

## INTEREST RATES - May 16, 2012 to June 15, 2012

### Notices

1. Before soliciting or taking any annuity applications, it is required that you have completed Lafayette Life's Annuity Training and any Continuing Education Courses as required by your State Insurance Department.
2. Automatic acceptance of premiums received in any policy year for FPDA's will be limited to the contractual maximums stated in the annuity policy forms. Aggregate premiums in excess of these limits will need written approval from an officer of the company.
3. We will no longer accept life only single premium immediate annuities over age 74. Any immediate annuity application on an individual 75 years or older must be for a minimum of life and 10 year certain.
4. The 3, 4 and 5 Year Fixed Period SPIA's are temporarily not available for sale.

All interest rates are subject to change. Products are not available in all states. Please consult the Lafayette Life web site ([www.llic.com](http://www.llic.com)) for state specific information. **Rates in green represent an increase in rates, rates in red represent a decrease in rates.**

The following rates are the maximum rates that should be illustrated. Be sure to update the IRIS illustration system

## PRODUCTS CURRENTLY AVAILABLE FOR SALE

### New version of the Marquis Centennial 7 & 10

The guaranteed minimum surrender value of these contracts will be 87.5% of all net premiums (less any withdrawals) accumulated at a guaranteed minimum interest rate (GMIR) between 1% and 3%. The GMIR for new issues will be re-evaluated quarterly based off of the 5-year Constant Maturity Treasury (CMT) rate reported by the Federal Reserve.

**The GMIR for new issues between 4/1/2012 and 6/30/2012 will be 1%.**

**For all new business in these states: AL, AR, AZ, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, ME, MI, MN, MS, MT, NC, ND, NE, NH, NV, OH, OK, PA, RI, SC, SD, TN, TX, UT, VT, WA, WI, WV, WY and the District of Columbia.**

	Short Term Interest Rate	Fixed (New Money)	Cap Rates (New Money)		
			A	B	C
			Annual Point to Point	Monthly Average	Monthly Cap
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Year</b>	1.00%	1.35%	2.25%	2.50%	1.35%
<b>7 Year</b>	1.00%	1.15%	2.00%	2.00%	1.25%

### Original version of the Marquis Centennial 7 & 10

The guaranteed minimum surrender value of these contracts will be 90% of all net premiums (less any withdrawals) accumulated at 3%.

**For all new business in these states: CA, DE, MD, MO, NJ, NM, OR, and VA.**

*Rates also apply to existing business.*

	Short Term Interest Rate	Fixed (New Money)	Cap Rates (New Money)		
			A	B	C
			Annual Point to Point	Monthly Average	Monthly Cap
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Year</b>	1.50%	1.50%	2.25%	2.50%	1.35%
<b>7 Year</b>	1.50%	1.50%	2.00%	2.00%	1.25%

  

	Fixed (Portfolio)	Cap Rates (Portfolio)		
		A	B	C
		Annual Point to Point	Monthly Average	Monthly Cap
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Year</b>	2.45%	4.50%	5.25%	2.00%
<b>7 Year</b>	1.90%	3.50%	3.75%	1.65%

**PRODUCTS CURRENTLY AVAILABLE FOR SALE (continued)**

<b>Marquis Flex 5 - Qualified Markets Only [412(e)(3)]</b>					
The guaranteed minimum interest rate for these contracts will be 3%.					
<i>For all new 412 Fully Insured business only.</i>					
<i>Rates also apply to existing business.</i>					
	Guaranteed Rate	Fixed New Money Rate	Portfolio Rate	Participation Rate	Cap Rate Annual Point to Point
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
		<b>Non-Oregon Business</b>			
<b>5 Year</b>	3.00%	3.00%	3.00%	100%	3.00%
		<b>Oregon Business</b>			
<b>5 Year</b>	3.00%	3.00%	3.00%	40%	5.00%

<b>Group Marquis Centennial - Qualified Markets Only</b>					
The guaranteed minimum surrender value of these contracts will be 90% of all premiums (less any withdrawals) accumulated at 3%.					
<i>For all new business in the following states: AL, AR, AZ, CA, CO, CT, DE, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, OH, OK, OR, PA, RI, SC, SD, TN, UT, VA, VT, WA, WI, WV, WY and the District of Columbia.</i>					
<i>Rates also apply to existing business.</i>					
	Short Term Interest Rate	Fixed (New Money)	Cap Rates (New Money)		
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	A Annual Point to Point <u>5/16/2012</u>	B Monthly Average <u>5/16/2012</u>	C Monthly Cap <u>5/16/2012</u>
<b>Group</b>	1.50%	1.50%	2.25%	2.50%	1.35%
		Fixed (Portfolio)	Cap Rates (Portfolio)		
Effective Date:		<u>5/16/2012</u>	A Annual Point to Point <u>5/16/2012</u>	B Monthly Average <u>5/16/2012</u>	C Monthly Cap <u>5/16/2012</u>
<b>Group</b>		2.45%	4.50%	5.25%	2.00%

