



### Customer Services

**TO:** Jason Helming  
**FROM:** Diana Combs  
**PLEASE RESPOND TO FAX#:** (816) 931-3585  
**EMAIL:** DCOMBS@KCLIFE.COM  
**MESSAGE OR SPECIAL INSTRUCTIONS:**

**DATE:** 1/12/2016 3:19:42 PM  
**TO FAX#:** 1-573-893-2172  
**TELE:** 1-800-821-6164  
**EXT:** x6418

**TOTAL NUMBER OF PAGES INCLUDING COVER SHEET: 27**  
**\*IF ANY PROBLEM DURING TRANSMISSION, PLEASE CALL SENDER.**



**KANSAS CITY LIFE  
INSURANCE COMPANY**

Broadway at Armour / Box 219139 / Kansas City, Missouri 64121-9139  
Telephone: (816) 753-7000  
Web Site: [www.kclife.com](http://www.kclife.com)

May 14, 2013

Andrew Tyler Foster  
3755 N Glenstone Ave  
Springfield Mo 65803-7137

Policy Number: ██████████

Insured: Carol L Helming

Policy Date: May 10, 2013

The policy shown above has been issued with the premium as follows:

Single Premium	\$100,000.00
----------------	--------------

**DELIVERY RECEIPT REQUIRED**

The placement period for this policy is 30 days (60 days for Annual, 90 days for 1035c) from the date of this letter. If coverage cannot be placed, please return the policy and cancellation request to NEW BUSINESS.



**KANSAS CITY LIFE  
INSURANCE COMPANY**

Broadway at Armour / Box 219139 / Kansas City, Missouri 64121-9139  
Telephone: (816) 753-7000  
Web Site: www.kclife.com

***Delivery Receipt***

INSURED(S) Carol L Helming

POLICY NUMBER ~~2016002~~

I have received the above insurance policy on \_\_\_\_\_  
(Date)

\_\_\_\_\_  
Carol L Helming

\_\_\_\_\_  
Agent

Agent: This receipt must be signed by you and your client when the policy is delivered and returned to the Home Office for filing.



**KANSAS CITY LIFE  
INSURANCE COMPANY**

Broadway at Armour / Box 219139 / Kansas City, Missouri 64121-9139  
Telephone: (816) 753-7000  
Web Site: [www.kclife.com](http://www.kclife.com)

**PRIVACY NOTICE**

This notice describes the privacy rules the Kansas City Life Group of affiliated companies follow with respect to the non-public personal information of its customers. We follow these rules for both current and former customers.

The affiliated companies are:

- Kansas City Life Insurance Company, Old American Insurance Company and Sunset Life Insurance Company of America, which are life insurance companies;
- Sunset Financial Services, Inc., a broker dealer; and
- KCL Service Company, an insurance agency.

As we provide products and services to you, we may collect certain information. This may include information:

- That you give us on applications and other forms;
- About your transactions with us; such as, the kinds of products you buy and your payment history.
- Or that we receive from outside sources; such as, a consumer reporting agency and health care providers.

**We do not sell your non-public personal information to third parties.** Each affiliated company will only disclose its customers' non-public personal information:

- among the other affiliates;
- to provide services to its customers;
- to administer its business;
- to market products; and
- as allowed by law.

We may disclose customers' non-public personal information to our agents. We may also disclose it to others to provide service, to help us market our own products or to establish retained asset accounts for settlement proceeds or benefits. We will require in writing that your information be kept confidential. We will also require in writing that the information must be used only for the reason we disclosed it. This includes information we get from a consumer reporting agency. If we ever change this policy, we will give you a chance to opt out.

Sometimes we acquire medical information about our customers. We may need this information to process a claim or issue a policy. We will only disclose medical information to:

- administer our business;
- perform services and transactions you ask for;
- comply with laws and regulations; and
- as you or your representative approve.

There are federal rules which may apply to use and disclosure of your personal health information if you are covered by a health insurance policy or group dental or vision insurance plan. In these cases you will receive a separate notice.

We have security controls in place to protect your non-public personal information. We limit use of our customers' information to our employees who need such information to do their jobs, and to outside entities as required or

permitted by law. We also have physical and electronic safeguards that are intended to assure the privacy of your non-public personal information.

You may review the information we have on file about you. If you think it is wrong, you may ask for a change. If we agree, we will make the change.

We have the right to change our privacy rules. If we do that, we will send a written notice to all customers who may be affected by the change.

***Notice Concerning Coverage Limitations and Exclusions Under the Life and Health Insurance Guaranty Association Act***

Residents of this state who purchase life insurance, annuities or health insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Missouri Life and Health Insurance Guaranty Association. The purpose of this association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the guaranty association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the guaranty association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting companies that are well-managed and financially stable.

