applicable). If the proposed contract owner is not a person, such as a revocable or irrevocable trust, enter the name of the beneficial owner, the annuitant. For non-natural owners, the remainder of the questionnaire should be completed based on the annuitant's information.

b) Owner's Date of Birth:

Enter the date of birth of the proposed contract's owner and joint owner (if applicable). If the proposed owner is not a person, enter the Date of Birth of the Annuitant.

c) Name of Product Purchased:

Enter the name of the product recommended for purchase.

d) Approximate Initial Premium:

Enter the known or estimated amount of initial premium that will be used to issue the proposed contract.

e) Surrender Penalty Period:

Enter the surrender penalty period for the proposed contract. For immediate annuity contracts, this question may be left blank or "N/A" entered.

f) The Premium(s) used to purchase:

Indicate if the premium(s) used to fund the proposed contract's purchase is from a tax qualified or non-tax qualified source.

HOW SHOULD THE FORM BE COMPLETED? (continued)

2. Statement of Understanding:

Indicate with a check mark or X that each statement has been discussed, understood and agreed to by the appropriate proposed owner or owners.

For the statement: *I have replaced or exchanged other deferred annuity contracts in the past 60 months*. Enter Yes if the proposed owner has had any other deferred annuity replacements/exchanges within the past 60 months regardless of the funding source of this proposed annuity. Indicate if a surrender penalty was incurred or any benefits were lost as a part of the other replacement or exchange. If a surrender charge was incurred or benefits were lost, please explain why this transaction was made in the space provided. Replacements/Exchanges in the last 60 months will require heightened scrutiny and may necessitate a call to you or your client for additional information.

The proposed contract owner must attest on page 3 or page 4 of the Questionnaire to all statements in order for the application to be in "good order." Any statement left blank or unanswered will mean the application and any applicable proceeds accompanying it that we receive will be returned and not issued.

SUITABILITY QUESTIONNAIRE

Our Company has an important responsibility in assisting you and your client in determining the product(s) that is appropriate for him/her. The Suitability Questionnaire was designed to capture the end result of your suitability analysis, and aid us in determining that a reasonable basis for this purchase exists. You may require additional information when making your recommendation. Should questions about the suitability of the annuity arise after it is issued, it will be helpful to have a detailed summary in your file as to why your recommendation was suitable at the time it was made. Keep notes on each conversation, information discussed and presented, and every item you considered during your analysis.

The Suitability Questionnaire details are necessary to understand both the financial professional's recommendation and the proposed owner's need for a specific product. A completed Questionnaire for Suitability clearly documents the discussion you had with your client and helps demonstrate their understanding of the product you recommend.

The proposed owner is responsible for the ultimate purchase decision. Typically, if clients understand both the product they purchase and how it helps them to meet their financial goal, they will be more satisfied and be more likely to continue to work with you in the future.

After considering the information collected on the Suitability Questionnaire, you must only recommend a contract that you deem suitable for the owner. We encourage you to provide as much detailed information as possible as you complete the form. This will aid us in our review and reduce the need to seek additional information from you and your client later. Please recognize that the company will not issue the contract without a reasonable basis for determining the contract is suitable.

1. Annual Income=Approximate Annual Gross Household Income of the Owner/Owners: Enter the proposed contract owner's approximate gross annual household income according to the ranges provided. Household Income includes wages; interest and dividends from all sources; rents; royalties; and cash distributions from trusts or other entities. Income of both the proposed contract owners should be included. The Company considers \$20,000 in annual household income (which can include proceeds received from an immediate annuity) as the minimum acceptable level.

2. Financial Experience=Financial Experience of the Owner: Enter the reported financial experience of the proposed contract owner according to the predefined ranges. Base the answer on the proposed owner's personal involvement in making financial decisions.

Limited: The proposed contract owner has made limited financial decisions prior to this application with little experience with financial markets and/or credit transactions.

Moderate: The proposed owner has made previous financial decisions such as a home or automobile loan; credit card use; purchased other annuity contracts or life insurance policies; made a financed purchase; invested in a retirement plan such as a 401(k) or 403(b); purchased or held mutual funds; etc.

Advanced: The proposed owner has made previous financial decisions including stock or bond purchases and or trades; proposed owner has participated in private placement offerings; proposed owner has participated in advanced financial transactions; etc.

3. Risk Tolerance for the funds in this Annuity Contract: Enter the proposed contract owner's reported risk tolerance for the funds in this proposed contract based on the ranges provided.

Conservative: Proposed owner has little tolerance for volatility and/or principal loss.

Moderate: Proposed owner has some tolerance for short-term volatility and/or principal loss.

Aggressive: Proposed owner has tolerance for and expectations of volatility and principal loss and/or gain.

SUITABILITY QUESTIONNAIRE (continued)

4. Federal Income Filing Tax Bracket: Enter the proposed contract owner's Federal Income Tax Bracket (Federal Marginal Tax Rate) based on the current or previous year's IRS Federal Income Tax Form filing (IRS Form 1040).

5. Financial Objectives and Intended Use of this Annuity Contract: Enter the proposed contract owner's Financial Objective(s) and intended purpose the proposed owner is seeking to accomplish with the annuity recommended based on the objectives provided. Indicate multiple objectives where appropriate.

6. Financial Resources Used for the funding of this Annuity Contract: Enter the financial resources used for the funding of this annuity. Select all sources that may apply. All assets considered as funding for this annuity need to be part of the suitability documentation for the annuity applied for.

7. Replacement Assets Section: Answer Yes or No to the statement:

A replacement and/or exchange of the following insurance or annuity products in whole or in part will be made in conjunction with this proposed annuity purchase.

If **No**, move to the Question 8 and leave the information section blank or indicate "N/A".

If **Yes** complete the replacement/exchange section. Indicate the reason the annuity or insurance product is being replaced/exchanged. Indicate that the owner has evaluated any and all benefits the owner may lose as part of the replacement/exchange. Enter the Company or Companies and product or products that will be transferred/rolled over/liquidated/surrendered or otherwise impacted in order to fund this proposed annuity contract. Indicate if the named products will be transferred/rolled over/liquidated/surrendered or otherwise impacted in part or in full and the approximate amount that will be used to fund this proposed annuity. Report the length of time the contract/policy or product was held by the proposed owner in its current form. Enter any applicable surrender charges or redemption fees the proposed owner will realize as part of the transfer/exchange. Enter the death benefit of the existing life or annuity contract. If more than three annuity or insurance transactions are involved in this purchase, please provide all of the above information on a separate document attached to the Questionnaire for Suitability. Please make certain the proposed contract owner or owners sign and date any additional information provided.

8. Financial Time Horizon and Needs:

Answer questions 8a through 8d using the ranges provided. If the proposed contract is an immediate annuity skip answers to 8c–8d.

9. Existing Assets, including investment and life insurance holdings:

a) Approximate Household Net Worth: Enter the proposed owner's approximate household net worth as a dollar amount. Household net worth represents all assets (excluding the primary residence, autos, and furnishings) less all liabilities and debts (excluding home mortgage). In general, a minimum of \$50,000 (household) is required.

b) Approximate Household Liquid Assets: Enter the proposed owner's household liquid assets. Enter the approximate dollar amount of the proposed owner's existing cash and cash equivalent assets such as CDs, checking, savings, money market accounts, etc., as well as the approximate dollar amount of the proposed owner's existing non-retirement assets including existing mutual fund investments, brokerage accounts, stocks, bonds, etc.

c) Approximate Liquid Net Worth: Enter the proposed owner's liquid net worth. Liquid Net Worth can be found by using the owner's net worth minus assets that cannot be converted quickly and easily into cash, such as real estate, business equity, personal property and automobiles.

d) What % of your Liquid Net Worth does this proposed annuity contract represent: Create a percentage by dividing the approximate initial premium amount by the approximate Liquid Net Worth. The Company considers 50% of owner's net worth to be the maximum amount acceptable for nonqualified funds.

e) Enter the Owner's Approximate Retirement Plan Assets as a dollar amount.

f) Enter the Owner's Approximate Assets (in dollars) held in other annuity contracts, life insurance products and investments.

OWNER CERTIFICATION

Please have the proposed owner review the information provided on the Questionnaire for Suitability, as well as the statement of understanding carefully. The Owner should sign and date the certification and provide his/her contact information.

FINANCIAL PROFESSIONAL CERTIFICATION

Please review the information provided on the Questionnaire for Suitability, as well as the statement of understanding carefully. The Financial Professional should sign and date the certification and provide his/her contact information.

OWNER CERTIFICATION — INFORMATION NOT PROVIDED

Please have the proposed owner review the information requested on the Questionnaire for Suitability carefully, prior to electing not to provide information. Please make certain the owner is aware that the Company will not issue a contract without a reasonable basis for determining suitability. The company may contact an owner who elects not to provide information in order to make this determination. Be certain the contact information is completed and accurate. Have the proposed owner carefully read the statement of understanding, and sign and date in the appropriate areas. Please make certain the owner is prepared for a follow-up call from the Company.

FINANCIAL PROFESSIONAL CERTIFICATION — INFORMATION NOT PROVIDED

Please review the information requested on the Questionnaire for Suitability carefully. You cannot make a recommendation to purchase the annuity without considering the information requested on the Suitability Questionnaire. The Company will not issue a contract without a reasonable basis for determining suitability. The Company may contact the owner directly when information requested in order to determine suitability is not provided. **Be certain the owner's contact information is completed and accurate.** Carefully read the Financial Professional's certification statement, and sign and date in the appropriate area. Make certain to include your contact information including your email address on the questionnaire.



Questionnaire for Suitability

CONFIRMING YOUR COURSE OF ACTION

Your financial professional must have a reasonable basis for recommending that an annuity contract is suitable for your particular needs and financial goals. Suitability is the term for the process of considering whether a contract's characteristics align with your financial needs and goals.

