

American Memorial Life Insurance Company 440 Mt. Rushmore Road Rapid City, SD 57701

Important Notice: Replacement of Life Insurance or Annuities

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

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

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

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

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

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

1.	,		oremium payments, surrendering, forfeiting, inating your existing policy or contract?		'ES	□NO
2.	Are you considering using funds due on the new policy or contra		xisting policies or contracts to pay premiums		'ES	□ №
(in	clude the name of the insurer, th	the above questions, list each exist ne insured or annuitant, and the po aced or used as a source of financi	licy or contract number if			
Insurer Name Cor		Contract or Policy #	Insured or Annuitant		Replaced (R) or Financing (F)	
1						
2						
3						
If y	ou request one, an in force illus	tact your existing company or its ag tration, policy summary or availabl all sales material used by the agent	e disclosure documents mu	ust be sen	t to you by	the
The	e existing policy or contract is be	eing replaced because				
l ce	ertify that the responses herein a	are, to the best of my knowledge, a	accurate:			
Applicant's Signature		Applicant's Printed N	Applicant's Printed Name		Date	
Producer's Signature		Producer's Printed Na	Producer's Printed Name		Date	
I do	not want this notice read aloud	d to me (Applicants must in	nitial only if they do not wa	ant the no	tice read a	ıloud.)

ADM7147A Original to Company Copy to Family NAIC 1998 Appendix A (01/15)

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

Premiums:

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

Policy Values:

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

Insurability:

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

If You Are Keeping The Old Policy As Well As The New Policy:

- How are premiums for both policies being paid?
- How will the premiums on your existing policy be affected?
- Will a loan be deducted from death benefits?
- What values from the old policy are being used to pay premiums?

If You Are Surrendering An Annuity Contract Or Interest-Sensitive Life Product:

- Will you pay surrender charges on your old contract?
- What are the interest rate guarantees for the new contract?
- Have you compared the contract charges or other policy expenses?

Other Issues To Consider For All Transactions:

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

ADM7147A Original to Company Copy to Family NAIC 1998 Appendix A (01/15)