**The Missouri Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in Missouri. You should not rely on coverage by the Missouri Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy.**

**Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus. Insurance companies or their agents are required by law to give or send you this notice. However, insurance companies and their agents are prohibited by law from using the existence of the guaranty association to induce you to purchase any kind of insurance policy.**

**YOU MAY CONTACT EITHER THE ASSOCIATION OR THE MISSOURI DEPARTMENT OF INSURANCE AT THE FOLLOWING ADDRESSES SHOULD YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE.**

**The Missouri Life and Health Insurance Guaranty Association  
994 Diamond Ridge, Suite 102  
Jefferson City, MO 65109**

**Missouri Department of Insurance  
PO Box 690  
Jefferson City, MO 65102-0690**

The state law that provides for this safety-net coverage is called the Missouri Life and Health Insurance Guaranty Association Act. On the back of this page is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone's right or obligations under the act or the rights or obligations of the guaranty association.

(Continued on Reverse Side)

Generally, persons will be covered if they live in this state, and hold a life or health insurance contract or annuity, or a certificate under a group policy or contract. However, not all individuals with a right to recover under life or health insurance policies or annuities are protected by the Act. A person is not protected when:

- the person is eligible for protection under the laws of another state;
- the person purchased the insurance from a company that was not authorized to do business in this state;
- the policy is issued by an organization which is not a member insurer of the association; or
- the person does not live in this state, except under limited circumstances.

Additionally, the Association may not provide coverage for the entire amount a person expects to receive from the policy. The Association does not provide coverage for any portion of the policy where the person has assumed the risk, for any policy of reinsurance (unless an assumption certificate was issued), for interest rates that exceed a specified average rate, for employers' plans that are self-funded, for parts of plans that provide dividends or credits in connection with the administration of policy, or for unallocated annuity contracts (which are generally issued to pension plan trustees).

The Act also limits the amount the Association is obligated to pay persons on various policies. The Association does not pay more than the amount of the contractual obligation of the insurance company. The Association does not have to pay more than three hundred thousand dollars (\$300,000) in death benefits for any one life regardless of the number of policies that insure that life. The Association does not have to pay amounts over one hundred thousand dollars (\$100,000) in cash surrender or withdrawal benefits on one life regardless of the number of policies insuring that individual. For health insurance benefits, the Association is not obligated to pay over one hundred thousand dollars (\$100,000) including net cash surrender and withdrawal benefits. On an annuity contract, the Association is not liable for over one hundred thousand dollars (\$100,000) in present value. Finally, the Association is never obligated to pay more than a total of three hundred thousand dollars (\$300,000) for any one insured for any combination of insurance benefits.

FOR INFORMATION, CALL 816-753-7000



**KANSAS CITY LIFE  
INSURANCE COMPANY**

***Single Premium Immediate Annuity***

*Policy Number*

*Annuitant*

Carol L Helming

*Agency*

G799

Kansas City Life Insurance Company will pay the proceeds of this policy according to the provisions on this and the following pages, all of which are part of this policy. This policy is a legal contract between you and Kansas City Life Insurance Company. **READ YOUR POLICY CAREFULLY.**

Signed for Kansas City Life Insurance Company, a stock company, at its Home Office, 3520 Broadway, PO Box 219139, Kansas City, MO 64121-9139.

Secretary

President, CEO and Chairman

***15-Day Right to Examine Policy***

Please examine this policy carefully. If you are not satisfied, you may return the policy to us or your agent within 15 days of its receipt. If returned, the policy will be void from the beginning and any premium paid will be refunded.



<i>Guide to Policy Provisions</i>	<i>Page</i>
Section 1: Policy Data.....	3
Section 2: Definition of Certain Terms.....	5
Section 3: Policy Proceeds.....	5
Section 4: General Provisions.....	5
4.1 Contract.....	5
4.2 Authority to Change or Modify.....	5
4.3 Policy Date.....	5
4.4 Age and Sex.....	5
4.5 Evidence That Annuitant is Living.....	5
4.6 Guaranteed Cost.....	5
Section 5: Premium, Ownership, Assignment and Beneficiary Provisions.....	5

A copy of the application follows page 6

**Section 1: Policy Data**

**Beneficiary**

As stated in the application or in any subsequent agreements, amendments, or endorsements

**Policy Number**

~~XXXXXXXXXX~~

**Annuitant**

Carol L Helming

**Benefit Description**

Single Premium Immediate Annuity 20 Years Certain and Life

**Policy Date**

May 10, 2013

**Owner**

The Annuitant

**Single Premium**

\$100,000.00

**Issue Date**

May 10, 2013

**Income Amount**

\$435.56 Monthly

**Annuitant's Issue Age**

60

**First Payment Date**

June 10, 2013

**Sex**

Female

**Final Payment Date**

May 10, 2033 Guaranteed  
and life thereafter

*This Page Intentionally Left Blank.*

## ***Section 2: Definition of Certain Terms***

The following are key words used in the policy and are important in describing both your rights and ours. As you read this policy, refer back to these definitions.

### ***2.1 The Annuitant***

The person on whose life the annuity benefit for this policy is based.

### ***2.2 You, Your***

The owner of this policy. The owner may be someone other than the Annuitant.

### ***2.3 We, Our, Us***

Kansas City Life Insurance Company.

### ***2.4 Proceeds***

The amount we are obligated to pay under the terms of this policy.