Your financial professional must document a reasonable basis for recommending that a particular course of action is suitable for you. In making this assessment he or she must consider:

- Your age and annual income
- Your assets and their liquidity
- Your tax status
- Your net worth and financial needs
- Your time horizon and financial objectives
- Your financial experience and risk tolerance

Help yourself and your financial professional by providing timely, accurate and complete information about your personal circumstances and goals. At the same time, ask as many questions as necessary to gain a confident understanding of how the course of action you are considering may provide a risk management solution.

Your financial professional must be familiar with your personal information and should review the costs and benefits of the recommended transaction(s) with you.

GENERAL INFORMATION

Name(s) of Owner/Owners (Please provide combined financial information if joint owners are applicable)

Owner's Date of Birth

Joint Owner's Date of Birth

Name of Product Purchased

Approximate Initial Premium

Surrender Penalty Period (years)

The premium used to purchase this contract/certificate is from: Qualified Funds (pre-tax)
 Nonqualified Funds (previously taxed)

STATEMENT OF UNDERSTANDING (Must be completed by all owners)



You must attest to all statements in order for your application to be in "good order." Any statement left blank or unanswered will mean your application and any applicable proceeds will be returned and not issued.

- I am applying for an annuity contract that is a long-term financial product. My premium payment is for an annuity contract not a mutual fund, savings account, certificate of deposit, security or other financial product or program. If I am purchasing an immediate annuity, I understand that the purchase is permanent and cannot be surrendered.
- My financial professional has answered all of my questions about the annuity contract I am purchasing, the consequences of this transaction/purchase as a whole, the contract's features, benefits and limitations including withdrawal and surrender charges, guarantees, contract terms and potential tax implications.
- After making this annuity purchase, I have adequate liquid income to cover my living expenses including medical expenses – current and anticipated – for at least the duration of the contract's surrender charge period(s). I am aware that withdrawals from this annuity contract are subject to limitations and potential charges.

I have replaced or exchanged other deferred annuity contract(s) within the preceding 36 months. Yes No

If Yes, did you incur a surrender charge or other fee as part of the replacement/exchange? Yes No

If Yes, please explain: _____

If Yes, did you incur a loss of benefits as part of the replacement/exchange? Yes No

If Yes, please explain: _____

Please Note – Your signature attesting to the statements above is required at the end of this form.

SUITABILITY QUESTIONNAIRE (continued)**8. Financial time horizon and needs:**

- a. After making this purchase, I have adequate resources for unforeseen financial emergencies? Yes No
- b. I have a reverse mortgage. Yes No
- c. I plan to access the funds in this annuity by:
- Penalty-Free Withdrawals Annuitization Required Minimum Distributions (qualified plans only)
- Lump Sum Immediate Annuity N/A (I do not plan to access funds in this contract)
- d. When do you plan to begin taking distributions from this annuity?
- Less than 1 year Between 1 and 3 years 4-6 years 7-9 years 10+ years

9. Existing assets, including investment and life insurance holdings:

- a. **Approximate Household Net Worth** \$ _____
- b. Approximate Household Liquid Assets \$ _____
- c. **Approximate Liquid Net Worth** \$ _____
- d. **What % of your Liquid Net Worth does this annuity contract represent?** _____%
- e. Approximate Retirement Plan Assets \$ _____
- f. Approximate Assets Held in Other Annuity Contracts, Investments and Life Insurance Policies \$ _____

OWNER CERTIFICATION

I attest to the Statement of Understanding. I have completed or reviewed this form and to the best of my knowledge the information provided on the Annuity Suitability Questionnaire is accurate. I understand the insurer may contact me to verify information provided or to seek further information. My financial professional has reviewed the features and benefits of this purchase as well as any applicable fees and charges associated with this purchase. I acknowledge that my financial professional does not provide legal or tax advice. I believe that the purchase of this annuity contract is suitable for my financial needs and objectives.

Proposed Owner(s)' Signature(s)	Date
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Owner(s)' Name(s)

Owner(s)' Contact Information (One contact method is required):

Please contact me with any questions or additional information necessary by:

Phone Number	Cell Phone	Email Address
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Best time to contact me:

FINANCIAL PROFESSIONAL CERTIFICATION

I have made a reasonable effort to obtain information from the proposed owner(s) concerning his/her financial status, objectives and other pertinent information. I have delivered information to the applicant concerning the costs and benefits of the annuity. Based on the facts disclosed by the proposed owner(s), and all information known to me at this time, I have reasonable grounds to believe that the recommendation to purchase or exchange this annuity contract is suitable and that certain features of the annuity will provide benefit. Furthermore, I agree to maintain and make available upon request to the insurer or the insurance commissioner, records of the information collected, including any additional needs analysis forms, and other information used as the basis for this annuity contract recommendation for the number of years required by state laws or regulations. **I understand the insurer may contact the proposed owner for additional information.**

Financial Professional's Signature	Date
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Financial Professional's Name

Financial Professional's Contact Information:

Please contact me with any questions or additional information necessary by:

Phone Number	Cell Phone	Email Address (REQUIRED)
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Best time to contact me:

OWNER CERTIFICATION – INFORMATION NOT PROVIDED

I attest to the Statement of Understanding. I have chosen NOT to provide the requested relevant information necessary for my financial professional to make a suitability determination regarding the purchase or exchange of this annuity transaction. **I understand the insurer may contact me regarding this choice, and may not issue this contract to me.**

Proposed Owner(s)' Signature(s)	Date
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Owner(s)' Name(s)

Owner(s)' Contact Information (One contact method is required):
Please contact me with any questions or additional information necessary by:

Phone Number	Cell Phone	Email Address
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Best time to contact me:

FINANCIAL PROFESSIONAL CERTIFICATION – INFORMATION NOT PROVIDED

I have made a reasonable effort to obtain information from the proposed owner(s) concerning his/her financial status, objectives and other pertinent information. I have delivered information to the applicant concerning the costs and benefits of the annuity and the annuity transaction(s) as a whole. The proposed owner(s) has not provided complete relevant information as requested and has decided to purchase this annuity without providing requested information. **I understand the insurer may contact the proposed owner for additional information. If the insurer is unable to obtain the necessary information from the proposed owner, the contract may not be issued.**

Financial Professional's Signature	Date
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Financial Professional's Name

Financial Professional's Contact Information:
Please contact me with any questions or additional information necessary by:

Phone Number	Cell Phone	Email Address (REQUIRED)
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Best time to contact me:



Application for Individual Annuity

Type of Application

NON-QUALIFIED QUALIFIED PENSION IRA ROTH-IRA SEP-IRA BENEFICIARY IRA

Proposed Annuitant

Proposed Annuitant's Name: First M.I. Last Suffix

Address: Street/Apt. No. City State Zip Code

Primary Phone Number: () Alternate Phone Number: ()

Email Address:

Sex: M F Marital Status: Date of Birth: SSN:

Is the Annuitant a U.S. Citizen? Yes No
If not a citizen, complete the Citizen Supplement ICC14 LL-1690.

Owner - If left blank, Proposed Annuitant is the Owner.

- Living Trust - Complete ICC14 LL-2610-A
Pension Plan/Trust - Complete ICC14 LL-2612-A
Joint Ownership - Complete ICC14 LL-2611-A
Other Legal Entity (not an individual) - Complete ICC14 LL-2613-A
Individual Owner:

First M.I. Last Suffix

Address: Street/Apt. No. City State Zip Code

Owner Primary Phone Number: () Owner Alternate Phone Number: ()

SSN: Relationship to Annuitant: Owner's Date of Birth:

Email Address:

Is the Individual Owner a U.S. Citizen? Yes No
If not a citizen, complete the Citizen Supplement ICC14 LL-1690.

Payor Information (if other than Owner)

Payor - If left blank, Proposed Owner is the Payor.

Payor: First M.I. Last Suffix

Address: Street/Apt. No. City State Zip Code

Payor Primary Phone Number: () Payor Alternate Phone Number: ()

SSN: Relationship to Owner: Payor's Date of Birth:

Is the Payor a U.S. Citizen? Yes No
If not a citizen, complete the Citizen Supplement ICC14 LL-1690.



Beneficiary (Qualified Pension: Beneficiary will be Trustee of Plan named as Owner above)

Primary: _____ % _____
Relationship to Annuitant Date of Birth

Primary: _____ % _____
Relationship to Annuitant Date of Birth

Contingent: _____ % _____
Relationship to Annuitant Date of Birth

Contingent: _____ % _____
Relationship to Annuitant Date of Birth

Unless otherwise stated, contract death benefit proceeds shall be paid in equal shares to the beneficiaries of the highest class who survive. If unequal percentages are designated, then upon the death of any beneficiary, his or her share shall be apportioned among the surviving beneficiaries of the same class in accordance with the ratio that each surviving beneficiary's percentage of the net proceeds bears to the total of all surviving beneficiaries' percentages of the net proceeds of the same class.

SPOUSAL CONSENT - Required for contracts where owner resides in AZ, CA, ID, LA, NM, NV, TX, WA, or WI, if the spouse is not named as the sole primary beneficiary on the contract.

If you are married and have designated any primary beneficiary(ies) other than your spouse, your spouse must consent to signing below. Please consult your tax advisor about the implications of this beneficiary designation.

I certify that I am the spouse of the named contract owner, and consent to the designation of the person(s) named as beneficiary on this application.

