



# *Application for Annuity*



Lafayette Life  
Insurance Company

A member of Western & Southern Financial Group

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# 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 60 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 ( <b>REQUIRED</b> )
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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)
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**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:
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**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
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**Financial Professional's Contact Information:**  
Please contact me with any questions or additional information necessary by:

Phone Number	Cell Phone	Email Address ( <b>REQUIRED</b> )
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Best time to contact me:
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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.



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**Authorization and Signatures**

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**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

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**Agent Information and Signature**

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**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.**



**Lafayette Life  
Insurance Company**

A member of Western & Southern Financial Group

**NOTICE CONCERNING POLICYHOLDER RIGHTS IN AN  
INSOLVENCY UNDER THE MINNESOTA LIFE AND HEALTH  
INSURANCE GUARANTY ASSOCIATION LAW**

If the insurer who issued your life, annuity or health insurance policy becomes impaired or insolvent you are entitled to compensation for your policy from the assets of that insurer. The amount you recover will depend on the financial condition of the insurer.

In addition, residents of Minnesota who purchase life insurance, annuities, or health insurance from insurance companies authorized to do business in Minnesota are protected, **SUBJECT TO LIMITS AND EXCLUSIONS**, in the event the insurer becomes financially impaired or insolvent. This protection is provided by the Minnesota Life and Health Insurance Guaranty Association.

Minnesota Life & Health Insurance Guaranty Association  
4760 White Bear Parkway Suite 101  
White Bear Lake, MN 55110  
(651) 407-3149

The maximum amount the guaranty association will pay for all policies issued on one life by the same insurer is limited to \$500,000. Subject to this \$500,000 limit, the Guaranty Association will pay up to \$500,000 in life insurance death benefits, \$130,000 in net cash surrender and net cash withdrawal values for life insurance, \$500,000 in health insurance benefits, including any net cash surrender and net cash withdrawal values, \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values, \$410,000 in present value of annuity benefits for annuities which are part of a structured settlement or for annuities in regard to which periodic annuity benefits for a period of not less than the annuitant's lifetime or for a period certain of not less than ten years, have begun to be paid on or before the date of impairment or insolvency, or if no coverage limit has been specified for a covered policy or benefit, the coverage limit shall be \$500,000 in present value. Unallocated annuity contracts issued to retirement plans, other than defined benefit plans, established under section 401, 403(b), or 457 of the Internal Revenue Code of 1986, as amended through December 31, 1992; are covered up to \$250,000 in net cash surrender and net cash withdrawal values, for Minnesota residents covered by the plan provided, however, that the Association shall not be responsible for more than \$10,000,000 in claims from all Minnesota residents covered by the plan. If total claims exceed \$10,000,000, the \$10,000,000 shall be prorated among all claimants. These are the maximum claim amounts. Coverage by the Guaranty Association is also subject to other substantial limitations and exclusions and requires continued residency in Minnesota. If your claim exceeds the Guaranty Association's limits, you may still recover a part or all of that amount from the proceeds of the liquidation of the insolvent insurer, if any exist. Funds to pay claims may not be immediately available. The Guaranty Association assesses insurers licensed to sell life and health insurance in Minnesota after the insolvency occurs. Claims are paid from this assessment.

**THE COVERAGE PROVIDED BY THE GUARANTY ASSOCIATION IS NOT A SUBSTITUTE FOR USING CARE IN SELECTING INSURANCE COMPANIES THAT ARE WELL MANAGED AND FINANCIALLY STABLE. IN SELECTING AN INSURANCE COMPANY OR POLICY, YOU SHOULD NOT RELY ON COVERAGE BY THE GUARANTY ASSOCIATION.**

