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ARTICLES OF MERGER

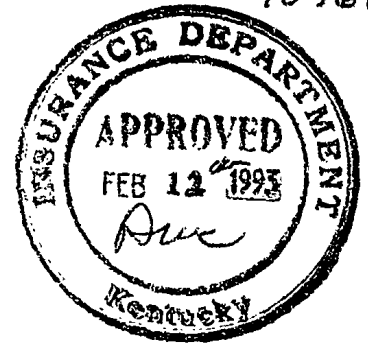
OF

LINCOLN INCOME LIFE INSURANCE COMPANY,  
a Kentucky stock insurance corporation

#70368-qlst

WITH AND INTO

BANKERS NATIONAL LIFE INSURANCE COMPANY,  
a Texas stock insurance corporation



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RECEIVED & FILED

\$50.00

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STATE  
Comptroller

Pursuant to the provisions of Article 21.25 of the Texas Insurance Code, as amended, and, to the extent applicable, Article 5.01 et seq. of the Texas Business Corporation Act, as amended, and Section 304.24-390 of the Kentucky Revised Statutes, as amended, the undersigned corporations adopt and execute the following Articles of Merger for the purpose of merging one of such corporations into the other:

**ARTICLE ONE**

Attached hereto is a copy of the Plan and Agreement of Merger dated November 23, 1992 (the "Plan of Merger"), by and between Lincoln Income Life Insurance Company and Bankers National Life Insurance Company, which sets forth the Plan of Merger.

**ARTICLE TWO**

The names of the merging corporations and the states under the laws of which they are respectively organized are:

<u>Name of Corporation</u>	<u>State of Domicile</u>
Bankers National Life Insurance Company	Texas
Lincoln Income Life Insurance Company	Kentucky

**ARTICLE THREE**

The laws of the states of Texas and Kentucky permit such a merger, and the Plan of Merger has been duly authorized by all action required by the laws of the states under which each of the merging corporations is organized and by their respective constituent documents.

**ARTICLE FOUR**

The surviving corporation shall be Bankers National Life Insurance Company and it is to be governed by the laws of the State of Texas.

**ARTICLE FIVE**

The Plan of Merger attached hereto was approved by the board of directors and the sole shareholder of Bankers National Life Insurance Company in the manner prescribed by the laws of the State of Texas and by the board of directors and sole shareholder of Lincoln Income Life Insurance Company in the manner prescribed by the laws of the Commonwealth of Kentucky.

**ARTICLE SIX**

As to each of the undersigned corporations, the number of shares outstanding, and designation and number of outstanding shares of each class entitled to vote as a class on such Plan of Merger, are as follows:

<u>Name of Corporation</u>	<u>Number of Shares Outstanding</u>	<u>Number of Shares Entitled To Vote As A Class</u>	
		<u>Designation of Class</u>	<u>Number of Shares</u>
Bankers National Life Insurance Company	250,000	Common	250,000
Lincoln Income Life Insurance Company	2,500,000	Common	2,500,000

**ARTICLE SEVEN**

As to each of the undersigned corporations, the total number of shares voted for and against such Plan of Merger, respectively, and, as to each class entitled to vote thereon as a class, the number of shares of such class voted for and against such Plan, respectively, are as follows:

<u>Name of Corporation</u>	<u>Total Voted For</u>	<u>Total Voted Against</u>	<u>Number of Shares Entitled To Vote As A Class</u>		
			<u>Class</u>	<u>Voted For</u>	<u>Voted Against</u>
Bankers National Life Insurance Company	250,000	-0-	Common	250,000	-0-
Lincoln Income Life Insurance Company	2,500,000	-0-	Common	2,500,000	-0-

DATED November 23, 1992.



PLAN AND AGREEMENT OF MERGER



THIS PLAN AND AGREEMENT OF MERGER (the "Agreement"), entered into the date last mentioned by and among BANKERS NATIONAL LIFE INSURANCE COMPANY, a Texas life insurance company with its statutory office located at 205 East Tenth Street, Amarillo, Texas 79101, which was originally incorporated in Texas under the name Mortgage Life Insurance Company ("BNL" or the "Surviving Corporation"), and LINCOLN INCOME LIFE INSURANCE COMPANY, a Kentucky life insurance company with its statutory office located at 300 State National Bank Building, Frankfort, Kentucky 40602 ("LIL"), (BNL and LIL are hereinafter sometimes collectively referred to as the "Constituent Corporations" or individually as a "Constituent Corporation").

