



**Security National**  
*Life Insurance Company*

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Security National Financial Corporation  
[www.SecurityNational.com](http://www.SecurityNational.com)

# Security National Life

## Marketing Channels

Security National Life sells products designed to fund an individual's funeral costs. These policies are sold through three major channels.

- **Preneed** is a policy where a funeral home agrees to accept the policy in exchange for furnishing a given set of services. Therefore the price of the services is effectively locked in.
- **Final Expense** is a non-growth policy that pays a specified death benefit at death without any funeral home guarantee.
- **Home Service** is a product specifically designed for a lower socio-economic group where, similar to final expense, a specified benefit is paid at death but the premiums are collected weekly or monthly generally at the home by the agent.

### Annuities (Multi pay or Single Pay)

- Annuities are generally sold to people not qualifying for a life insurance product and have guaranteed interest rates currently at 1% - 3% per annum. The board of directors can approve rate increases at their discretion.

Policy Holders  
559,017

Average Death Benefit  
\$3,177

Average Issue Age  
57

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# Our Core Products

## Preneed – Preferred Product

- Term Pay 1-10 Years
- Growth Rates of 1-3.25%
- Premium Margin of 51%

## Final Expense – Simple Security Plan

- Whole Life Pay Product
- Non Growth Product
- Premium Margin of 35%

## Home Service – GAP & Industrial Plan

- Whole Life Pay Product
- Non Growth Product
- Premium Margin of 59% & 43%

2018 Blended Premium  
Margin of Core Products

44%

2018 Life Insurance Sales  
that were Core Products

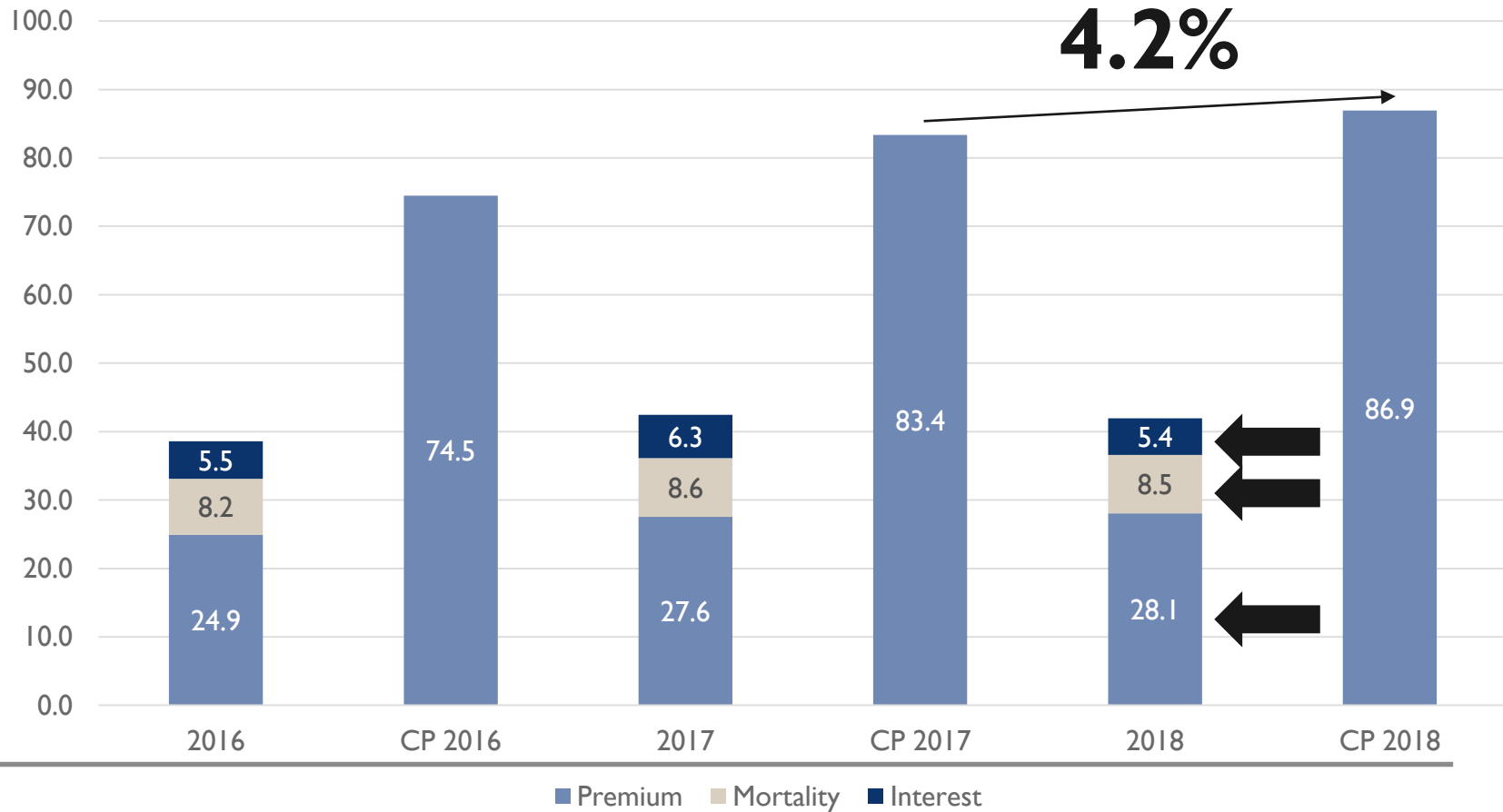
76%\*

\* Annuities excluded. Life insurance only.

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## Premium Income & Margin Analysis - Statutory Basis

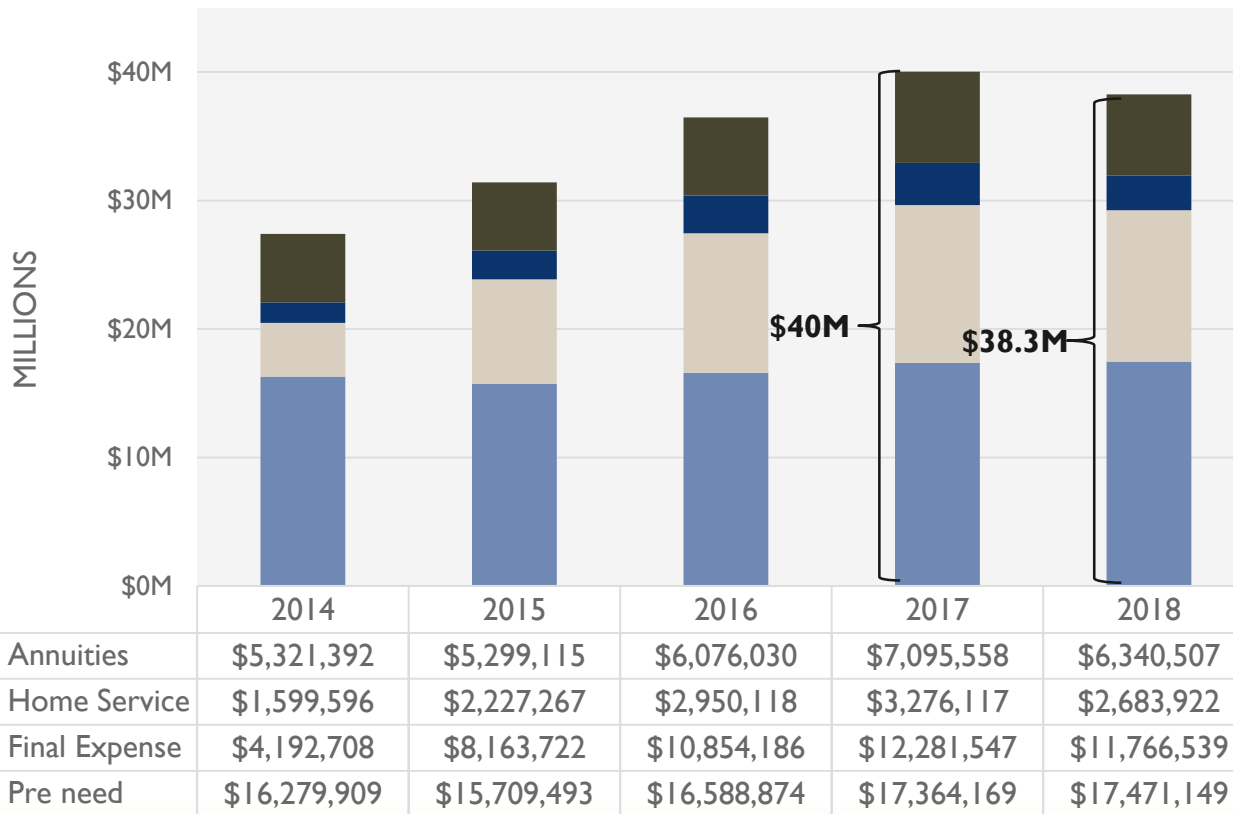


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# Building Our Salesforce

## Insurance & Annuity Annualized Premium Sales EOY 2014-2018



- 38**  
Number of States where Licensed
- >6,000**  
Independent Sales Agents
- 40%**  
Sales Growth 2014 vs. 2018
- 9%**  
Avg. Sales Growth 2014-2018