Signature of Spouse _____ Date _____ (mm/dd/yyyy)

Annuity Plans (Choose one)

A. Deferred Annuities:

Marquis Centennial _____ Year(s) (_____% A:ANN); (_____% B:AVG); (_____% C:MO CAP); (_____% FIXED)
(Total above must equal 100%)

Riders: _____

Planned Premium: \$ _____ Annual Semiannual Quarterly Monthly PAW Single Payment

B. Single Premium Immediate Annuities:

Amount of Single Premium \$ _____

Payout Interval: Monthly Quarterly Semiannually Annually

Annuity Options (Choose one):

Single Life Income

Guaranteed Period (Choose one): None; 5 years; 10 years; 20 years; Refund

Installment Income: _____ Years

Joint and Survivor Life Income:

Survivor Income: 50%; 67%; 100% of Joint Income

Guaranteed Period: None; 5 years; 10 years; 15 years; 20 years

Joint Annuitant (If applicable)

Joint Annuitant's Name: _____
First M.I. Last Suffix

Address: _____
Street/Apt. No. City State Zip Code

Primary Phone Number: (____) _____ Alternate Phone Number: (____) _____

Email Address: _____

Sex: M F Marital Status: _____ Date of Birth: _____ SSN: _____

Is the Joint Annuitant a U. S. Citizen? Yes No If not a citizen, complete the Citizen Supplement ICC14 LL-1690.



Payment Type (Check all that apply)

- Check**
(All premium checks must be made payable to Lafayette Life.)
- List Bill #** _____
- Qualified Transfer (Complete LL-1633)**
(A Transfer is a direct transfer from a qualified plan to another qualified plan, a qualified plan to an IRA, or an IRA to another IRA.)
- Rollover (Complete LL-1633)**
(A Rollover is a withdrawal of funds from a qualified plan or IRA by the participant/owner and the reinvestment of those funds within 60 days into another qualified plan or IRA.)
- Full 1035 Exchange (Complete LL-1542)**
(Non-Qualified Annuity to Annuity Exchange.)
- Partial 1035 Exchange (Complete LL-1035)**
(Non-Qualified Partial Annuity to Annuity Exchange.)
- Non-Qualified Premium/Transfer (Complete LL-2083)**
(Non-1035 Exchanges.)
- Contribution**
If not indicated, defaults to current tax year.
\$ _____ for Current Tax Year *Qualified Plans only.*
\$ _____ for Previous Tax Year *Qualified Plans only, except SEP IRAs.*

Federal Tax Withholding

- I **do not** want Federal Income Tax withheld from my distribution.
- I **do** want Federal Income Tax withheld from my distribution. If withholding will apply, please complete **only one** of the following:
 - Withhold the following amount from my distribution \$ _____.
 - Please withhold based on the number of allowances I have indicated and my marital status. (please complete the following information)
 - Number of Allowances (for Federal Income Tax purposes) _____ (if blank, we will assume zero)
 - Marital Status: Single Married Married, but withhold at higher Single Rate

Existing Insurance

- 1 *Do you have any existing individual life insurance policies and/or annuity contracts in force? Yes No
If yes, the total amount of existing insurance in force is \$ _____
- 2 *Is the contract applied for intended to replace, in whole or in part, any existing life insurance or annuity? Yes No
If yes, list the Company: _____
- 3 Have you, the Annuitant if different, or any beneficiary, participated in any discussions about the possible sale or assignment of ownership, or a beneficial interest in the applied for annuity contract? Yes No
If yes, give details: _____
- 4 Have you, the Annuitant if different, or any beneficiary, ever sold, transferred or assigned any annuity contract to a third party, such as a viatical settlement entity, life settlement entity, insurance company, other secondary market provider, or premium financing entity? Yes No
If yes, give details: _____
- 5 Have you, the Annuitant if different, or any beneficiary, ever received any inducement, fee or compensation as an incentive to purchase, sell, transfer or assign any annuity contract? Yes No
If yes, give details: _____

*NOTE: If either question 1 or 2 is answered "Yes," please complete and submit the appropriate replacement forms.



Authorization and Signatures

W-9 Certification: *Under penalties of perjury*, I certify that: (1) the number shown on this form is my correct taxpayer identification number, and (2) that I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. Citizen or resident alien.

I am not subject to backup withholding because (a) I am exempt from backup withholding or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding, I am subject to backup withholding because I have been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends.

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.

I hereby acknowledge that, to the best of my knowledge and belief, the annuity and any additional benefits applied for are suitable for my investment time horizon, goals and objectives and financial situation.

I have read the statements and answers in all parts of this application and state they are true and complete to the best of my knowledge and belief. I further understand that the Company and its agents do not provide tax or legal advice. A faxed or electronically transmitted signed document to the Company has the same legal force and effect as the original signed document, and once received, is the controlling record.

Signed at _____
(City, State)

Date _____
(mm/dd/yyyy)

Signature of Proposed Annuitant

Signature of Joint Annuitant (if applicable)

Signature of Parent (Juvenile Policy Only)

Signature of Individual Owner(s) or Authorized Individual of Entity Owner – Authorized Individual must be one of the following: President/Vice President Secretary/Treasurer Managing Member Trustee General Partner

Agent Information and Signature

Agent Statement: Does the applicant have any existing individual life insurance policies and/or annuity contracts in force to the best of your knowledge? Yes No The annuity applied for will / will not replace any existing life insurance or annuity.

Witness _____
Signature of Agent

Agent's State License Number _____ (If Required) Agent's Name _____ (Please Print)

Credit this application to: _____ % Code No. _____
_____ % Code No. _____



RECEIPT For Application to The Lafayette Life Insurance Company

Received from _____ this _____ day of _____, yr _____ the sum of
\$ _____ in connection with an Application (bearing the same date as this receipt) to The Lafayette Life
Insurance Company.

Countersigned by:

The Lafayette Life Insurance Company

_____, Agent

By:  _____
Secretary

This receipt is valid only when signed by a duly-authorized agent of The Lafayette Life Insurance Company. If payment is made by check, this receipt is valid only if the check is paid on presentment. If you do not receive a policy within 60 days after the date of this receipt, please contact the Home Office of The Lafayette Life Insurance Company.

All premium checks must be made payable to Lafayette Life; do not make check payable to the agent or leave payee blank.



Fixed Indexed Deferred Annuity

This document reviews important points to think about before you buy this Lafayette Life Insurance Company annuity. The annuity is an indexed annuity. It offers three index interest crediting alternatives under the index option, each of which is linked, in part, to the S&P 500. It also offers a Company declared fixed interest rate under the fixed option as a separate alternative for interest crediting. The annuity provides a guaranteed minimum surrender value. Review “The Annuity Contract” section below for additional information on how this annuity can earn interest and the guaranteed minimum surrender value. It is a flexible premium annuity which means you may make multiple premium payments (payments). The annuity is **deferred**, which means payouts begin at a future date. The terms “you” or “your” in this document mean the proposed owner of the annuity.

This annuity is designed for long-term accumulation needs such as to save for retirement and to receive retirement income for life. It is **not** meant to be used to meet short-term financial goals. This annuity is not FDIC insured. Lafayette Life stands behind the guarantees under this Annuity.

If you have questions about this annuity, please ask your agent or contact a Company representative at 1-800-443-8793.

THE ANNUITY CONTRACT

How will the value of my annuity grow?

Guaranteed Minimum Surrender Value

This annuity provides a guaranteed minimum surrender value. The guaranteed minimum surrender value is 87.5% of all net premiums (less any withdrawals) accumulated at an initial annual effective guaranteed minimum interest rate of 1% to 3%. Net premiums are premiums less any applicable premium tax and costs of supplemental benefits, if any, due upon premium payment. The initial guaranteed minimum interest rate used for determining the guaranteed minimum surrender value will be determined at policy issue and will remain fixed at least through the annuity's withdrawal charge period. Upon expiration of the withdrawal charge period and in no event earlier than the fifth policy anniversary of the annuity, we will periodically reset the guaranteed minimum interest rate, which is solely used for determining the guaranteed minimum surrender value. The guaranteed minimum interest rate is subject to change on each reset date, but in no event will it be less than 1% or more than 3%. The first reset date is the later of the policy anniversary immediately occurring after expiration of the annuity's withdrawal charge period and the fifth

policy anniversary of the annuity, and reset dates occur every 5 policy years thereafter. The guaranteed minimum interest rate will be based on the Five-Year Constant Maturity Treasury (5 Year CMT) Rate reported by the Federal Reserve.

Interest Crediting

This annuity can earn interest in two primary ways: 1) under the fixed option, interest credited to the policy will be based on interest rates declared by the Company, and 2) under the index option, interest credited to the policy will be based on one or more of three index interest crediting methods each of which is linked, in part, to the S&P 500 Index. The index does not include dividends paid by the companies that comprise the S&P 500. This annuity does not participate directly in any stock or equity investments. You aren't buying shares of stock or an index. Dividends paid on the stocks on which the index is based don't increase your earnings.

You may allocate your premiums between the fixed option and the interest crediting methods under the index option by selecting the percentage of each net premium to be allocated to each method. You may allocate each new net premium differently.

Allocation Dates

The allocation of your net premium to the selected interest crediting method will be done on an allocation date, which is the 15th of the month on or next following the date your net premium is received. The allocation date will be the initial measuring point for all interest calculations for that premium. If your premium is received on an allocation date, your net premium will be immediately allocated between the fixed and indexed alternatives you have selected.

If your premium is received on a date other than an allocation date, your net premium will be credited with a short-term fixed interest rate established by the Company until the next monthly allocation date. At that time, your net premium and any short-term interest credited will be allocated to the fixed and indexed alternatives you have selected.

Interest Earning Periods

Under the fixed option and index option, the interest calculations are based upon a one-year measuring period. This one-year measuring period is referred to as an interest earning period. For each net premium, the interest earning periods start on an allocation date and end one year later. Interest is calculated differently under each option.

Fixed Option

For each net premium allocated to the fixed option, the interest rate is declared in advance of each successive interest earning period and it is guaranteed not to change during such period. The minimum fixed interest rate is 1%.