Recitals of Fact

A. BNL is a corporation duly organized and existing under the laws of the state of Texas, having been originally incorporated on March 30, 1955, and has on the date hereof authorized capital stock consisting of 300,000 shares of common stock of the par value of \$10.00 per share, of which, on the date hereof, 250,000 shares are issued and outstanding, all of which shares are owned legally and beneficially by Conseco, Inc., an Indiana corporation.

B. LIL is a corporation duly organized and existing under the laws of the state of Kentucky, having been originally incorporated on November 22, 1928, and has on the date hereof authorized capital stock consisting of 2,500,000 shares of common stock of the par value of \$1.00 per share, of which, on the date

hereof, 2,500,000 shares are issued and outstanding, all of which shares are legally and beneficially owned by BNL.

C. The Board of Directors of the Constituent Corporations deems it advisable and in the best interest of said corporations that LIL be merged with and into BNL as provided herein and have adopted and approved this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound and in accordance with the applicable provisions of the laws of the states of Kentucky and Texas, do hereby agree as follows:

1. Merger. At the Effective Time (as defined in Section 13 hereof), LIL shall be merged (the "Merger") with and into BNL, upon the terms and conditions set forth herein.

2. Effect of Merger. Upon and after the Effective Time of the Merger:

(a) BNL shall be the Surviving Corporation and shall continue to exist as a domestic stock life insurance company under the laws of the state of Texas. As the Surviving Corporation, BNL shall possess all rights, privileges, powers, franchises, and immunities of a public as well as of a private nature and be subject to all the restrictions, disabilities, liabilities and duties of each of the Constituent Corporations so merged, and all and singular, of the rights, privileges, powers, franchises, and immunities of each of the Constituent Corporations and all property, real, personal, and mixed, and all debts owing on

whatever account and all other things in action of or belonging to each of the Constituent Corporations shall be transferred to and vested in the Surviving Corporation without further act or deed. All property, rights, privileges, powers, franchises, and immunities and all and every other interest shall be thereafter the property of the Surviving Corporation as effectually as they were of the respective Constituent Corporations. In particular, without limiting the foregoing, each separate account duly established by any of the Constituent Corporations prior to the Effective Time of the Merger shall, on and after the Effective Time, be a duly established separate account of the Surviving Corporation as though it had been originally established by the Surviving Corporation. The title to any real estate vested by deed or otherwise in either of the Constituent Corporations shall not revert or be impaired. However, all rights of creditors and all liens upon the property of any of the Constituent Corporations shall be preserved unimpaired, limited in lien to the property affected by the lien at the time of the Merger. All debts, liabilities, and duties of the respective Constituent Corporations shall thenceforth attach to the Surviving Corporation and may be enforced against it to the same extent as if the debts, liabilities, and duties had been incurred or contracted by it.

(b) LIL, as a Constituent Corporation, pursuant to the Kentucky Insurance Code and the Texas Insurance Code, shall cease to exist, and its property and obligations shall become the property and obligations of BNL as the Surviving Corporation.

3. Name and State of Domicile of Surviving Corporation.

Upon the effectiveness of the Merger, the Surviving Corporation shall remain "Bankers National Life Insurance Company" and the state of domicile shall remain the state of Texas. The surviving NAIC Company Code shall remain 71900, the NAIC Group Code shall remain 233 and the surviving Employer Identification Number shall remain 75-1056842.

4. Articles of Incorporation; Bylaws. The Articles of Incorporation, as amended, and Bylaws, as amended, of BNL shall continue as the Articles of Incorporation and Bylaws of the Surviving Corporation.

5. Directors and Officers. The members of the Board of Directors of BNL and the officers of BNL shall remain as the members of the Board of Directors of the Surviving Corporation and officers of the Surviving Corporation, respectively, until their successors are duly elected and qualified pursuant to the Bylaws of the Surviving Corporation.

6. Shares of Survivor. Each share of the common stock of BNL issued and outstanding at the Effective Time of the Merger shall thereupon, without further action, remain outstanding as one share of the common stock of the Surviving Corporation, without the issuance or exchange of new shares or share certificates, and no additional shares of the Surviving Corporation shall be issued.

7. Cancellation of the LIL Shares. As of the Effective Time each of the 2,500,000 shares of the \$1.00 par value common stock of LIL shall, by virtue of the Merger becoming effective and without any action on the part of anyone, be canceled and shall

cease to represent any ownership interest in LIL, or any other entity.