**THIS NOTICE IS REQUIRED BY MINNESOTA STATE LAW TO ADVISE POLICYHOLDERS OF LIFE, ANNUITY OR HEALTH INSURANCE POLICIES OF THEIR RIGHTS IN THE EVENT THEIR INSURANCE CARRIER BECOMES FINANCIALLY INSOLVENT. THIS NOTICE IN NO WAY IMPLIES THAT THE COMPANY CURRENTLY HAS ANY TYPE OF FINANCIAL PROBLEMS. ALL LIFE, ANNUITY AND HEALTH INSURANCE POLICIES ARE REQUIRED TO PROVIDE THIS NOTICE.**

I have read the foregoing notice and received a copy for my records this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_

\_\_\_\_\_  
Applicant

Signed Form Submitted  
with Application



**Lafayette Life  
Insurance Company**

A member of Western & Southern Financial Group

**NOTICE CONCERNING POLICYHOLDER RIGHTS IN AN  
INSOLVENCY UNDER THE MINNESOTA LIFE AND HEALTH  
INSURANCE GUARANTY ASSOCIATION LAW**

If the insurer who issued your life, annuity or health insurance policy becomes impaired or insolvent you are entitled to compensation for your policy from the assets of that insurer. The amount you recover will depend on the financial condition of the insurer.

In addition, residents of Minnesota who purchase life insurance, annuities, or health insurance from insurance companies authorized to do business in Minnesota are protected, **SUBJECT TO LIMITS AND EXCLUSIONS**, in the event the insurer becomes financially impaired or insolvent. This protection is provided by the Minnesota Life and Health Insurance Guaranty Association.

Minnesota Life & Health Insurance Guaranty Association  
4760 White Bear Parkway Suite 101  
White Bear Lake, MN 55110  
(651) 407-3149

The maximum amount the guaranty association will pay for all policies issued on one life by the same insurer is limited to \$500,000. Subject to this \$500,000 limit, the Guaranty Association will pay up to \$500,000 in life insurance death benefits, \$130,000 in net cash surrender and net cash withdrawal values for life insurance, \$500,000 in health insurance benefits, including any net cash surrender and net cash withdrawal values, \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values, \$410,000 in present value of annuity benefits for annuities which are part of a structured settlement or for annuities in regard to which periodic annuity benefits for a period of not less than the annuitant's lifetime or for a period certain of not less than ten years, have begun to be paid on or before the date of impairment or insolvency, or if no coverage limit has been specified for a covered policy or benefit, the coverage limit shall be \$500,000 in present value. Unallocated annuity contracts issued to retirement plans, other than defined benefit plans, established under section 401, 403(b), or 457 of the Internal Revenue Code of 1986, as amended through December 31, 1992; are covered up to \$250,000 in net cash surrender and net cash withdrawal values, for Minnesota residents covered by the plan provided, however, that the Association shall not be responsible for more than \$10,000,000 in claims from all Minnesota residents covered by the plan. If total claims exceed \$10,000,000, the \$10,000,000 shall be prorated among all claimants. These are the maximum claim amounts. Coverage by the Guaranty Association is also subject to other substantial limitations and exclusions and requires continued residency in Minnesota. If your claim exceeds the Guaranty Association's limits, you may still recover a part or all of that amount from the proceeds of the liquidation of the insolvent insurer, if any exist. Funds to pay claims may not be immediately available. The Guaranty Association assesses insurers licensed to sell life and health insurance in Minnesota after the insolvency occurs. Claims are paid from this assessment.

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I have read the foregoing notice and received a copy for my records this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_

\_\_\_\_\_  
Applicant

Give to Proposed  
Policyowner

DSCLM-MN 11/10

(9/11)



## 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 15<sup>th</sup> 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 70<sup>th</sup> birthday or the eleventh annual date. The maturity date will not be later than the annual date following the Annuitant's 95<sup>th</sup> 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:

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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%

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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](http://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 15<sup>th</sup> 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 70<sup>th</sup> birthday or the eleventh annual date. The maturity date will not be later than the annual date following the Annuitant's 95<sup>th</sup> 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:

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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%

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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](http://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.

- 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.***