<b>Group Marquis Flex - Qualified Markets Only</b>					
The guaranteed minimum interest rate for these contracts will be 3%.					
<i>For all new business in the following states: FL, MN, TX.</i>					
<i>Rates also apply to existing business.</i>					
	Guaranteed Rate	Fixed New Money Rate	Portfolio Rate	Participation Rate	Cap Rate Annual Point to Point
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
		<b>Non-Oregon Business</b>			
<b>Group</b>	3.00%	3.00%	3.00%	100%	3.00%
		<b>Oregon Business</b>			
<b>Group</b>	3.00%	3.00%	3.00%	40%	5.00%

**Single Premium Immediate Annuity (SPIA) Interest Rates**

Please choose Internet Update located in the Options Tab on the tool bar in the [IRIS Illustration Software](#). You will need to be online when doing this. The Illustration software will be automatically updated with the current SPIA interest rates.

<b>Miscellaneous Rates - effective 5/16/2012</b>		
Asset Retention Account Interest Rate:	0.10%	subject to change

**PRODUCTS CURRENTLY AVAILABLE FOR SALE (continued)**

<b>Variable (Dynamic) Loan Interest Rate</b>		
Loan interest rates are reset annually on the policy anniversary. The rate applicable to all loans on a policy is from the table below based on the month of the policy anniversary that begins the policy year.		
<u>Month of Policy Anniversary</u>	<u>Policy Year</u>	<u>Loan Rate</u>
January	2012-2013	5.00%
February	2012-2013	5.00%
March	2012-2013	5.00%
April	2012-2013	5.00%
May	2012-2013	5.00%
June	2012-2013	<b>5.00%</b>
July	2011-2012	5.60%
August	2011-2012	5.50%
September	2011-2012	5.30%
October	2011-2012	5.05%
November	2011-2012	5.00%
December	2011-2012	5.00%

<b>Marquis Centennial IUL</b>				
<i>For all new and existing business.</i>				
			<u>Cap Rates (New Money)</u>	
	Unallocated Rate (New Money)	Fixed (New Money)	A Annual Point to Point	B Monthly Average
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
Rate	3.20%	3.20%	6.25%	7.00%
Participation Rate			130%	130%
Maximum Illustrated Rate			4.87%	5.20%
			<u>Cap Rates (Portfolio)</u>	
	Unallocated Rate (Portfolio)	Fixed (Portfolio)	A Annual Point to Point	B Monthly Average
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
Rate	4.45%	4.45%	9.00%	10.75%
Participation Rate			130%	130%

<b>Vanguard 09 - Qualified Markets Only [Unisex]</b>			
<i>For all new and existing business.</i>			
	New Money Rate	Portfolio Rate	Minimum Guarantee
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
Rate	3.00%	3.00%	3.00%

**DISCONTINUED AND SUSPENDED PRODUCTS**

<b>Original version of the Marquis Centennial 3 &amp; 5 and 10 with Premium Bonus Rider (PBR)</b>					
The guaranteed minimum surrender value of these contracts is 90% of all net premiums (less any withdrawals) accumulated at 3%.					
The Premium Bonus was 5%, and it currently is credited with a 1.00% fixed interest rate.					
<i>For existing business only.</i>					
			<u>Cap Rates (New Money)</u>		
	Short Term Interest Rate	Fixed (New Money)	A Annual Point to Point	B Monthly Average	C Monthly Cap
Effective Date:	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Yr w/ PBR</b>	1.50%	1.50%	1.50%	1.50%	1.00%
<b>5 Year</b>	1.50%	1.50%	1.50%	1.50%	1.00%
<b>3 Year</b>	1.50%	1.50%	1.50%	1.50%	1.00%
		Fixed (Portfolio)	<u>Cap Rates (Portfolio)</u>		
			A	B	C
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Yr w/ PBR</b>		1.70%	3.00%	3.25%	1.55%
<b>5 Year</b>		1.50%	2.25%	2.50%	1.35%
<b>3 Year</b>		1.50%	1.50%	1.50%	1.00%