8. Authorized Capital of Survivor. The amount, number, and class of shares of the authorized capital stock of the Surviving Corporation and the par value thereof immediately prior to the Effective Time, shall remain the same after the Effective Time, unless and until changed as provided by law, the Articles of Incorporation and the Bylaws of the Surviving Corporation.

9. No Consideration for Assistance of Officer and Directors. No director, officer, agent or employee of the Constituent Corporations shall receive any fee, commission, compensation or other valuable consideration whatsoever, solely for in any manner aiding, promoting or assisting in the adoption or approval of this Agreement.

10. Approvals. This Agreement shall be submitted for adoption or approval to (a) the sole shareholder of BNL, (b) the sole shareholder of LIL, (c) the Insurance Commissioner for the State of Texas, (d) the Insurance Commissioner for the State of Kentucky, and (e) the insurance regulatory authorities of such other states, if any, which may require such submission. If and when all such required adoptions and approvals are obtained, the officers of each of the Constituent Corporations shall, and are hereby authorized and directed to, perform all such further acts, and execute and deliver to the proper authorities for filing all documents, as may be necessary or proper to render effective the Merger contemplated by this Agreement.



11. Conditions to Completing the Merger. Effectuation of the Merger is conditioned upon:

(a) Approval of this Agreement by each of the sole shareholders of the Constituent Corporations; and

(b) Procurement by the Constituent Corporations of all other consents, approvals, or acquiescences prescribed by law which are necessary for the consummation of the Merger, including without limitation, approvals of regulatory authorities.

12. Abandonment of Agreement. Notwithstanding any of the provisions of this Agreement, the Boards of Directors of the Constituent Corporations, at any time before or after approval by shareholder of any of them, and prior to the Effective Time of the Merger, and for any reason they may deem sufficient and proper, shall have the power and authority to abandon and refrain from making effective the contemplated Merger as set forth herein; in which case this Agreement shall thereby be canceled and become null and void.

13. Effective Time of Merger. The Merger contemplated herein shall become effective (the "Effective Time") upon the last to occur of the following two events: (a) 11:59 p.m. (Central Standard Time) on December 31, 1992, or (b) at such time at which all of the conditions to completing the Merger set forth in Section 11 have been satisfied.

14. Amendments and Modifications. The parties hereto may amend this Agreement at any time prior to the Effective Time by a properly executed writing setting forth the amendment or modification.

15. Notice to Policyholders. The Surviving Corporation will mail to each policyholder of LIL a Company Merger Endorsement whereby each policyholder of LIL will be notified of the Merger and advised that BNL, as the Surviving Corporation, has all liability for such policy. Such endorsements will be mailed within 30 days of the later to occur of (a) the Effective Time of the Merger, or (b) the date the endorsement form receives any necessary approval from the insurance regulatory authorities of the policyholder's state of residence.

IN WITNESS WHEREOF, each of the Boards of Directors of the Constituent Corporations, pursuant to a resolution unanimously adopted by written consent, have caused this Agreement to be executed in their corporate names by their Presidents and attested to by their Secretaries, as of this 23rd day of November, 1992.

BANKERS NATIONAL LIFE INSURANCE COMPANY

By: Donald F. Gongaware  
Donald F. Gongaware, President

ATTEST:

Lawrence W. Inlow  
Lawrence W. Inlow, Secretary

( S E A L )

LINCOLN INCOME LIFE INSURANCE COMPANY

By: Donald F. Gongaware  
Donald F. Gongaware, President

ATTEST:

Lawrence W. Inlow  
Lawrence W. Inlow, Secretary

( S E A L )

ACKNOWLEDGMENT

STATE OF INDIANA     )  
                                  ) ss.  
COUNTY OF HAMILTON )

I, the undersigned, a Notary Public, within and for the county and state aforesaid, do hereby certify that on this 23<sup>rd</sup> day of November, 1992, personally appeared before me Donald F. Gongaware and Lawrence W. Inlow, who, being by me first duly sworn, declared that they are the President and Secretary, respectively, of Bankers National Life Insurance Company, a Texas corporation, and Lincoln Income Life Insurance Company, a Kentucky corporation; that they signed the foregoing document as President and Secretary of said companies with full power and authority to do so, and that the statements therein contained are true.

*John H. ...*  
\_\_\_\_\_  
Notary Public

My Commission Expires:

July 1, 1995  
( S E A L )

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