Indexing & Index Option

For the amount of each net premium allocated to any one of the alternative index interest crediting methods under the index option, there is a separate cap that applies to each alternative that is used to calculate the index interest rate. The caps are used to set the upper limit on the index interest rate that may be credited for an interest earning period. For alternative methods A (Annual Point-to-Point) and B (Monthly Average) this cap is referred to as the maximum index interest rate, while alternative method C (Monthly Cap) refers to the cap as the maximum monthly index change. These caps are declared in advance of each successive interest earning period and are guaranteed not to change during such period. Any interest attributable to a change in the index is credited only at the end of an interest earning

period. There is no guarantee the index interest rate credited under any of the index interest alternatives will be equal to its cap or even greater than 0%.

Prior to the end of the interest earning period, the index interest rate is 0%.

Alternative Method A: Annual Point-to-Point -

The index interest rate for this method is the percentage change in the index from the allocation date that begins the interest earning period to the allocation date that ends the interest earning period. The index interest rate credited for an interest earning period will not be less than 0%, nor more than the applicable cap. The cap will not be less than 1%.

Alternative Method B: Monthly Average -

The index interest rate for this method is the percentage change in the index measured by the index on the allocation date that begins the interest earning period against the average of the indices on the 12 allocation dates immediately following the allocation date that begins the interest earning period. The index interest rate credited for an interest earning period will not be less than 0%, nor more than the applicable cap. The cap will not be less than 1%.

Alternative Method C: Monthly Cap -

The index interest rate for this method is the sum of the percentage change in the index for each of the 12 one-month periods between allocation dates within the interest earning period. Each of the 12 percentage changes may be less than 0%, but not more than the applicable cap. The index interest rate for an interest earning period will not be less than 0%. The cap will not be less than 0.0833%.

The issue date or policy date will be the business day on which the home office of Lafayette Life has received both the completed application and the initial premium.

BENEFITS

How do I get income (payouts) from my annuity?

On the maturity date of your annuity, if the annuity is then in effect, you will start to get income from the annuity as payee if you are the annuitant. If you are not the annuitant, the annuitant will get the income as payee. The annuity provides annuity payout options that are based on your policy value

on the maturity date. Unless changed by you in accordance with the policy, the maturity date will be the later of the annual date immediately following the Annuitant's 70th birthday or the eleventh annual date. The maturity date will not be later than the annual date following the Annuitant's 95th birthday. The payout option choices, which may also be called the payment plans, include:

- **Single Life Income:** Guarantees income for as long as the payee lives.
- **Single Life Income with Guaranteed Period:** Equal payouts are made for a selected guaranteed period and thereafter during the lifetime of the payee.
- **Joint and Survivor Life Income:** Guarantees income for as long as the payee or other joint payee (usually a spouse) lives.
- **Specified Period Installment Income:** Pays income for that period.
- **Specified Amount Installment Income:** Pays income of specified amount until entire policy value is paid.
- **Lump Sum:** One payout.

What happens after I die?

If you die before maturity (i.e., before we start income payouts from the annuity), we pay the policy value of this annuity on the date of death to the beneficiary as a death benefit. If you are not the annuitant, and the annuitant dies before maturity (i.e., before we start income payouts from the annuity), we pay the policy value of the annuity on the date of death to the beneficiary as a death benefit. If the annuitant dies after the payouts start, we will pay any remaining balance to the payee as provided for in the payment plan selected.

The policy value will be used to determine the annuity and death benefits. The policy value on any date is the sum of the accumulated values of the short-term interest crediting method, the fixed option and the index option but not less than the guaranteed minimum surrender value on such date.

OPTIONAL BENEFITS AND THEIR FEES

What other benefits can I choose?

There are no additional benefits available for this policy.

FEES, EXPENSES AND OTHER CHARGES

What happens if I take out some or all of the money from my annuity?

You cannot take any of the money out of your annuity after the payout begins, unless the payment plan you selected specifically provides otherwise. Before payout begins, you can take out all of your annuity's value (**surrender**) or part of it (**partial withdrawal**). You can take a partial withdrawal as long as you have \$2,000 in policy value remaining in the annuity after the partial withdrawal.

Withdrawal charges apply for the first ten policy years. We take a **withdrawal charge** if you withdraw amounts before the end of the tenth policy year that is in excess of any free withdrawal amount.

If you surrender or make a partial withdrawal while the withdrawal charges apply, your policy value will be reduced by the amount withdrawn and the applicable withdrawal charge, subject to the guaranteed minimum surrender value. The withdrawal charge is a percentage of the amount of the withdrawal that is in excess of any free withdrawal amount. The withdrawal charge percentage declines each policy year, as follows:

Policy Year	Withdrawal Charge
1	9%
2	9%
3	8%
4	7%
5	6%
6	5%
7	4%
8	3%
9	2%
10	1%
11+	0%

After the first policy year, 10% of your policy value as calculated at the beginning of the policy year may be withdrawn without a withdrawal charge. Cumulative withdrawals in one policy year of more than 10% of the policy value may be subject to withdrawal charges. Lafayette Life does not credit index interest to amounts withdrawn from an index crediting method during an interest earning period.

Example: If the policy value of your annuity as of the first day of the second policy year is \$10,000, then the first \$1,000 of a \$5,000 withdrawal is not subject to withdrawal charges. Therefore, your withdrawal charge is $\$4,000 \times 0.09 = \360 . If you take out any amount after the end of the tenth policy year, there is no withdrawal charge.

Do I pay any other fees or charges?

If you do not have any supplemental benefits, we will assess no other fees or charges on the annuity.

TAXES

How will payouts and withdrawals from my annuity be taxed?

This annuity is tax-deferred, which means you don't pay taxes on the interest it earns until the money is paid to you. When you take payouts or make a withdrawal, you pay ordinary income taxes on the earned interest. You also pay a 10% federal income tax penalty on earnings you withdraw before age 59½. (If the annuity is purchased within an IRA, 401(k), or other tax qualified retirement plan, you may also pay taxes on the premium contributions on the annuity that are paid to you. If distributions from the annuity occur to you prior to age 59½, you also pay a 10% federal income tax penalty on the amount of the distributions that are taxable.)

You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you make the exchange. Before you do, compare the benefits, features, and costs of the two annuities. You may pay a withdrawal charge if you make the exchange during the first years you own the annuity. Also you may pay a withdrawal charge if you make withdrawals from the new annuity during the first years you own it.

Lafayette Life and its agents do not provide legal or tax advice. You should consult a tax advisor about your specific tax situation.

OTHER INFORMATION

What else do I need to know?

You may contact your agent, or a representative of The Lafayette Life Insurance Company at 1-800-

443-8793, regarding current short-term interest rates, fixed interest rates and caps.

Transfers of a net premium amount and/or interest credited on such net premium from one interest crediting method to another are only allowed on the anniversaries of such net premium's initial allocation date. You may transfer all or part of such value, but Lafayette Life must receive written notice of the desire to transfer such funds prior to such net premium's allocation date anniversary. Transferred amounts are treated in the same fashion as a new net premium received on the date of transfer for the purpose of determining the fixed interest rate and/or caps applicable to such transferred amount during the interest earning period starting on the date of transfer.

The historical performance of the S&P 500 Index should not be considered a representation of future values of the annuity. Future values may be greater or less than any examples provided to you.

Changes to your contract

We may change your annuity contract from time to time to follow federal or state laws and regulations. If we do, we'll tell you about the changes in writing.

Compensation

We pay the agent, broker, or firm for selling the annuity to you. They may receive additional compensation for selling this annuity contract than for selling other annuity contracts.

Right to Return

Many states have laws that give you a set number of days to look at an annuity after you buy it. If you decide during that time that you do not want it, you can return the annuity and get all your money back. Read your policy (Page 1) to learn about your **right to return** period.

What should I know about the insurance company?

The Lafayette Life Insurance Company offers a wide variety of individual life insurance and annuities products. For more information about The Lafayette Life Insurance Company, visit our website.

The Lafayette Life Insurance Company
400 Broadway
Cincinnati, OH 45202
Telephone: 1-800-443-8793
www.lafayettelife.com

This is a summary document only and not part of your contract with the insurer. All benefits described herein are subject to the terms and

conditions of the annuity. If there is any conflict, the provisions of the annuity, and not this general description, shall control.

I have read, understand, and have been given a copy of the Marquis Centennial 10 Annuity Disclosure.

Date

Owner/Applicant's Signature

Owner/Applicant's Printed Name

Agent's Signature

Agent's Printed Name

"Standards & Poor's®", "S&P®", "S&P 500®", "Standard & Poor's 500" and "500" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by The Lafayette Life Insurance Company. This policy is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of purchasing this policy.



Fixed Indexed Deferred Annuity

This document reviews important points to think about before you buy this Lafayette Life Insurance Company annuity. The annuity is an indexed annuity. It offers three index interest crediting alternatives under the index option, each of which is linked, in part, to the S&P 500. It also offers a Company declared fixed interest rate under the fixed option as a separate alternative for interest crediting. The annuity provides a guaranteed minimum surrender value. Review “The Annuity Contract” section below for additional information on how this annuity can earn interest and the guaranteed minimum surrender value. It is a flexible premium annuity which means you may make multiple premium payments (payments). The annuity is **deferred**, which means payouts begin at a future date. The terms “you” or “your” in this document mean the proposed owner of the annuity.

This annuity is designed for long-term accumulation needs such as to save for retirement and to receive retirement income for life. It is **not** meant to be used to meet short-term financial goals. This annuity is not FDIC insured. Lafayette Life stands behind the guarantees under this Annuity.

If you have questions about this annuity, please ask your agent or contact a Company representative at 1-800-443-8793.

