

# Fidelity Life Association, A Legal Reserve Life Insurance Company

Administrative Office: P.O. Box 5030, Des Plaines, IL 60017

(800) 369-3990

## WEST VIRGINIA

**EXHIBIT B** To be used where the existing and proposed policies are written by the same company.

### IMPORTANT NOTICE REGARDING REPLACEMENT OF LIFE INSURANCE

Our agent is recommending to you that you purchase a life insurance policy from us. In connection with this purchase, you have indicated either as a result of his recommendation or at your own initiative, that you may terminate or change your existing policy issued by another insurance company or that you may obtain a loan from that company against your policy to pay premiums on the proposed policy. Any of these actions is a replacement of life insurance. This notice must be given to you, along with a Comparative Information Form which includes preliminary information comparing the proposed policy with your existing policy to be replaced. Please read this notice and the Comparative Information Form carefully.

Whether it is to your advantage to replace your existing insurance coverage, only you can decide. It is in your best interest, however, to have adequate information before a decision to replace your present coverage becomes final so that you may understand the essential features of the proposed policy and of your existing insurance coverage.

To this end, we are required to give you a Policy Summary including complete information on the proposed policy at the time the proposed policy is delivered to you. In addition, we will, at your request, furnish you additional information concerning your existing policy. You may want to discuss your purchase with other advisors. The information you receive will be of value to you in reaching a final decision.

If either the proposed policy or the existing insurance you intend to replace is a participating policy you should be aware that dividends may materially reduce the cost of insurance and are an important factor to consider. Dividends, however, are not guaranteed.

You should also recognize that a policy which has been in existence for a period of time may have certain advantages to you over a new policy. If the policy coverages are basically similar, the premiums for a new policy may be higher because rates increase as your age increases. Your existing policy may have options which are not available under the policy being proposed to you or may not come into effect under the proposed policy until a later time during your life. Also, your proposed policy's cash values and dividends, if any, may grow slower initially because the company will incur the cost of issuing your new policy. On the other hand, the proposed policy may offer advantages which are more important to you.

You should be aware that the new life insurance issued by the replacing insurer will not be contestable in the event of the insured's death to any greater extent than the existing life insurance would have been contestable by the existing insurer had the replacement not taken place. However, the replacing insurer may, within two years from the date of issue, contest because of material misstatement or omission on your application, or for death caused by suicide, that amount of insurance, if any, written and issued in excess of the amount of the existing life insurance.

If you are considering borrowing against your existing policy to pay the premiums on the proposed policy, you should understand that in the event of your death the amount of the unpaid loan, including unpaid interest, will be deducted from the benefits of your existing policy thereby reducing your total insurance coverage.

After we have issued your policy, you will have 30 days from the date the new policy is delivered to you to cancel the policy issued on your application and receive back all payments you made to us.

### CAUTION

If after studying the information made available to you, you decide to replace the existing life insurance with our company with a new life insurance policy issued by your company, you are urged not to take action to terminate or alter your existing life insurance coverage until after you have been issued the new policy, examined it and have found it to be acceptable to you. If you should terminate or otherwise materially alter your existing coverage and fail to qualify for the life insurance for which you have applied, you may find yourself unable to purchase other life insurance or able to purchase it only at substantially higher rates.

I have received and read a copy of this Replacement Notice.

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Applicant's Name Printed: \_\_\_\_\_