

SETTLEMENT AGREEMENT

WHEREAS, Plaintiffs Peter van Zanten, Robert Fine, Larry McMillan, and Dwain Vittetoe, individually and on behalf of the Settlement Class to be certified as provided herein below, in addition to Gregory Sheldon on behalf of the *Sheldon* Class previously certified as described herein below, (collectively, “Plaintiffs”), and Defendant Kansas City Life Insurance Company as defined hereinbelow (“KCL”) (hereinafter collectively the “Parties”) seek to fully, finally, forever, and completely resolve, discharge, and settle all Released Claims as defined below, which were or could have been raised in the Action as defined hereinbelow, as well as the claims, causes of action and matters raised by and in the Related Actions as defined hereinbelow;

WHEREAS, various classes represented by Class Counsel as defined hereinbelow and KCL have litigated various previous Related Actions, including *Karr v. Kansas City Life Insurance Company*, 1916-CV26645, 16th Circuit Court, Jackson County Missouri (“*Karr*”), *Meek v. Kansas City Life Insurance Company*, 4:19-cv-00472-BP, United States District Court for the Western District of Missouri (“*Meek*”), and *Sheldon v. Kansas City Life Insurance Company*, 1916-CV26689, 16th Circuit Court, Jackson County Missouri (“*Sheldon*”) to verdicts rendered by duly empaneled juries of which *Karr* and *Meek* proceeded to final judgments, which have been fully and completely satisfied in both cases in the amount of forty-eight million five-hundred twenty-three thousand one hundred twenty-eight dollars and thirty-eight cents (\$48,523,128.38) for *Karr* and one million sixty-one thousand one hundred eighty-two dollars and eighty-seven cents (\$1,061,182.87) for *Meek*, which amounts are separate and in addition to the Settlement Fund, as defined below, and *Sheldon* remains pending on appeal subject to the terms of this Settlement Agreement;

WHEREAS, the judgments in Related Actions *Karr* and *Meek* have been fully satisfied by KCL and the Parties seek to fully, finally, forever, and completely resolve any future Released

Claims that could be raised by any of the Settlement Class Members, individually or collectively, included in the classes as certified in those Related Actions via this Action;

WHEREAS, as an essential term and part of this Settlement Agreement, the Parties seek to resolve all Released Claims asserted and which could have been asserted in the *Sheldon* Action, hereinafter defined below;

WHEREAS, the Parties seek to fully, finally, forever, and completely resolve any future Released Claims that could be raised by any and all Settlement Class Members or *Sheldon* Class Members via this Action;

WHEREAS, the Parties seek to fully, finally, forever, and completely resolve all Released Claims asserted and which could have been asserted in this Action and the other Related Actions and all future Released Claims that could be raised by any and all Settlement Class Members in this Action and the other Related Actions;

IT IS HEREBY STIPULATED AND AGREED by, between, and among Plaintiffs, Sheldon individually and as Class Representative in the *Sheldon* Action, and KCL, that all claims and causes of action and matters of whatsoever kind or nature, raised by, related to and which could have been raised in the Action, as well as the causes of action and matters raised by the Related Actions, subject to the clauses, provisions and terms contained in this Agreement (as defined below), are hereby fully, finally, forever, and completely resolved, discharged, compromised, released, barred, and settled on the terms and conditions set forth in this Agreement, subject to the approval of the United States District Court for the Western District of Missouri and the 16th Circuit Court, Jackson County Missouri. If for any reason this Agreement is not fully and finally approved by either court, then this Agreement shall be null and void with no further effect and inadmissible in any action for any purpose.

TERMS AND CONDITIONS

1. Definitions

Capitalized terms in this Agreement shall have the meanings and be defined as provided above and as set forth below for all purposes under this Agreement:

1.1. “Action” means the lawsuit captioned *van Zanten and Vittetoe v. Kansas City Life Insurance Company*, Case No. 4:25-cv-00095-BP, currently pending in the United States District Court for the Western District of Missouri.

1.2. “Agreement” means this Settlement Agreement.

1.3. “Claims” means all suits, claims, cross-claims, counterclaims, controversies, liabilities, demands, obligations, debts, indemnities, costs, fees, expenses, losses, liens, actions, or causes of action (however denominated), including Unknown Claims, of every nature, character, and description, whether in law, contract, statute, or equity, direct or indirect, whether known or unknown, foreseen or not foreseen, accrued or not yet accrued, or present or contingent, for any injury, damage, obligation, or loss whatsoever, including compensatory damages, statutory liquidated damages, exemplary damages, punitive damages, losses, costs, expenses, or attorneys’ fees.