THE ANNUITY CONTRACT

How will the value of my annuity grow?

Guaranteed Minimum Surrender Value

This annuity provides a guaranteed minimum surrender value. The guaranteed minimum surrender value is 87.5% of all net premiums (less any withdrawals) accumulated at an initial annual effective guaranteed minimum interest rate of 1% to 3%. Net premiums are premiums less any applicable premium tax and costs of supplemental benefits, if any, due upon premium payment. The initial guaranteed minimum interest rate used for determining the guaranteed minimum surrender value will be determined at policy issue and will remain fixed at least through the annuity's withdrawal charge period. Upon expiration of the withdrawal charge period and in no event earlier than the fifth policy anniversary of the annuity, we will periodically reset the guaranteed minimum interest rate, which is solely used for determining the guaranteed minimum surrender value. The guaranteed minimum interest rate is subject to change on each reset date, but in no event will it be less than 1% or more than 3%. The first reset date is the later of the policy anniversary immediately occurring after expiration of the annuity's withdrawal charge period and the fifth

policy anniversary of the annuity, and reset dates occur every 5 policy years thereafter. The guaranteed minimum interest rate will be based on the Five-Year Constant Maturity Treasury (5 Year CMT) Rate reported by the Federal Reserve.

Interest Crediting

This annuity can earn interest in two primary ways: 1) under the fixed option, interest credited to the policy will be based on interest rates declared by the Company, and 2) under the index option, interest credited to the policy will be based on one or more of three index interest crediting methods each of which is linked, in part, to the S&P 500 Index. The index does not include dividends paid by the companies that comprise the S&P 500. This annuity does not participate directly in any stock or equity investments. You aren't buying shares of stock or an index. Dividends paid on the stocks on which the index is based don't increase your earnings.

You may allocate your premiums between the fixed option and the interest crediting methods under the index option by selecting the percentage of each net premium to be allocated to each method. You may allocate each new net premium differently.

Allocation Dates

The allocation of your net premium to the selected interest crediting method will be done on an allocation date, which is the 15th of the month on or next following the date your net premium is received. The allocation date will be the initial measuring point for all interest calculations for that premium. If your premium is received on an allocation date, your net premium will be immediately allocated between the fixed and indexed alternatives you have selected.

If your premium is received on a date other than an allocation date, your net premium will be credited with a short-term fixed interest rate established by the Company until the next monthly allocation date. At that time, your net premium and any short-term interest credited will be allocated to the fixed and indexed alternatives you have selected.

Interest Earning Periods

Under the fixed option and index option, the interest calculations are based upon a one-year measuring period. This one-year measuring period is referred to as an interest earning period. For each net premium, the interest earning periods start on an allocation date and end one year later. Interest is calculated differently under each option.

Fixed Option

For each net premium allocated to the fixed option, the interest rate is declared in advance of each successive interest earning period and it is guaranteed not to change during such period. The minimum fixed interest rate is 1%.

Indexing & Index Option

For the amount of each net premium allocated to any one of the alternative index interest crediting methods under the index option, there is a separate cap that applies to each alternative that is used to calculate the index interest rate. The caps are used to set the upper limit on the index interest rate that may be credited for an interest earning period. For alternative methods A (Annual Point-to-Point) and B (Monthly Average) this cap is referred to as the maximum index interest rate, while alternative method C (Monthly Cap) refers to the cap as the maximum monthly index change. These caps are declared in advance of each successive interest earning period and are guaranteed not to change during such period. Any interest attributable to a change in the index is credited only at the end of an interest earning

period. There is no guarantee the index interest rate credited under any of the index interest alternatives will be equal to its cap or even greater than 0%.

Prior to the end of the interest earning period, the index interest rate is 0%.

Alternative Method A: Annual Point-to-Point -

The index interest rate for this method is the percentage change in the index from the allocation date that begins the interest earning period to the allocation date that ends the interest earning period. The index interest rate credited for an interest earning period will not be less than 0%, nor more than the applicable cap. The cap will not be less than 1%.

Alternative Method B: Monthly Average -

The index interest rate for this method is the percentage change in the index measured by the index on the allocation date that begins the interest earning period against the average of the indices on the 12 allocation dates immediately following the allocation date that begins the interest earning period. The index interest rate credited for an interest earning period will not be less than 0%, nor more than the applicable cap. The cap will not be less than 1%.

Alternative Method C: Monthly Cap -

The index interest rate for this method is the sum of the percentage change in the index for each of the 12 one-month periods between allocation dates within the interest earning period. Each of the 12 percentage changes may be less than 0%, but not more than the applicable cap. The index interest rate for an interest earning period will not be less than 0%. The cap will not be less than 0.0833%.

The issue date or policy date will be the business day on which the home office of Lafayette Life has received both the completed application and the initial premium.

BENEFITS

How do I get income (payouts) from my annuity?

On the maturity date of your annuity, if the annuity is then in effect, you will start to get income from the annuity as payee if you are the annuitant. If you are not the annuitant, the annuitant will get the income as payee. The annuity provides annuity payout options that are based on your policy value

on the maturity date. Unless changed by you in accordance with the policy, the maturity date will be the later of the annual date immediately following the Annuitant's 70th birthday or the eleventh annual date. The maturity date will not be later than the annual date following the Annuitant's 95th birthday. The payout option choices, which may also be called the payment plans, include:

- **Single Life Income:** Guarantees income for as long as the payee lives.
- **Single Life Income with Guaranteed Period:** Equal payouts are made for a selected guaranteed period and thereafter during the lifetime of the payee.
- **Joint and Survivor Life Income:** Guarantees income for as long as the payee or other joint payee (usually a spouse) lives.
- **Specified Period Installment Income:** Pays income for that period.
- **Specified Amount Installment Income:** Pays income of specified amount until entire policy value is paid.
- **Lump Sum:** One payout.

What happens after I die?

If you die before maturity (i.e., before we start income payouts from the annuity), we pay the policy value of this annuity on the date of death to the beneficiary as a death benefit. If you are not the annuitant, and the annuitant dies before maturity (i.e., before we start income payouts from the annuity), we pay the policy value of the annuity on the date of death to the beneficiary as a death benefit. If the annuitant dies after the payouts start, we will pay any remaining balance to the payee as provided for in the payment plan selected.

The policy value will be used to determine the annuity and death benefits. The policy value on any date is the sum of the accumulated values of the short-term interest crediting method, the fixed option and the index option but not less than the guaranteed minimum surrender value on such date.

OPTIONAL BENEFITS AND THEIR FEES

What other benefits can I choose?

There are no additional benefits available for this policy.

FEES, EXPENSES AND OTHER CHARGES

What happens if I take out some or all of the money from my annuity?

You cannot take any of the money out of your annuity after the payout begins, unless the payment plan you selected specifically provides otherwise. Before payout begins, you can take out all of your annuity's value (**surrender**) or part of it (**partial withdrawal**). You can take a partial withdrawal as long as you have \$2,000 in policy value remaining in the annuity after the partial withdrawal.

Withdrawal charges apply for the first ten policy years. We take a **withdrawal charge** if you withdraw amounts before the end of the tenth policy year that is in excess of any free withdrawal amount.

If you surrender or make a partial withdrawal while the withdrawal charges apply, your policy value will be reduced by the amount withdrawn and the applicable withdrawal charge, subject to the guaranteed minimum surrender value. The withdrawal charge is a percentage of the amount of the withdrawal that is in excess of any free withdrawal amount. The withdrawal charge percentage declines each policy year, as follows:

Policy Year	Withdrawal Charge
1	9%
2	9%
3	8%
4	7%
5	6%
6	5%
7	4%
8	3%
9	2%
10	1%
11+	0%

After the first policy year, 10% of your policy value as calculated at the beginning of the policy year may be withdrawn without a withdrawal charge. Cumulative withdrawals in one policy year of more than 10% of the policy value may be subject to withdrawal charges. Lafayette Life does not credit index interest to amounts withdrawn from an index crediting method during an interest earning period.

Example: If the policy value of your annuity as of the first day of the second policy year is \$10,000, then the first \$1,000 of a \$5,000 withdrawal is not subject to withdrawal charges. Therefore, your withdrawal charge is $\$4,000 \times 0.09 = \360 . If you take out any amount after the end of the tenth policy year, there is no withdrawal charge.

Do I pay any other fees or charges?

If you do not have any supplemental benefits, we will assess no other fees or charges on the annuity.

TAXES

How will payouts and withdrawals from my annuity be taxed?

This annuity is tax-deferred, which means you don't pay taxes on the interest it earns until the money is paid to you. When you take payouts or make a withdrawal, you pay ordinary income taxes on the earned interest. You also pay a 10% federal income tax penalty on earnings you withdraw before age 59½. (If the annuity is purchased within an IRA, 401(k), or other tax qualified retirement plan, you may also pay taxes on the premium contributions on the annuity that are paid to you. If distributions from the annuity occur to you prior to age 59½, you also pay a 10% federal income tax penalty on the amount of the distributions that are taxable.)

You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you make the exchange. Before you do, compare the benefits, features, and costs of the two annuities. You may pay a withdrawal charge if you make the exchange during the first years you own the annuity. Also you may pay a withdrawal charge if you make withdrawals from the new annuity during the first years you own it.

Lafayette Life and its agents do not provide legal or tax advice. You should consult a tax advisor about your specific tax situation.

OTHER INFORMATION

What else do I need to know?

You may contact your agent, or a representative of The Lafayette Life Insurance Company at 1-800-

443-8793, regarding current short-term interest rates, fixed interest rates and caps.

Transfers of a net premium amount and/or interest credited on such net premium from one interest crediting method to another are only allowed on the anniversaries of such net premium's initial allocation date. You may transfer all or part of such value, but Lafayette Life must receive written notice of the desire to transfer such funds prior to such net premium's allocation date anniversary. Transferred amounts are treated in the same fashion as a new net premium received on the date of transfer for the purpose of determining the fixed interest rate and/or caps applicable to such transferred amount during the interest earning period starting on the date of transfer.