### ***2.5 Beneficiary***

The person you designate to receive the proceeds of this policy payable upon the Annuitant's death.

## ***Section 3: Policy Proceeds***

### ***3.1 Payment of Proceeds***

We will pay the income amount shown on page 3 of this policy to the Annuitant starting on the first payment date and continuing as long as the Annuitant lives. The income amount will continue for a minimum of 240 months. If the Annuitant dies before receiving a total of 240 payments, we will continue to make payments to the beneficiary until a total of 240 payments have been made. The beneficiary may elect in writing to receive the present value of any remaining guaranteed payments in a single sum.

All income payments will stop with the last payment made before the death of the Annuitant, or with the final guaranteed payment if it is made after the death of the Annuitant.

## ***Section 4: General Provisions***

### ***4.1 Contract***

This policy and application are the entire contract. This contract is issued in consideration of the application and payment of the single premium. A copy of the application is attached when the policy is issued. In the absence of fraud, all statements made in the application either by you or by the Annuitant will be considered representations and not warranties. Statements may be used to contest a claim or the validity of this policy only if they are contained in the application.

### ***4.2 Authority to Change or Modify***

No change or waiver of any provisions of this policy will be valid unless made in writing by us and signed by our President, Vice President, Secretary, or

Assistant Secretary. No agent or other person has authority to change or waive any provision of your policy.

### ***4.3 Policy Date***

The policy date is the date from which policy months, years and anniversaries are computed.

### ***4.4 Age and Sex***

This policy is issued at the age shown on page 3 which is the Annuitant's age last birthday on the policy date. If the policy date falls on the birthday of the Annuitant, the age will be the age attained by the Annuitant on the policy date.

If the Annuitant's age and sex has been incorrectly stated, the benefits under this policy will be those the proceeds applied would have purchased for the correct age and sex.

If the incorrect statement is not discovered until after payments have begun:

- 1) any overpayment by us will be deducted from the next succeeding payment or payments as they fall due; or
- 2) any underpayment by us will be paid in one sum to the Annuitant.

In either case, interest will be payable at the rate of 4% per year compounded annually.

### ***4.5 Evidence That Annuitant is Living***

We may require proof that the Annuitant is living at the time each monthly payment under this policy becomes due.

### ***4.6 Guaranteed Cost***

This policy will not participate in any of our profits, losses or surplus earnings.

## ***Section 5: Premium, Ownership, Assignment and Beneficiary Provisions***

### ***5.1 Premium***

Your single premium is payable at the Home Office or to a representative authorized to receive premiums. A receipt signed by us will be furnished on request.

### ***5.2 Ownership***

The Annuitant is the owner unless otherwise provided in the application. As owner, you may exercise every right provided by your policy. These rights and privileges end at the Annuitant's death.

The consent of the beneficiary is required to exercise these rights if:

- 1) you have not reserved the right to change the beneficiary, or
- 2) you have named a creditor beneficiary.

If this policy is part of a qualified plan under the Internal Revenue Code, it may not be:

- 1) pledged as collateral for a loan;
- 2) pledged as security for the performance of any obligation or for any other purpose to any person other than to us; or
- 3) sold, assigned, transferred or discounted.

However, if this policy is owned by a trust, custodian or employer as part of a qualified plan, ownership may be assigned by them to the person eligible to receive payment.

#### **5.3 Change of Ownership**

You may change the ownership of this policy by giving written notice to us at our Home Office. The change will be effective on the date your request was signed but will have no effect on any payment made or other action taken by us before we receive it. We may require that the policy be submitted for endorsement to show the change.

#### **5.4 Assignment**

An assignment is a transfer of some or all of your rights under this policy. No assignment will be binding on us unless made in writing and filed at our Home Office. We assume no responsibility for the validity or effect of any assignment.

#### **5.5 Beneficiary**

The beneficiary is shown on the application or in the last beneficiary designation filed with us. After the death of the Annuitant, we will pay any remaining guaranteed payments to the beneficiary except as provided in this Section.

If any beneficiary dies before the Annuitant, that beneficiary's interest will pass to any other beneficiaries according to their respective interests. If all beneficiaries die before the Annuitant, we will pay the proceeds to you, if living, otherwise to your estate or legal successors.

If you have reserved the right to do so, you may change the beneficiary by filing a written request in a form satisfactory to us. In order to be effective, the written request for change of beneficiary must be signed while your policy is in force and the Annuitant is living. The change will be effective on the date your request was signed but will have no effect on any payment made or other action taken by us before we receive it.

The interest of any beneficiary will be subject to:

- 1) any assignment of this policy which is binding on us; and
- 2) any optional settlement agreement in effect at the Annuitant's death.



*Annuity Amendment*

This amendment forms a part of the policy to which it is attached.

This amendment is required to ensure that your policy will be treated as an annuity contract as defined by Section 72(s) of the Internal Revenue Code of 1954 as amended. We reserve the right to administer the payment of proceeds in accordance with the Internal Revenue Code, as amended, and subject to any future amendments and regulations of the United States Government

*Payment of Proceeds Upon Your Death, On or After the Maturity Date*

If you die on or after the maturity date and before the entire proceeds payable under this policy have been distributed, the remaining proceeds will be paid to the beneficiary at least as rapidly as under the method of payment in effect at the time of your death.