**DISCONTINUED AND SUSPENDED PRODUCTS (continued)**

<b>Marquis Advant-Edge 5 &amp; 10</b>					
The guaranteed minimum interest rate is 2% for the first 10 policy years and 3% thereafter.					
<i>For existing business only.</i>					
		Fixed		Participation Rate	Cap Rate
	Guaranteed Rate	New Money Rate	Portfolio Rate		Annual Point to Point
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Year</b>	2.00%	2.00%	3.00%	100.00%	3.75%
<b>5 Year</b>	2.00%	2.00%	2.75%	100.00%	3.25%

<b>Marquis Flex 1, 5 and 10 with 3% Guaranteed Rate</b>					
The guaranteed minimum interest rate is 3%.					
<i>For existing business only.</i>					
		Fixed		Participation Rate	Cap Rate
	Guaranteed Rate	New Money Rate	Portfolio Rate		Annual Point to Point
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>Non-Oregon Business</b>					
<b>10 Year</b>	3.00%	3.00%	3.00%	100%	3.00%
<b>5 Year</b>	3.00%	3.00%	3.00%	100%	3.00%
<b>1 Year</b>	3.00%	3.00%	3.00%	100%	3.00%
<b>Oregon Business</b>					
<b>10 Year</b>	3.00%	3.00%	3.00%	40%	5.00%
<b>5 Year</b>	3.00%	3.00%	3.00%	40%	5.00%
<b>1 Year</b>	3.00%	3.00%	3.00%	40%	5.00%

<b>Marquis Flex 5, 10 and Group with 1.5% Guaranteed Rate</b>					
The guaranteed minimum interest rate is 1.5%.					
<i>For existing business only.</i>					
		Fixed		Participation Rate	Cap Rate
	Guaranteed Rate	New Money Rate	Portfolio Rate		Annual Point to Point
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
<b>10 Year</b>	1.50%	1.50%	3.00%	100%	4.00%
<b>5 Year</b>	1.50%	1.50%	2.75%	100%	3.25%
<b>Group</b>	1.50%	1.50%	2.75%	100%	3.25%

<b>Miscellaneous Fixed Interest Annuities</b>			
<i>For existing business only.</i>			
		New Money Rate	Portfolio Rate
		<u>5/16/2012</u>	<u>5/16/2012</u>
Marquis Plus (Participation Rate 30%)		3.00%	3.00%
Horizon (FPA 84)		-	4.00%
Horizon (FPA 84) Fully Insured 412i Plans		-	4.00%
Horizon 1 (FPA 93-1)		4.00%	4.00%
Horizon 1 (FPA 84-1)		4.00%	4.00%
Horizon V (FPA 84-5) 5 Year Renewal		4.00%	4.00%
Horizon G (DAGA – 90)		4.00%	4.00%
Horizon S (SPDA-93-1)		4.00%	4.00%
Pension Side Agreement (PSF-88)		4.00%	4.00%

<b>Marquis UL</b>					
<i>For existing business only.</i>					
	Guaranteed Rate	Participation Rate	Cap Rate	New Money Rate	Portfolio Rate
			Annual Point to Point		
Effective Date:		<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>	<u>5/16/2012</u>
	2.50%	100%	4.50%	3.50%	3.50%

## DISCONTINUED AND SUSPENDED PRODUCTS (continued)

Miscellaneous Fixed Interest Universal Life & Current Assumption Whole Life Products			
<i>For existing business only.</i>	Guaranteed Rate	New Money Rate <u>5/16/2012</u>	Portfolio Rate <u>5/16/2012</u>
Century 2000	4% first 10 yrs, 3% thereafter	4.00%	4.00%
Ultimate & Vanguard (Issued after 10/1996)			
\$100,000 and above	4.00%	4.50%	4.50%
Below \$100,000	4.00%	4.00%	4.00%
Ultimate & Vanguard (Issued before 10/1996)			
First \$10,000	4.00%	4.00%	4.00%
Excess	4.00%	4.30%	4.30%
Key, Value	4.00%	4.00%	4.00%
Alternative	4.00%	4.00%	4.00%
Encore	4.00%	4.00%	4.00%
Spectrum (CAWL-85)	4.50%		4.50%
Galaxy (CAWL)	4.50%		4.50%
Renewal rates for Alternative, Encore, Vanguard, and Ultimate are increased 0.25% (25 basis points) for each successive five-year renewal period in years 6, 11, and 16.			