The historical performance of the S&P 500 Index should not be considered a representation of future values of the annuity. Future values may be greater or less than any examples provided to you.

Changes to your contract

We may change your annuity contract from time to time to follow federal or state laws and regulations. If we do, we'll tell you about the changes in writing.

Compensation

We pay the agent, broker, or firm for selling the annuity to you. They may receive additional compensation for selling this annuity contract than for selling other annuity contracts.

Right to Return

Many states have laws that give you a set number of days to look at an annuity after you buy it. If you decide during that time that you do not want it, you can return the annuity and get all your money back. Read your policy (Page 1) to learn about your **right to return** period.

What should I know about the insurance company?

The Lafayette Life Insurance Company offers a wide variety of individual life insurance and annuities products. For more information about The Lafayette Life Insurance Company, visit our website.

The Lafayette Life Insurance Company
400 Broadway
Cincinnati, OH 45202
Telephone: 1-800-443-8793
www.lafayettelife.com

This is a summary document only and not part of your contract with the insurer. All benefits described herein are subject to the terms and

conditions of the annuity. If there is any conflict, the provisions of the annuity, and not this general description, shall control.

I have read, understand, and have been given a copy of the Marquis Centennial 10 Annuity Disclosure.

Date

Owner/Applicant's Signature

Owner/Applicant's Printed Name

Agent's Signature

Agent's Printed Name

"Standards & Poor's®", "S&P®", "S&P 500®", "Standard & Poor's 500" and "500" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by The Lafayette Life Insurance Company. This policy is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of purchasing this policy.

**IMPORTANT NOTICE:
REPLACEMENT OF LIFE INSURANCE OR ANNUITIES**

- The Western and Southern Life Insurance Company**
 - Western-Southern Life Assurance Company**
 - Integrity Life Insurance Company**
 - The Lafayette Life Insurance Company**
 - National Integrity Life Insurance Company**
- Cincinnati, Ohio

**This document must be signed by the applicant and the producer, if there is one,
and a copy left with the applicant.**

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interests. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract? YES NO

2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract? YES NO

If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the policy or contract number if available) and whether each policy or contract will be replaced or used as a source of financing:

INSURER NAME	CONTRACT OR POLICY #	INSURED OR ANNUITANT	REPLACED (R) OR FINANCING (F)
1.			
2.			
3.			

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. If you request one, an in force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer. Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

The existing policy or contract is being replaced because _____.

I certify that the responses herein are, to the best of my knowledge, accurate:

Applicant's Signature and Printed Name

Date

Producer's Signature and Printed Name

Date

I do not want this notice read aloud to me. _____ (Applicants must initial only if they do not want the notice read aloud.)

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

PREMIUMS: Are they affordable?
Could they change?
You're older—are premiums higher for the proposed new policy?
How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES: New policies usually take longer to build cash values and to pay dividends.
Acquisition costs for the old policy may have been paid, you will incur costs for the new one.
What surrender charges do the policies have?
What expense and sales charges will you pay on the new policy?
Does the new policy provide more insurance coverage?

INSURABILITY: If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.
You may need a medical exam for a new policy.
Claims on most new policies for up to the first two years can be denied based on inaccurate statements.
Suicide limitations may begin anew on the new coverage.

IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:
How are premiums for both policies being paid?
How will the premiums on your existing policy be affected?
Will a loan be deducted from death benefits?
What values from the old policy are being used to pay premiums?

IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:
Will you pay surrender charges on your old contract?
What are the interest rate guarantees for the new contract?
Have you compared the contract charges or other policy expenses?

OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:
What are the tax consequences of buying the new policy?
Is this a tax free exchange? (See your tax advisor.)
Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?
Will the existing insurer be willing to modify the old policy?
How does the quality and financial stability of the new company compare with your existing company?

Life Insurance and Annuity Buyer's Guide Introduction

The Kentucky Office of Insurance is pleased to offer this "Life Insurance and Annuity Buyer's Guide" as an aid to assist you in determining your insurance needs and the products that will fill those needs. This guide contains only a brief description of various life insurance and annuity products. For specific information about a particular type of life insurance product, you should consult an agent. This guide is not meant to offer legal, financial or tax advice. You may want to consult independent advisors for those specific questions. This guide does not endorse any company, agent or policy type.

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What is Life Insurance?

Insurance, by its nature, is a way of pooling risks. Everyone in the pool pays insurance premiums while hoping he will not need to collect. The company bears the risk, hoping that the amount of the premiums paid will cover any losses incurred by the group.

In the case of life insurance, your life is the risk. The insurance company offers a policy to an individual after carefully weighing the likelihood of when he will die while the contract is in force.

Lifespan is an important question to the company that insures you. For example, most life insurance companies assume that everyone will die by the age of 100. In addition, to maintain financial solvency, a company must consider how much premium it must collect before it pays out a death benefit. With that in mind, if you buy a life insurance policy when you are 25 years old, you will pay a lower premium for the same policy than a 65 year old because you will pay the premium for a longer period of time. The 65 year old will pay more because there are fewer years for the company to collect premium before the person reaches 100.

An insurance company agrees to pay your beneficiary a specific amount of money when you die. In most cases, that amount is determined when you apply for life insurance and is specified in the policy you buy. Anyone can be named beneficiary including relatives, friends, organizations, charities, business partners, etc. Generally, you will name a primary and secondary beneficiary. The secondary beneficiary will receive the death benefit only if the primary beneficiary is no longer living at the time of your death.

You pay for the policy by making premium payments. There are numerous payment plans available including monthly, quarterly, semi-annually or annually. You may also pay the entire premium in one lump sum – single premium. The amount of premium you pay depends on a number of factors such as age, gender, health, whether you are a smoker or a non-smoker, how much insurance you are purchasing, type of policy you are purchasing, and your lifestyle such as if you participate in risky activities like race car driving or hang gliding.

Why You May Need Life Insurance

Paying for funeral and burial expenses can be a heavy financial burden. If the person who dies is the primary wage earner for the household, it may be difficult for those left behind to pay the mortgage, utilities, car loans, food and any other expenses. It could be very difficult to maintain the family's same standard of living without that income. Life insurance can make sure your family is not burdened with the debt left behind and can ease the financial hardship associated with the death.

Purchasing life insurance should be considered when you are starting a family, getting married, planning for your children's education, or planning for retirement. These are just a few examples.

Families with young children may have a need for life insurance. If there is a loss of income in the family, the family's future plans may be compromised. A child who will be ready to go to college in a few years may not be able to go. There could be additional expenses, such as childcare, if the surviving spouse has to take on additional work to support the family. Without sufficient income available to the family, other things will have to be considered as well. If you died, would your family be able to afford the house in the community you live in now? Would your children be able to go to the same schools? A life insurance policy can do more than just replace lost income. It can also provide money for unexpected expenses that may arise in the future.

In order to get the best life insurance policy for your family, you need to know what is available to you. It is very important to do some research before you buy a life insurance policy. This does not have to be a long, drawn-out process. However, it is wise to research companies and products to find one that fits your personal situation.

Call local insurance agents and set up appointments to speak with them about the products they offer. They will often fill out a “worksheet” with you to determine how much and what types of insurance best suits your needs. Do your own research on the Internet. If you do not have a computer, go to your local library. Also, friends and family can be very helpful. Odds are, someone you work with, are associated with, or a family member has purchased life insurance.

Buying Life Insurance

When you buy life insurance, you want coverage that fits your needs. It makes good sense to ask a life insurance agent or company to help you. An agent can help you review your insurance needs and provide information about the available policies. If one kind of policy doesn't seem to fit your needs, ask about others. This guide provides only basic information. You can get more facts from a life insurance agent or company or from your public library. Do not purchase any life insurance product if you do not understand exactly what you are purchasing. Be aware that once you have purchased a life insurance policy, you have at least a 10-day period (“free look” period) to review the policy. If you find, for any reason, that you do not want the policy, it can be returned to the company for a full refund of premium during this free look period.

The most important thing you can do is educate yourself about your policy once it has been delivered. ALWAYS READ YOUR POLICY IMMEDIATELY UPON RECEIPT!

How Much Life Insurance Do You Need?

Here are some questions to ask yourself:

- How much of the family income do I provide? If I were to die prematurely, how would my survivors get by? Does anyone else depend on me financially (parent, grandparent, brother or sister)?
- Do I have children for whom I'd like to set aside some money to finish their educations in the event of my death?
- How will my family pay final expenses and repay debts after my death?
- Do I have family members or organizations to which I would like to leave money?
- Will there be estate taxes to pay after my death?
- How will inflation affect future needs?

What is the Right Kind of Life Insurance for You?

Typically, life insurance fits into one of two classes – permanent insurance and term insurance. There are, however, many variations within each of these classes. Following are examples of each. This is by no means an exhaustive list, but will give you a good idea about each class.

What is Term Life Insurance?

Term life insurance provides life insurance for a limited period of time. As the name suggests, it is for a specific term, a number of years, or until the insured reaches a specific age. If the insured dies within that period, the beneficiary receives the death benefit. However, if the insured survives the specified term of the policy, the policy simply ends. Term life insurance typically has no cash value; this is the savings element that is present in some policies. Most term policies have a level death benefit for the term of the policy. Although the death benefit remains the same, the premiums normally increase each year. The reason for this is that the age of the person insured is also increasing; age is one of the factors that determine premium.

A couple of important features to consider when researching term insurance policies are renewability and convertibility. Almost all term policies contain the option for renewability. At the end of the term, the policy can be renewed for a limited number of additional years without a medical exam. The premium will normally increase with each renewal, which is expected, because of the insured's increasing age. Renewability may be a very important factor to an insured who has recently had a decline in health status.