In all other respects, the terms, conditions and provisions of this policy will remain the same.

Signed for Kansas City Life Insurance Company, a stock company, at its Home Office, 3520 Broadway, PO Box 219139, Kansas City, MO 64121-9139.

Secretary

President, CEO and Chairman



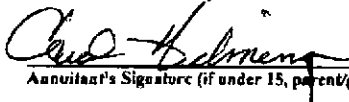
**Replacement**

- 1. Will any existing life or annuity contract be lapsed, reissued, surrendered, or converted (to reduce amount of premium or period of coverage including surrender options) if the proposed policy is issued? .....  Yes  No
- 2. Will the proposed policy be part of an Internal Revenue Code Section 1035 Exchange? .....  Yes  No

**Signatures**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Dated at Jessamine City MO this 29<sup>th</sup> day of APRIL, 2013  
City State Month Year



Annuitant's Signature (if under 18, parent/guardian signature)

Applicant's Signature (if other than Annuitant)

**Statement of Agent**

To the best of my knowledge, the annuity applied for in this application  will  will not replace existing insurance.

24110   
Agent Code Signature of Writing Agent

Agent Code Signature of Other Agent(s) (if split case)

24110 Foster Financial Group / GUARDIAN  
Agency Code Agency (CNA INS SERVICES)

All premium checks must be made payable to Kansas City Life Insurance Company. Do not make the check payable to the agent or leave the payee blank.



Kansas City Life Insurance Company

**SUPPLEMENTAL CONTRACT**

Policy Number | CAROL LEO HELMING | Annuitant | Owner (if other than Annuitant) | Home and Work Phone No.

**INCOME OPTION CONTRACTS** 10-24-52 MO  
 Annuitant Date of Birth Annuitant State of Birth

**Provide a Periodic Income for:**

- 1. Life: \$ 442.64 per month with 240 months guaranteed. (\$ 442.64)
- 2. Life: \$ \_\_\_\_\_ per \_\_\_\_\_ Installment Refund, with return of proceeds guaranteed.
- 3. Life Only: \$ \_\_\_\_\_ per \_\_\_\_\_ with no guarantee of total payments.
- 4. Life of Two People: \$ \_\_\_\_\_ per \_\_\_\_\_ Joint & Survivor, \_\_\_\_\_ % to Survivor, with \_\_\_\_\_ Months Guaranteed.  
 Joint Payee Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ SS# \_\_\_\_\_
- 5. Life of Two People: \$ \_\_\_\_\_ per \_\_\_\_\_ Joint & Survivor, \_\_\_\_\_ % to Survivor, with no guarantee of total payments.  
 Joint Payee Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ SS# \_\_\_\_\_
- 6. Specified Period: \$ \_\_\_\_\_ per \_\_\_\_\_ for \_\_\_\_\_ months.
- 7. Specified Amount: \$ \_\_\_\_\_ per \_\_\_\_\_ until proceeds and interest are exhausted.

Contract Date \_\_\_\_\_ 1st payment date \_\_\_\_\_  
 Note: Above quotation is approximate.

**INTEREST OPTION CONTRACTS**

Defer proceeds at interest with Company:

- 7. **NO Right of Withdrawal of proceeds** - Defer proceeds at interest until \_\_\_\_\_, or death.  
 A. Pay interest Annually  
 B. Interest to Accumulate  
 Proceeds of \$5,000 or more resulting from death or policy maturity will receive a more favorable interest rate if left with the Company at least five years.  Please check box if applicable.
- 8. **With Right of Withdrawal of proceeds and interest** - Defer proceeds at interest until \_\_\_\_\_, or death.  
 A. Pay interest Annually  
 B. Interest to Accumulate

(Please check one)

- The complete policy is enclosed.  Complete policy returned with original request.
- Policy has been lost, destroyed, stolen, or cannot be located. If the policy is found or comes into my possession, I will return it to you.

Special Instructions:

**FEDERAL WITHHOLDING ELECTION MUST BE COMPLETED**

Please make your election below. \*This election includes any State withholding if mandatory.

- 1. I elect not to have income tax withheld from my annuity payment. (Do not complete lines 2 or 3)
- 2. I want my withholding from each periodic payment to be figured using the number of allowances and marital status shown. (You may also designate a dollar amount on line 3)   
 Marital status:  Single  Married  Married, but withhold at higher Single rate  
 (Enter number of allowances) \_\_\_\_\_
- 3. I want the following additional amount withheld from each payment. Note: For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2  
 \$ \_\_\_\_\_

**Taxpayer Identification Number - For All Accounts - (Must be provided before contract becomes effective)**

Enter your taxpayer identification number in the appropriate box. For most individuals, this is your social security number.

Social Security Number	OR	Employer Identification Number

**Certification.** - Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct Social Security/Taxpayer Identification Number (or I am waiting for a number to be issued to me), and
- (2) I am not subject to backup withholding either because 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 the IRS has notified me that I am no longer subject to backup withholding.