1.4. “Class Counsel” means Stueve Siegel Hanson LLP and Schirger Feierabend LLC upon designation and appointment as such by the Court.

1.5. “Class Counsel’s Fees and Expenses” means the amount of the awards approved by each Court to be paid to Class Counsel from the Settlement Fund, attributable to each class as identified herein, for attorneys’ fees and reimbursement of Class Counsel’s costs and expenses as more fully set forth in Section 8.

1.6. “Class List” means the Policies specifically identified by policy number in Exhibit A as attached to this Agreement, the *Sheldon* Policies, and the Policies in *Meek* and *Karr* that were in-force after February 2021. The Class List consists of all Policies in the Settlement Class and all

Policies in the *Sheldon* Class and shall identify which Policies are part of which class. To the extent any conflict exists or arises in terms of the scope of the Policies included in the Settlement Class between the Class List and any other term, provision, or definition in this Agreement, the Class List shall control conclusively for all purposes.

1.7. “Class List Date” means a date twenty-one (21) days following preliminary approval by the Court of this Agreement.

1.8. “Class Notice” means the respective notices of this Agreement as approved by the Courts in the Action and the *Sheldon* Action to be sent by the Settlement Administrator, as described in Section 4, to the persons and entities on the Notice List. The Parties shall submit the Class Notice in the form attached to this Agreement as Exhibit B-1 (for the Action) and B-2 (for the *Sheldon* Action) for the Court’s review and approval.

1.9. “Confidential Information” means material designated as “Confidential” in accordance with the terms of the Protective Orders entered in the Action and the Related Actions.

1.10. “Cost of Insurance,” “Expense Charge,” “Premium Expense Charge,” and “Monthly Deduction” have the same meaning or meanings ascribed by the pleadings, motions, orders, judgment, and opinions in the Action and all the Related Actions and as used, referenced, and utilized in Policy or Policies.

1.11. “Cost of Insurance Rates” has the same meaning or meanings ascribed by the Policy or Policies and refers to KCL’s cost of insurance rates from tables applicable to the Policies, e.g., as set forth in KCLMEEK00025110 and KCLSHELDON00009065.

1.12. “Court” means (1) when referring to the proceedings in the Action and relating to Settlement Class Members or the Settlement Class, the United States District Court for the Western District of Missouri and the Honorable Beth Phillips, or any other judge assigned to the Action; or, (2) when referring to the proceedings in the *Sheldon* Action and relating to the *Sheldon* Class

or the *Sheldon* Class Members, the 16th Circuit Court of Jackson County, Missouri, and the Honorable Marty Seaton, or any other judge assigned to the *Sheldon* Action.

1.13. “Distribution Plan” means the formulae prepared by Class Counsel or their designee and as approved by the Court for allocation of the Net Settlement Fund.

1.14 “Excluded Claims” means new Claims against KCL accruing and asserted after the Final Settlement Date that challenge future increases in KCL’s Cost of Insurance Rates above the rates challenged in the Action, *Sheldon* Action, or Related Actions for reasons other than deterioration in KCL’s expectations as to future mortality experience. Excluded Claims are limited to Claims that could not have been recovered in the Action or other Related Actions. For avoidance of doubt, Excluded Claims do not include Claims involving (1) future increases in any portion of KCL’s Cost of Insurance Rates if deterioration in KCL’s expectations as to future projected mortality is a material or primary reason for the increase; (2) year-over-year increases in KCL’s Cost of Insurance Rates as an Insured ages; and (3) the use of Cost of Insurance Rates at or below the rates challenged in the Action or Related Actions.

1.15. “Fairness Hearing” means such hearing or hearings held by the respective Court on a motion for final approval of this Agreement for, among others, the purposes of: (i) entering the Orders and Judgments; (ii) determining whether the Agreement should be approved as fair, reasonable, adequate, and in the best interests of the Settlement Class Members or *Sheldon* Class Members; (iii) ruling on the applications by Class Counsel for attorneys’ fees and reimbursement of expenses and reasonable service award payments for the Plaintiffs; or (iv) ruling on any other matters raised or considered in connection with this Agreement.

1.16. “Final Settlement Date” means the latter date of when the Order and Judgment in the Action and the Order and Judgment in the *Sheldon* Action become final, which shall be the first business day after one of the following, as applicable: (i) if an appeal from either Order and

Judgment is initiated, the date when the Order and Judgment has been affirmed or the appeal dismissed and one (1) business day after the deadline for initiating any further appeal has expired; or (ii) if no appeal is filed to either Order and Judgment, one (1) business day after the deadline for initiating an appeal from the Order and Judgment.