If that person had to apply for new insurance after the term expired, he may find himself uninsurable and be without coverage he may need. Fortunately, he can turn to the renewability feature and will have extended coverage without a medical exam. Be aware, as the insured reaches advanced years, the premium can become very expensive.

Convertibility is another option on a term policy. It is option to convert a term into a permanent policy without new evidence of insurability, which means no new medical exam. Convertibility is allowed on an "attained age" basis or an "original age" basis. Attained age allows you to purchase a new permanent policy at the premium rate for your current age. Original age allows you to go back to the premium rate you were charged at the age you first purchased the term policy. As you can image, the company will charge an additional fee for original age rates. Attained age is the most frequently used convertibility option.

Types of Term Life Insurance

Yearly renewable term – This type of term policy functions as the name suggests. It is issued for a year and the owner can renew annually for future one-year periods. With this type of policy, the insured is normally not required to take a medical exam for renewal. The insured must be allowed to renew, and the increase to premium is based on age and life expectancy.

Renewable terms for other durations – There can be policies written for different durations, depending on what the company offers, such as 5-year term, 10-year term, etc. In each of these, the premium would remain the same for the duration of the term. The policy may be renewed at the end of the term, but the premium will change due to the age of the insured at the time of renewal.

Term to sixty-five – Also acts as the name suggests. It provides coverage to a specified age. The premium stays level throughout the term; however, insurance expires when the term is over.

Decreasing face amount – The face amount, or benefit, decreases over the term of the policy, but the premium remains the same. This type of policy is most commonly used for loan or mortgage protection and can cover a variety of durations, usually 10-30 years. They are typically structured to provide enough benefit to payoff the loan if an insured dies.

Level term – Both the death benefit and the premium remain the same for the entire length of the contract.

Increasing term – Normally issued as a rider to another policy. The face amount, or benefit, increases over the term of the policy.

What is Permanent Life Insurance?

Unlike term life insurance, permanent life insurance remains in force for the full life of the insured as long as premium payments are made in accordance with the policy provisions. Typically, permanent life insurance has a cash value or account value.

Types of Permanent Life Insurance

Whole life insurance – This permanent type of life insurance is different from term insurance in that it provides coverage over the insured's life time, not just a portion of the insured's life. Whole life provides coverage to age 100. Since the companies charge premiums based on the assumption that everyone would be dead by age 100, the company pays the policy face amount to those who attain age 100.

In general, premiums can be paid until age 100, or for a portion of the insured's life. Single premium whole life policies are paid with one lump sum payment. Premium stay level throughout the policy. Since premiums are based on age, the younger a person is when the policy is purchased, the lower the premium will be throughout the life of the policy. In addition to level premiums, the death benefit also remains the same.

It was mentioned earlier premiums for whole life policies could be paid for a shorter period of time instead of being paid to age 100. This is referred to as limited payment whole life. This allows the premiums to be paid for a shorter time while the death benefit stays in force until age 100.

Once the premiums are paid for the chosen period to period of time, the policy is paid up. Other forms of limited pay policies are those in which the premiums are paid for a certain number of years or to a certain age. Companies will offer different options such as "Life to 65" or "20 Pay Life." The premiums would be calculated so that the insured would pay until he reaches the specified age or the specified number of years. Then the premiums would no longer be paid. If you choose to purchase one of these limited pay policies, your premiums will be higher than if you paid premiums until age 100. This is because the coverage is until age 100 but the premiums are being paid for fewer years.

A very important aspect of whole life policies is that they have cash value. This means the policy also has a savings aspect for the insured. A portion of each premium payment goes into the cash value. The policy owner can access this money in a number of ways. Whole life policies have to contain a schedule that shows the owner the minimum value he can receive if he decides to surrender the policy. However, a surrender is not the only way to access the funds. Loans can be taken up to the cash value; however, interest is charged for this loan, which can be repaid at any time. If the policy is surrendered, the loan is deducted from the cash value. If the insured dies the loan is deducted from the face amount.

Cash value can also come in the form of the dividends from the company. A policy can be “participating” or “non-participating.” If the policy does pay a dividend, it is a participating policy. If no dividend is paid the policy is considered non-participating. Dividends may be taken as cash, used to purchase paid up insurance or can be applied to reduce a premium.

The following types of policies (variable life, universal life and variable universal life) are a bit more complicated and can be somewhat confusing. It is very important that you seek out an agent who has experience with these types of policies before you commit to a purchase.

Variable life insurance (variable whole life) - This is another type of permanent life insurance. However, the death benefits and cash account values are determined upon investment options. These investment options are usually in the form of mutual funds. Each company has different investment options and the policy owner is allowed to choose which types of funds to use. Most offer at least a stock fund, a bond fund, and a money market fund. Variable life insurance offers fixed premiums and a minimum death benefit. If the return on investment options is high, then the account value of the policy will grow. Be aware that the account value can vary from year-to-year and even day-to-day based on the performance of the investment options. The performance of the investment options is not guaranteed. Remember, you as the policy owner are the person responsible for choosing the investment options - not the insurance company.

Flexible premium adjustable life insurance (universal life) - Universal life is a flexible premium life insurance policy that has an adjustable death benefit. This life insurance policy has an initial premium and flexible premiums afterwards. The policyholder can select the future amount and the frequency of his premium payments, within limits, and can also stop and start premium payments. It is very important to be aware of the account value in these types of policies to be sure there are always enough funds to keep the policy in force.

As premium payments are made, they accumulate within the policy at a fixed rate of interest and create an account value. This interest rate is determined by the company, changes periodically (usually each year) and cannot go below the guaranteed minimum interest rate stated in the policy. Each month, policy expenses are deducted from the account value. The difference between the premiums paid in plus the interest credited to these funds, less the policy expenses, equals the account value.

When a policy owner purchases a universal life policy he is given a choice of at least two death benefit options. These are usually referred to in the industry as Option A and Option B or Option 1 and Option 2. Remember, because this is a universal life policy, the policy owner is not locked into either option and the death benefit option can be changed at any time in accordance with the policy provisions. The death benefit can either be a specified amount or a specified amount including the cash value. It is very important that you understand each option before committing and make sure you have a knowledgeable agent to explain each option to you.

As long as the account values are sufficient, you may take out a loan for a certain percentage of your account value. You may also withdraw money permanently, or you may choose to surrender the policy for its surrender value. Be aware that if you surrender your policy in the early years, most companies impose a surrender charge. This charge is a percentage of the account value that the company will deduct from the amount you receive. These charges vary by company. There is a schedule listed in the policy showing the surrender charge percentages. Normally they decrease over a number of years until they reach zero. Usually, if you surrender the policy in the first few years the account value could be completely eliminated.

Variable universal life - Not to over simplify but there is one distinct difference between universal life (previously discussed) and variable universal life. The account value in a universal life policy grows at a fixed rate of return. The account value in a variable universal life policy increases (or decreases) at a variable rate. The rate of growth or lack of as the case may be, is determined by the performance of your investment options. As discussed previously in the variable life insurance section, each company has different investment options from which to choose.

Survivorship life - This is another way to structure a life insurance policy. Policies structured this way are also referred to as Second-to-die or Last-to-die policies. Survivorship life insures two or more individuals and pays a death benefit upon the second death or the last death as there may be more than two lives insured. One of the reasons for purchasing survivorship life insurance would be to pay possible estate taxes.

Illustrations

You may be thinking of buying a policy where cash values, death benefits, dividends or premiums may vary based on events or situations the company does not guarantee (such as interest rates). If so, you may get an illustration from the agent or company that will project how the policy may perform. The illustration will show how the values that are not guaranteed will change as interest rates and other factors change. The illustration will also show you the values the company guarantees. Remember that nobody knows what will happen in the future. You should be ready to adjust your financial plans if the policy's value doesn't increase as quickly as shown in the illustration. You may be asked to sign a statement that says you understand that some of the values in the illustration are not guaranteed. If you already own a policy, ask for an "in-force" illustration periodically to see how your policy has actually performed. This is especially important if you own a universal life, variable universal life or variable life policy.

What is an Annuity?

An annuity is an insurance contract where an insurance company promises to make payments to an annuitant over a specified period of time or for life. One of the purposes for an annuity is to make sure a person does not outlive his income. An annuity is a type of insurance to protect against the risk of financial hardship during retirement.

There are three participants in an annuity contract: the owner, the annuitant and the beneficiary. Most of the time, the annuitant and the owner are the same person, but it is not required. The owner is the purchaser of the annuity, pays the premiums and has the right to surrender the annuity. The owner is also responsible for any taxes due upon surrender or payout and is usually the person who names the beneficiary of the contract. The annuitant is the person whose age and life expectancy is going to be used to calculate the benefits of the annuity and who will receive the annuity payments. The beneficiary receives the death benefit upon death of the annuitant or the owner.

Various Types of Annuities

Fixed annuity – This type of annuity accumulates interest on the funds deposited into the annuity on a fixed rate basis. Every fixed annuity has a current interest rate and a minimum guaranteed interest rate. The current interest rate will always be equal to or higher than the minimum guaranteed interest rate. Although this varies from company to company and contract to contract, the current interest rate is declared on an annual basis, usually after an initial guarantee period. With a fixed annuity, the insurance company assumes the risk of paying at least the minimum guaranteed interest rate.

Variable annuity – Different than a fixed annuity, a variable annuity pays varying rates of interest on the funds placed inside the annuity based upon the investment options chosen by the annuity owner. If the investment choices do well, the annuity will do well. If the investment choices do poorly, the annuity will not grow as well, or could even lose value. Because the growth of a variable annuity is not guaranteed by the insurance company, the contract holder assumes the risk.