**Certification Instructions.** - You must cross out item (2) above if you have been notified by IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by IRS that you were subject to backup withholding you received another notification from IRS that you are no longer subject to backup withholding, do not cross out item (2).

Please Sign Here	OWNER/PAYEE	
	Signature <u>Carol Helming</u>	Date <u>4/29/13</u>
	Joint Payee Signature _____	Date _____

Policy Number 1 Carol Lee Helming | Annuitant | Owner (if other than Annuitant) | Home and Work Phone No.

PAYEE (to receive income, interest and / or proceeds)  
 Name Address Soc. Sec. #

**ELECTION OF BENEFICIARY DESIGNATION**  
 (Choose Only One)

**OPTION 1**

**Death of Annuitant**

1.  Continue Payments as original Payee to Primary Beneficiary

Jason Helming Son 108 Millwood Ln [REDACTED] Equally  
 Name Relationship Address Soc. Sec. # to the

Jefferson City MO

If living otherwise to Contingent Beneficiary(ies) DARRELL BERGNER - BROTHER Survivors

or

Survivor

**Death of Owner (if other than Annuitant)**

1.  Continue payments as original payee to Primary Beneficiary.

Name Relationship Address Soc. Sec. # Equally to the

If living otherwise to Contingent Beneficiary(ies) Survivors

or

Survivor

Yes - I elect to have the spendthrift provision. My Beneficiary(ies) must continue payments and may not take the commuted value in a single sum. (Spendthrift provision protects the income payments from creditors, in the event of death of any payee.)

**OPTION 2**

**Death of Annuitant**

2.  Commuted value of any remaining payment paid in one sum to Primary Beneficiary.

Name Relationship Address Soc. Sec. # Equally to the

If living otherwise to Contingent Beneficiary(ies) Survivors

or

Survivor

**Death of Owner (if other than Annuitant)**

2.  Commuted value of any remaining payment paid in one sum to Primary Beneficiary:

Name Relationship Address Soc. Sec. # Equally to the

If living otherwise to Contingent Beneficiary(ies) Survivors

or

Survivor

**NOTE: Contingent Beneficiary must include full name, relationship, address and SSN #.**

Policy Number \_\_\_\_\_ Annuitant CAROL LOE HOLMNER Owner (if other than Annuitant) \_\_\_\_\_ Home and Work Phone No. \_\_\_\_\_

### COMMON DISASTER

If the Primary Beneficiary dies at the same time as the Insured, or within \*15 days of the Insured's death; and we have not paid the proceeds to the Primary Beneficiary within this \* 15 day period, the remaining proceeds will be distributed to the Contingent Beneficiary, if named, otherwise to the Insured's estate.

\*May be increased in increments of 5 days, not to exceed 180 days, at your discretion. Please indicate the total number of days desired, if other than 15, and your contract will be issued accordingly.

Total days for Common Disaster 180

**SIGNATURE** Please record the Beneficiary Designation and Common Disaster Limitations as completed above and apply the proceeds of the policy(ies) to the option checked on the front of this form.

*Carol Loe Holmner* \_\_\_\_\_ 4/29/13  
Signature of Owner Date

*[Signature]* 24110  
Signature of Writing Agent and Agent Code

24110 FOSTER FINANCIAL GROUP  
Agency # & Name GUIDEONE INC.  
CGA MS STATE

**ELECTION OF DIRECT DEPOSIT AUTHORIZATION  
TO BANK OR SAVINGS ACCOUNT**

Carol Helming  
Policy Number \_\_\_\_\_ Annuitant \_\_\_\_\_ Owner (if other than Annuitant) \_\_\_\_\_

The undersigned hereby authorizes Kansas City Life Insurance Company to make *Scheduled Periodic Payments* to the payee and account identified below and authorizes the Bank or Savings Institution to accept such deposits and make any necessary adjustments.

It is agreed that these deposits may be made electronically whenever possible. This authorization will remain in effect until the Company receives written notification terminating the agreement.

**ACCOUNT INFORMATION**

Checking  Savings

Name of Bank / Savings Institution UMB

Address of Institution 300 Dix Road

JEFFERSON CITY MO 65109

Name on the Account CAROL HELMING

Account Number 9846396448

Signature of Annuity Recipient \_\_\_\_\_

Recipient's Address 109 MILLPOND

JEFFERSON CITY MO 65109

Recipient's Telephone Number (573) [REDACTED]

**IMPORTANT: Please attach a Void Check. No Deposit Slips, Please**

Contract Owner's Signature Carol Helming Date 4/29/13

Policy Number \_\_\_\_\_

Carol Helming  
Jefferson City, Missouri 65109

1146  
16-49/1010

MAY 18 2013

PAY TO THE ORDER OF VOID \$ \_\_\_\_\_

DOLLARS

UMB Bank  
300 Dix Road  
Jefferson City, Missouri 65109

FOR \_\_\_\_\_

2013 MAY 10 PM 11:45  
NEW BUSINESS



**KANSAS CITY LIFE  
INSURANCE COMPANY**

*Single Premium Immediate Annuity*

If you have any questions concerning this policy or if anyone suggests that you change or replace this policy, please contact your Kansas City Life agent or the Home Office of the Company.