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Sales Accountability  
Total Quality  
Management



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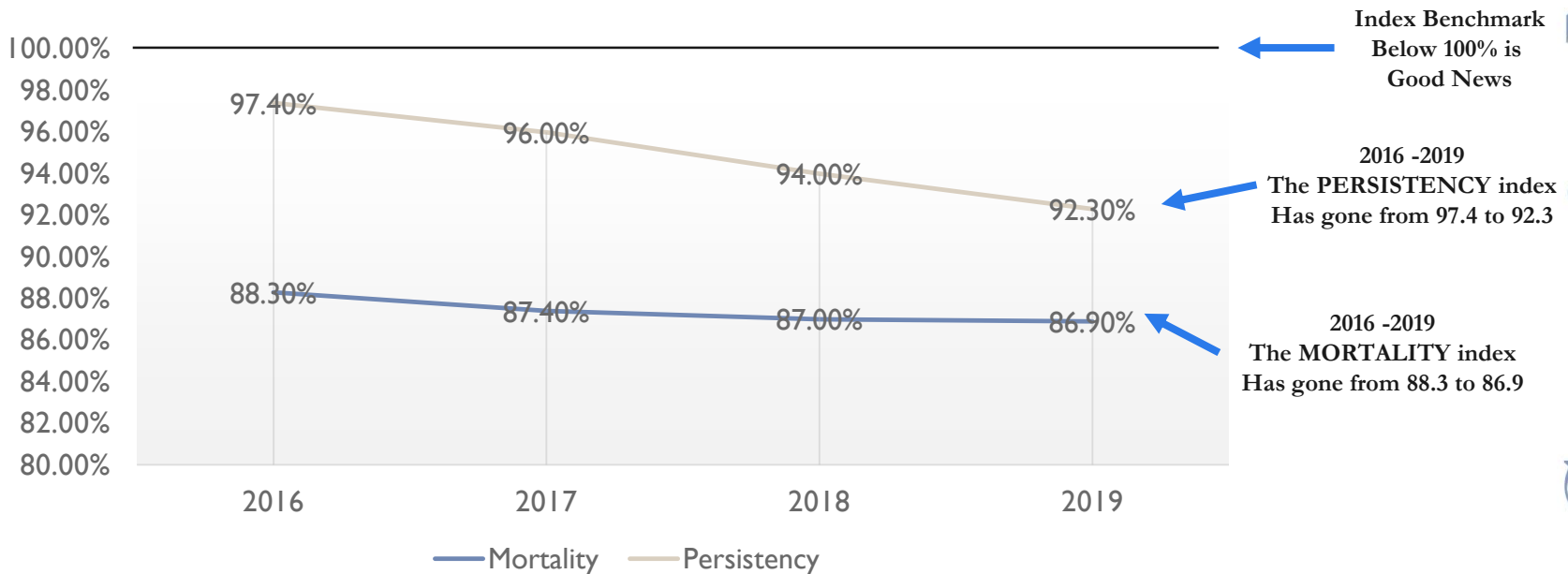


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# Life Insurance Experience Study Results for 03/31/2019

Description	Index	12/31/2016	12/31/2017	12/31/2018	03/31/2019	Claims/Events
PreNeed & Final Expense	Mortality	92.6%	91.7%	91.1%	91.1%	34,073
	Persistency	97.8%	95.8%	92.9%	90.9%	84,303
Home Service	Mortality	95.3%	94.3%	93.3%	93.0%	59,029
	Persistency	99.9%	99.5%	99.3%	99.3%	123,184
Overall	Mortality	88.3%	87.4%	87.0%	86.9%	136,340
	Persistency	97.4%	96.0%	94.0%	92.3%	249,589

WATCH LIST: Mortality for the Limited Benefit Family Protector (FP2) product remains at 129.0%.



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# Sales Expansion



Age 55-75:  
**2,143,884**



Age 55-75:  
**1,193,787**



Age 55-75:  
**967,029**



Age 55-75:  
**1,349,065**

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**Thank you.**

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