

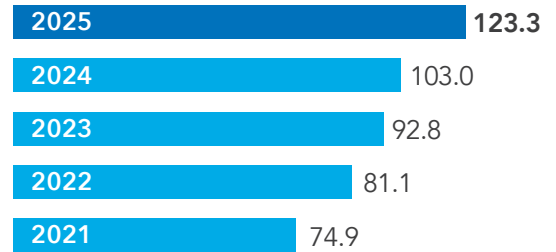


# Lafayette Life Increases Dividend Rate; Approves Record \$123.3 Million 2025 Policyowner Payout

October 16th, 2024

The Lafayette Life Insurance Company is pleased to announce that its Board of Directors has approved a record \$123.3 million expected dividend allocation to policyholders and will raise our dividend rate for 2025. This all-time high dividend payout marks the 120th consecutive year that Lafayette Life will be paying a dividend.

Policyholder Dividends In \$ Millions



Effective January 1, 2025, the 2025 dividend rate will increase for all policies sold after June 15, 2005. The current product series will have a dividend rate increase of 45 basis points to 5.75%. Please see the following Q&A regarding updates to all prior product series sold. This dividend rate increase demonstrates Lafayette Life’s unwavering commitment to providing value and continues to demonstrate our exceptionally strong financial position.

## Solid Financial Strength

The chart below highlights our financial strength as a member of Western & Southern Financial Group, which is among the strongest in the industry.

Industry Ratings			
AM Best	Standard & Poor’s	Fitch	Comdex <sup>1</sup>
<b>A+</b> Superior	<b>AA-</b> Very Strong	<b>AA</b> Very Strong	<b>96</b> out of <b>100</b>
Superior ability to meet ongoing insurance obligations	Very strong financial security characteristics	Very strong capacity to meet policyholder and contract obligations on a timely basis	Composite of all ratings a company receives

The Comdex Ranking is a composite of all the ratings a company has received from the major rating agencies. It ranks insurers on a scale of 1 to 100 (where 1 is the lowest) in an effort to reduce confusion over ratings because each rating agency uses a different scale. Ratings and ranking are subject to change. The ranking shown herein is current as of October 2024.

## Dividend Rate Q&A

### When is the dividend change effective?

Lafayette Life pays any applicable dividends on the policy's anniversary date. Impacted policies will earn the new, higher dividend scale on their 2025 anniversary date.

### What happens to policies I sold in 2024?

Policies sold in 2024 will earn the new dividend scale on their 2025 anniversary date. The dividend scale credited will now be higher than the dividend scale that was shown in the point-of-sale illustration.

### What determines the dividend scale?

The dividend scale is declared annually by the Board of Directors. The scale is based on a three factor formula that includes interest, expense, and mortality components.

### Why do dividend scale changes occur?

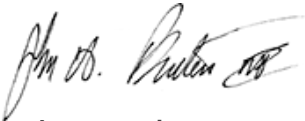
Dividend scale changes occur when emerging experience for mortality, interest, or expenses is materially different than previous expectations.

### Who is getting a dividend scale increase?

All dividend paying whole life policies, issued on or after June 15 2005, including any new sales. That includes products with names like Contender, Heritage, Liberty, Patriot, Sentinel, 10 Pay, and Academy, as well as dividend paying Paid Up Additions riders.

For more information on Lafayette Life whole life policies or questions on this dividend announcement, please contact your Regional Sales Vice President or call **866.937.5542** for the Sales Desk.

Thank you for your continued business. We look forward to working with you in 2025 and beyond.



**John H. Bultema III**

President and Chief Executive Officer



**Larry Silverstein**

Senior Vice President and Senior Distribution Officer

### Will all policies receive the same dividend rate?

Lafayette Life will increase the dividend rate for all eligible policies issued after June 15, 2005. The dividend rate for the 2022 series, released after the IRC 7702 changes, will increase to **5.75%**. Prior product series from 2005, 2015, and 2020 will receive an increased dividend rate of **5.35%**. There is no change to the dividend scale for policies sold prior to June 15, 2005.

### Why are some policies changing more than others?

A dividend is a return of premium based on how the product series has outperformed its contractual guarantees. Lafayette Life evaluates the outperformance of each segment of the total portfolio and ensures that each product series receives a dividend in proportion to how it has contributed to the financial wellbeing of the entire product portfolio.

### What is happening to the expense and mortality component of the dividend scale?

There are no changes to the expense or mortality components in the 2025 dividend scale.

### When will all illustrations show the new higher dividend scale?

We are targeting a January release to update the dividend scale for all illustrations.

<sup>1</sup> The Lafayette Life Insurance Company is not rated by Moody's.

The ratings published in this document are current as of October 15, 2024 and are subject to change. Ratings refer to the claims-paying ability of the insurance company and do not reflect the safety, stability or performance of any investment product. The rating agencies listed above are independent of each other and use proprietary evaluation criteria and rating scales.

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**Life insurance products are not bank products, are not a deposit, are not insured by the FDIC or any other federal entity, have no bank guarantee, and may lose value.**

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