## **BUYER'S GUIDE TO FIXED DEFERRED ANNUITIES**

Prepared by the National Association of Insurance Commissioners

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various insurance departments to coordinate insurance laws for the benefit of all consumers.

This guide does not endorse any company or policy.

It is important that you understand the differences among various annuities so you can choose the kind that best fits your needs. This guide focuses on fixed deferred annuity contracts. There is, however, a brief description of variable annuities. If you're thinking of buying an equity-indexed annuity, an appendix to this guide will give you specific information. This Guide isn't meant to offer legal, financial or tax advice. You may want to consult independent advisors. At the end of this Guide are questions you should ask your agent or the company. Make sure you're satisfied with the answers before you buy.

### **WHAT IS AN ANNUITY?**

An annuity is a contract in which an insurance company makes a series of income payments at regular intervals in return for a premium or premiums you have paid. Annuities are most often bought for future retirement income. Only an annuity can pay an income that can be guaranteed to last as long as you live.

An annuity is neither a life insurance nor a health insurance policy. It's not a savings account or a savings certificate. You shouldn't buy an annuity to reach short-term financial goals.

Your value in an annuity contract is the premiums you've paid, less any applicable charges, plus interest credited. The insurance company uses the value to figure the amount of most of the benefits that you can choose to receive from an annuity contract. This guide explains how interest is credited as well as some typical charges and benefits of annuity contracts.

A deferred annuity has two parts or periods. During the accumulation period, the money you put into the annuity, less any applicable charges, earns interest. The earnings grow tax-deferred as long as you leave them in the annuity. During the second period, called the payout period, the company pays income to you or to someone you choose.

### **WHAT ARE THE DIFFERENT KINDS OF ANNUITIES?**

This guide explains major differences in different kinds of annuities to help you understand how each might meet your needs. But look at the specific terms of an individual contract you're considering and the disclosure document you receive. If your annuity is being used to fund or provide benefits under a pension plan the benefits you get will depend on the terms of the plan. Contact your pension plan administrator for information.

This Buyer's Guide will focus on individual fixed deferred annuities.

#### **Single Premium or Multiple Premium**

You pay the insurance company only one payment for a single premium annuity. You make a series of payments for a multiple premium annuity. There are two kinds of multiple premium annuities. One kind is a flexible premium contract. Within set limits, you pay as much premium as you want, whenever you want. In the other kind, a scheduled premium annuity, the contract spells out your payments and how often you'll make them.

#### **Immediate or Deferred**

With an immediate annuity, income payments start no later than one year after you pay the premium. You usually pay for an immediate annuity with one payment.

The income payments from a deferred annuity often start many years later. Deferred annuities have an accumulation period, which is the time between when you start paying premiums and when income payments start.

#### **Fixed or Variable**

##### **• Fixed**

During the accumulation period of a fixed deferred annuity, your money (less any applicable charges) earns interest at rates set by the insurance company or in a way spelled out in the annuity contract. The company guarantees that it will pay no less than a minimum rate of interest. During the payout period, the amount of each income payment to you is generally set when the payments start and will not change.

##### **• Variable**

During the accumulation period of a variable annuity the insurance company puts your premiums (less any applicable charges) into a separate account. You decide how the company will invest those premiums, depending on how much risk you want to take. You may put your premium into a stock, bond or other account, with no guarantees, or into a fixed account, with a minimum guaranteed interest. During the payout period of a variable annuity, the amount of each income payment to you may be fixed (set at the beginning) or variable (changing with the value of the investments in the separate account)

#### **HOW ARE THE INTEREST RATES SET FOR MY FIXED DEFERRED ANNUITY?**

During the accumulation period, your money (less any applicable charges) earns interest at rates that change from time to time. Usually, what these rates will be is entirely up to the insurance company.

#### **Current Interest Rate**

The current rate is the rate the company decides to credit to your contract at a particular time. The company will guarantee it will not change for some time period.

- The initial rate is an interest rate the insurance company may credit for a set period of time after you first buy your annuity. The initial rate in some contracts may be higher than it will be later. This is often called a bonus rate.
- The renewal rate is the rate credited by the company after the end of the set time period. The contract tells how the company will set the renewal rate, which may be tied to an external reference or index.

#### **Minimum Guaranteed Rate**

The minimum guaranteed interest rate is the lowest rate your annuity will earn. This rate is stated in the contract.

#### **Multiple Interest Rates**

Some annuity contracts apply different interest rates to each premium you pay or to premiums you pay during different time periods.

Other annuity contracts may have two or more accumulated values that fund different benefit options. These accumulated values may use different interest rates. You get only one of the accumulated values depending on which benefit you choose.