Immediate annuity – This type of annuity begins paying a benefit very soon, usually within 30 days to one year after it is purchased, and usually requires a lump sum payment.

Indexed annuity – This is a fairly new product in the annuity market. Indexed annuities pay an interest rate that is tied to the performance of a common or well-known index such as S&P 500, the Russell 1000 or the S&P 100. The growth of an indexed annuity is based upon the participation rate of the index it is tied to. For example, if an indexed annuity has a defined participation rate of 70 percent and the index it follows goes up 10 percent, the annuity's accumulation value will increase by 7 percent (10 percent increase times the 70 percent participation rate) . On the downside, most index annuities specify a "floor" that the annuity growth rate cannot go below or offer a minimum interest rate. Typically this minimum rate is 1 percent to 3 percent.

Things Common to all Annuities

There are two distinct phases to an annuity - the accumulation phase and the payout phase. The accumulation phase is the first phase where all the premiums are paid into the annuity and the money grows tax-deferred. The second phase is the payout phase, which is when the annuity actually starts to pay the benefits to the annuitant. There are several payout options; a few of these options will be discussed in the following section. Make sure your agent goes over each option with you thoroughly so that you choose the one most appropriate for your needs. It is very important to understand that once a payout option is chosen and you start receiving payments that option cannot be changed.

Examples of Payout Options (Settlement Options)

Life income (no refund) - Pays an income as long as the annuitant is alive. Payments stop when the annuitant dies.

Life income with period certain (10, 15, or 20 years) - Pays an income as long as the annuitant is alive. If the annuitant dies before the period certain has expired, payments are made to the beneficiary for the balance of the period.

Life income with installments (refund) – This option provides a monthly annuity payment during the lifetime of the annuitant with a guarantee that the payments will be made for a certain number of months (not necessarily for the annuitant's full lifetime). The number of months is determined by dividing the accumulated amount of the annuity by the amount of the first monthly annuity payment. Only the number of months is guaranteed so there is no guarantee of a full refund.

The following payout options assume there are two individuals that will be receiving benefits from the annuity

Joint and full to survivor (no refund) - This option pays an income as long as one or more annuitant is living. Payments stop when both annuitants are deceased.

Joint and 2/3 to survivor (no refund) - This option pays an income while both annuitants are alive. When one dies, 2/3 income payments continue during the survivor's lifetime. Payments stop when the second annuitant dies.

Joint and full to survivor with period certain (10, 15, 20 years) - Pays an income while at least one annuitant is alive. If both annuitants die before the specified period expires, payments of the balance of the period certain continue to the beneficiary.

Joint and full to survivor with installments (refund) - This option pays a monthly payment during the lifetime of the annuitant with a guarantee that payments will be made for a certain number of months. The number of months is determined by dividing the accumulated amount of the annuity by the amount of the first monthly annuity payment. Only the number of months is guaranteed so there is no guarantee of a full refund.

Joint and 2/3 to survivor with period certain (10, 15, 20 years) – Pays an income while both annuitants are living. When one dies, 2/3 of the income payment continues during the survivor's lifetime. If the second annuitant dies before the period certain expires, the 2/3 payment amount continues to the beneficiary for the balance of the period.

Will You be Penalized if You Withdraw Money From Your Annuity?

In most cases “Yes”. However, some annuities have a provision that permits you to withdraw a certain amount each year, usually 10 percent of the annuity value, without having to pay a surrender charge. Please remember, even though you may not have to pay a surrender charge there may still be taxes that have to be paid on some or all of the money you withdraw. It is recommended that you consult a tax advisor or your annuity company regarding the tax consequences before you make the withdrawal.

Important Things to Consider

1. Review your own insurance needs and circumstances. Choose the kind of policy that has benefits that most closely fit your needs. Ask an agent or company to help you.
2. Be sure that you can handle the premium payments. Ask about any possible increases in premium amounts and what may cause an increase.
3. Don't sign an insurance application until you review it carefully to be sure all the answers are complete and accurate.
4. Don't drop one policy and buy another without a thorough study of the new policy and the one you have now. Replacing your insurance may be costly.
5. **Read your policy carefully.** Ask your agent or company about anything that is not clear to you.
6. Periodically review your life insurance program with your agent or company to keep up with changes in your income and your needs.
7. **Do not buy a policy until you have a good understanding of how it works.**

Are You Considering Dropping or Replacing an Existing Life Insurance Policy or Annuity Contract?

If you are thinking about dropping or replacing a life insurance policy or annuity contract, here are some things you should consider:

- If you decide to replace your policy or contract, do not cancel your old policy or contract until you have received the new one. You will usually have a minimum of 10 days to review your new policy or contract to decide if it is what you want.
- It may be costly to replace a policy or contract. There may be substantial surrender charges that you will incur. Remember that if you have held your existing policy or contract long enough and no longer have to pay a surrender charge, purchasing a new contract or policy will start a new period of surrender charges.
- Consider consulting a tax advisor to see if dropping your policy or contract could affect your income taxes.

- If you are older, or your health has changed, premiums for the new life insurance policy will most likely be higher. You will not be able to buy a new policy if you are no longer insurable.
- You may have valuable rights and benefits in the policy or contract you now have that are not in the new one.
- If the life insurance policy you have now no longer meets your needs, you may not have to replace it. You might be able to adjust your existing policy or purchase additional insurance to get the coverage or benefits you now want or need.
- Be aware that the new policy you are considering may only pay a reduced benefit in the early years for some causes of death already covered in the policy you have now.

In all cases, if you are thinking of buying a new policy or contract to replace your existing one, check with the agent or company that issued your existing policy or contract. Before replacing, ask your agent or company for an updated illustration (in-force illustration). Check to see how the policy or contract has performed and what you should expect in the future based on the guarantees.

How Can You Find Missing Policies or Contracts?

- If the deceased's estate went through probate, there is a chance that the policy might have been listed as an asset.
- Begin by contacting insurance companies. Try to narrow your search as much as possible. For example, start with those companies most prominent where the deceased lived or worked. Contact the benefits coordinator at the deceased's place of employment. Remember, unless you are the beneficiary, the company is not required to offer any information. Try to provide as much information as possible, including the deceased's name and any aliases, social security number, date of birth, etc.
- Ask the estate's executor to request copies of all bank statements and other records. If a clerk has been written or an automatic payment has been made to an insurance company, this might provide a lead.
- Contact the deceased's insurance agent for homeowner's, renters, or auto insurance. Although they may not have sold your friend or relative a life insurance policy or annuity contract, many agents keep records of their client's insurance purchases.

Final Points to Consider

Remember to read your life insurance policy or annuity contract carefully when you receive it. Ask your agent or insurance company to explain anything you don't understand. If you have a specific complaint or can't get the answers you need from the agent or company, contact your state insurance department.

Insurer Rating Organizations

Other sources of information related to the financial strengths of companies are insurance rating organizations. Some of these are A.M. Best, Fitch Ratings, Moody's Investors Service, Standard and Poor's and Weiss Ratings, Inc. You can use these sources to help you research and determine which companies you would like to contact about your insurance needs. The Kentucky Office of Insurance can provide you with ratings from A.M. Best or you can contact the companies directly to get information about their ratings.

A.M. Best

www.ambest.com

Telephone: 908-439-2200

Standard and Poor's

<http://www2.standardandpoors.com>

Telephone: 212-208-1199

Fitch Ratings

www.fitchratings.com

Telephone: 800-893-4824

Weiss Ratings, Inc.

www.weissratings.com

Telephone: 800-289-9222

Moody's Investors Service

www.moodys.com

Telephone: 212-553-0377

Kentucky Environmental and Public Protection Cabinet
Office of Insurance
P.O. Box 517, Frankfort, KY 40602-0517
Toll free 800-595-6053 Deaf/hard-of-hearing: 800-462-2081
<http://doi.ppr.ky.gov/kentucky/>

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- The Western and Southern Life Insurance Company
- Western-Southern Life Assurance Company
- Integrity Life Insurance Company
- National Integrity Life Insurance Company
- The Lafayette Life Insurance Company
Cincinnati, Ohio

**CERTIFICATION FORM FOR SALES TO APPLICANTS
OUTSIDE OF THEIR RESIDENT STATE**

The Agent/Registered Representative confirms the following:

Name of Owner/Joint Owner ("Applicant"): _____

Name of Insured/Annuitant (if different): _____

Policy/Contract number (if known): _____

Resident State of Applicant*: _____ Application State: _____

The Applicant's valid reason for purchasing an insurance or annuity product outside of their resident state is (check all that apply):

- The Applicant owns a second home in the application state.
- The Applicant is employed, has a business address or regular business dealings in application state.
- The Applicant is a relative of or is an existing client of the agent in the application state, which is a state where the Applicant formerly lived.
- The Applicant is different than the Insured/Annuitant and the Insured/Annuitant's primary residence is in the application state.
- The Applicant is a trust and the trustee's primary residence is in the application state.
- The Applicant has a power of attorney ("POA") acting on their behalf and the POA's primary residence is in the application state.
- Other reason (provide a detailed explanation) _____

The undersigned certifies that:

- The above information is true and complete.
- The solicitation and signing of the application occurred within the application state.
- The policy/contract will be delivered to the Applicant in the application state.
- All other sales activity, including initial premium collection and paramedic exam, occurred or will occur in the application state.

The Company reserves the right to decline to issue the life insurance policy or annuity contract for which the Applicant is applying.

**Signature of Agent/
Registered Representative** _____ **Date** _____

**Name of Agent/
Registered Representative** _____

Residents of the following states are prohibited from purchasing an insurance or annuity product outside of their resident state: **Arkansas, Idaho, Massachusetts, Minnesota, Mississippi, Utah, Wisconsin.*