#### **WHAT CHARGES MAY BE SUBTRACTED FROM MY FIXED DEFERRED ANNUITY?**

Most annuities have charges related to the cost of selling or servicing it. These charges may be subtracted directly from the contract value. Ask your agent or the company to describe the charges that apply to your annuity. Some examples of charges, fees and taxes are:

### **Surrender or Withdrawal Charges**

If you need access to your money, you may be able to take all or part of the value out of your annuity at any time during the accumulation period. If you take out part of the value, you may pay a withdrawal charge. If you take out all of the value and surrender, or terminate, the annuity, you may pay a surrender charge. In either case, the company may figure the charge as a percentage of the value of the contract, of the premiums you've paid or of the amount you're withdrawing. The company may reduce or even eliminate the surrender charge after you've had the contract for a stated number of years. A company may waive the surrender charge when it pays a death benefit.

Some annuities have stated terms. When the term is up, the contract may automatically expire or renew. You're usually given a short period of time, called a window, to decide if you want to renew or surrender the annuity. If you surrender during the window, you won't have to pay surrender charges. If you renew, the surrender or withdrawal charges may start over.

In some annuities, there is no charge if you surrender your contract when the company's current interest rate falls below a certain level. This may be called a bail-out option.

In a multiple-premium annuity, the surrender charge may apply to each premium paid for a certain period of time. This may be called a rolling surrender or withdrawal charge.

Some annuity contracts have a market value adjustment feature. If interest rates are different when you surrender your annuity than when you bought it, a market value adjustment may make the cash surrender value higher or lower. Since you and the insurance company share this risk, an annuity with a MVA feature may credit a higher rate than an annuity without that feature.

Be sure to read the Tax Treatment section and ask your tax advisor for information about possible tax penalties on withdrawals.

### **Free Withdrawal**

Your annuity may have a limited free withdrawal feature. That lets you make one or more withdrawals without a charge. The size of the free withdrawal is often limited to a set percentage of your contract value. If you make a larger withdrawal, you may pay withdrawal charges. You may lose any interest above the minimum guaranteed rate on the amount withdrawn. Some annuities waive withdrawal charges in certain situations, such as death, confinement in a nursing home or terminal illness.

### **Contract Fee**

A contract fee is a flat dollar amount charged either once or annually.

### **Transaction Fee**

A transaction fee is a charge per premium payment or other transaction.

### **Percentage of Premium Charge**

A percentage of premium charge is a charge deducted from each premium paid. The percentage may be lower after the contract has been in force for a certain number of years or after total premiums paid have reached a certain amount.

### **Premium Tax**

Some states charge a tax on annuities. The insurance company pays this tax to the state. The company may subtract the amount of the tax when you pay your premium, when you withdraw your contract value, when you start to receive income payments or when it pays a death benefit to your beneficiary.



## WHAT ARE SOME FIXED DEFERRED ANNUITY CONTRACT BENEFITS?

### Annuity Income Payments

One of the most important benefits of deferred annuities is your ability to use the value built up during the accumulation period to give you a lump sum payment or to make income payments during the payout period. Income payments are usually made monthly but you may choose to receive them less often. The size of income payments is based on the accumulated value in your annuity and the annuity's benefit rate in effect when income payments start. The benefit rate usually depends on your age and sex, and the annuity payment option you choose. For example, you might choose payments that continue as long as you live, as long as your spouse lives or for a set number of years.

There is a table of guaranteed benefit rates in each annuity contract. Most companies have current benefit rates as well. The company can change the current rates at any time, but the current rates can never be less than the guaranteed benefit rates. When income payments start, the insurance company generally uses the benefit rate in effect at that time to figure the amount of your income payment.

Companies may offer various income payment options. You (the owner) or another person that you name may choose the option. The options are described here as if the payments are made to you.

- **Life Only** - The company pays income for your lifetime. It doesn't make any payments to anyone after you die. This payment option usually pays the highest income possible. You might choose it if you have no dependents, if you have taken care of them through other means or if the dependents have enough income of their own.
- **Life Annuity with Period Certain** - The company pays income for as long as you live and guarantees to make payments for a set number of years even if you die. This period certain is usually 10 or 20 years. If you live longer than the period certain, you'll continue to receive payments until you die. If you die during the period certain, your beneficiary gets regular payments for the rest of that period. If you die after the period certain, your beneficiary doesn't receive any payments from your annuity. Because the "period certain" is an added benefit, each income payment will be smaller than in a life-only option.
- **Joint and Survivor** - The company pays income as long as either you or your beneficiary lives. You may choose to decrease the amount of the payments after the first death. You may also be able to choose to have payments continue for a set length of time. Because the survivor feature is an added benefit, each income payment is smaller than in a life-only option.

### Death Benefit

In some annuity contracts, the company may pay a death benefit to your beneficiary if you die before the income payments start. The most common death benefit is the contract value or the premiums paid, whichever is more.

## CAN MY ANNUITY'S VALUE BE DIFFERENT DEPENDING ON MY CHOICE OF BENEFIT?

While all deferred annuities offer a choice of benefits, some use different accumulated values to pay different benefits. For example, an annuity may use one value if annuity payments are for retirement benefits and a different value if the annuity is surrendered. As another example, an annuity may use one value for long-term care benefits and a different value if the annuity is surrendered. You can't receive more than one benefit at the same time.

## WHAT ABOUT THE TAX TREATMENT OF ANNUITIES?

Below is a general discussion about taxes and annuities. You should consult a professional tax advisor to discuss your individual tax situation.

Under current federal law, annuities receive special tax treatment. Income tax on annuities is deferred, which means you aren't taxed on the interest your money earns while it stays in the annuity. Tax-deferred accumulation isn't the same as tax-free accumulation. An advantage of tax deferral is that the tax bracket you're in when you receive annuity income payments may be lower than the one you're in during the accumulation period. You'll also be earning interest on the amount you would have paid in taxes during the accumulation period. Most states' tax laws on annuities follow the federal law.

Part of the payments you receive from an annuity will be considered as a return of the premium you've paid. You won't have to pay taxes on that part. Another part of the payments is considered interest you've earned. You must pay taxes on the part that is considered interest when you withdraw the money. You may also have to pay a 10% tax penalty if you withdraw the accumulation before age 59 1/2. The Internal Revenue Code also has rules about distributions after the death of a contract holder.

Annuities used to fund certain employee pension benefit plans (those under Internal Revenue Code Sections 401(a), 401(k), 403(b), 457 or 414) defer taxes on plan contributions as well as on interest or investment income. Within the limits set by the law, you can use pretax dollars to make payments to the annuity. When you take money out, it will be taxed.

You can also use annuities to fund traditional and Roth IRAs under Internal Revenue Code Section 408. If you buy an annuity to fund an IRA, you'll receive a disclosure statement describing the tax treatment.

### **WHAT IS A "FREE LOOK" PROVISION?**

Many states have laws which give you a set number of days to look at the annuity contract after you buy it. If you decide during that time that you don't want the annuity, you can return the contract and get all your money back. This is often referred to as a free look or right to return period. The free look period should be prominently stated in your contract. Be sure to read your contract carefully during the free look period.

### **HOW DO I KNOW IF A FIXED DEFERRED ANNUITY IS RIGHT FOR ME?**

The questions listed below may help you decide which type of annuity, if any, meets your retirement planning and financial needs. You should think about what your goals are for the money you may put into the annuity. You need to think about how much risk you're willing to take with the money. Ask yourself:

- How much retirement income will I need in addition to what I will get from Social Security and my pension?
- Will I need that additional income only for myself or for myself and someone else?
- How long can I leave my money in the annuity?
- When will I need income payments?
- Does the annuity let me get money when I need it?
- Do I want a fixed annuity with a guaranteed interest rate and little or no risk of losing the principal?
- Do I want a variable annuity with the potential for higher earnings that aren't guaranteed and the possibility that I may risk losing principal?
- Or, am I somewhere in between and willing to take some risks with an equity-indexed annuity?

### **WHAT QUESTIONS SHOULD I ASK MY AGENT OR THE COMPANY?**

- Is this a single premium or multiple premium contract?
- Is this an equity-indexed annuity?
- What is the initial interest rate and how long is it guaranteed?
- Does the initial rate include a bonus rate and how much is the bonus?
- What is the guaranteed minimum interest rate?
- What renewal rate is the company crediting on annuity contracts of the same type that were issued last year?

- Are there withdrawal or surrender charges or penalties if I want to end my contract early and take out all of my money? How much are they?
- Can I get a partial withdrawal without paying surrender or other charges or losing interest?
- Does my annuity waive withdrawal charges for reasons such as death, confinement in a nursing home or terminal illness?
- Is there a market value adjustment (MVA) provision in my annuity?
- What other charges, if any, may be deducted from my premium or contract value?
- If I pick a shorter or longer payout period or surrender the annuity, will the accumulated value or the way interest is credited change?
- Is there a death benefit? How is it set? Can it change?
- What income payment options can I choose? Once I choose a payment option, can I change it?

#### **FINAL POINTS TO CONSIDER**

Before you decide to buy an annuity, you should review the contract. Terms and conditions of each annuity contract will vary.

Ask yourself if, depending on your needs or age, this annuity is right for you. Taking money out of an annuity may mean you must pay taxes. Also, while it's sometimes possible to transfer the value of an older annuity into a new annuity, the new annuity may have a new schedule of charges that could mean new expenses you must pay directly or indirectly.

You should understand the long-term nature of your purchase. Be sure you plan to keep an annuity long enough so that the charges don't take too much of the money you put in. Be sure you understand the effect of all charges.

If you're buying an annuity to fund an IRA or other tax-deferred retirement program, be sure that you're eligible. Also, ask if there are any restrictions connected with the program.

Remember that the quality of service that you can expect from the company and the agent is a very important factor in your decision.

When you receive your annuity contract, **READ IT CAREFULLY!!** Ask the agent and company for an explanation of anything you don't understand. Do this before any free look period ends.

Compare information for similar contracts from several companies. Comparing products may help you make a better decision.

If you have a specific question or can't get answers you need from the agent or company, contact your state insurance department.