1.17. “KCL” means Kansas City Life Insurance Company and its predecessors, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, successors, assigns and any other person or entity authorized to act for or on behalf of Kansas City Life Insurance Company.

1.18. “Maximum Monthly Cost of Insurance Rates” has the same meaning or meanings ascribed by the applicable Policy or Policies and is the maximum Cost of Insurance Rate that KCL can apply to the Policy or Policies.

1.19. “Net Settlement Fund” means (1) when referring to the amount available for distribution to the Settlement Class Members, the Settlement Fund less the *Sheldon* Settlement Fund, Settlement Administration Expenses, Plaintiff’s Service Awards, and Class Counsel’s Fees and Expenses awarded by the Court in the Action, which shall be distributed to the Settlement Class Members pursuant to the Distribution Plan; and (2) when referring to the amount available for distribution to the *Sheldon* Class Members, the *Sheldon* Settlement Fund less Settlement Administration Expenses, Plaintiff’s Service Awards, and Class Counsel’s Fees and Expenses awarded by the Court in the *Sheldon* Action, which shall be distributed to the *Sheldon* Class Members pursuant to the Distribution Plan

1.20. “Notice Date” means the date when the Settlement Administrator mails the Class Notice.

1.21. “Notice List” means the settlement-eligible individuals or entities reflected as the last known policy Owner of the Policies on the Class List as of the Class List Date.

1.22. “Order and Judgment” means (1) when relating to the Action, the Court’s order fully and finally approving the Settlement and entering final judgment in the Action; and (2) when relating to the *Sheldon* Action, the Court’s order fully and finally approving the Settlement and entering final judgment in the *Sheldon* Action.

1.23. “Owner” or “Owners” means a Policy’s owner or owners, whether a person or an entity and whether in an individual or representative capacity, as indicated in KCL’s records as of the Class List Date, except that if the Owner is deceased as of the Class List Date, the Owner shall mean the estates of deceased policyholders.

1.24. “Parties” means, collectively, Plaintiffs and KCL in all capacities as reflected in this Settlement Agreement.

1.25. “Plaintiffs” mean Peter Van Zanten, Gregory Sheldon, Robert Fine, Larry McMillan, and Dwain Vittetoe in all capacities as reflected in this Settlement Agreement.

1.26. “Plaintiffs’ Service Award” means the amount of the awards approved by the Court to be paid to the Plaintiffs, or estate if the policyholder is deceased, from the Settlement Fund, as compensation for efforts undertaken by him or her on behalf of the Settlement Class.

1.27. “Policy” or “Policies” means all Better Life Plan, Better Life Plan Qualified, LifeTrack, AGP, MGP, PGP, Chapter One, Classic, Century II, Rightrack (89), Performer (88), Performer (91), Prime Performer, Competitor (88), Competitor (91), Executive (88), Executive (91), Protector 50, LowerMax, Ultra 20 (93), Competitor II, Executive II, Performer II, and Ultra 20 (96) universal or variable universal life policies in the United States that were issued and administered by KCL that were active on or after January 1, 2002. Policy or Policies shall include all applications, schedules, riders, and other forms specifically made a part of the policies at the time of their issue, plus all riders and amendments issued later, or any other document identified as part of the “Contract,” as defined in the Policy or Policies.

1.28. “Preliminary Approval Date” means (1) when relating to the Action, the date when the Court enters the order granting preliminary approval and permitting notice of the proposed Settlement; and (2) when relating to the *Sheldon* Action, the date when the Court in the *Sheldon* Action enters the order granting preliminary approval and permitting notice of the proposed Settlement.

1.29. “Related Action(s)” means the cases listed on Exhibit C.

1.30. “Released Claims” means any and all Claims asserted or that could have been asserted in the Action or the Related Actions that were or might have been asserted in the Action or the Related Actions, or that may later be asserted arising out of or related to the facts, subject matter, conduct, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act alleged in the Action or the Related Actions, and/or based in whole or in part on allegations that KCL or any of its predecessors or successors considered certain factors when determining KCL’s Cost of Insurance Rates, including but not limited to factors for expenses (for example, administrative, maintenance, and acquisition expenses), commissions, reinsurance costs, premium persistency, policy lapses, investment income, interest crediting projections, taxes, cash surrenders, withdrawals, sales volume, marketing costs, capital costs, competitiveness, profit objectives, or profit; recovering expenses through the Cost of Insurance Rates, including any expenses in excess of any of the Policy’s stated Expense Charge, Premium Expense Charge, or any other expense charge or Policy charge; or failing to change the Cost of Insurance Rates in response to changes in KCL’s expectations as to future mortality experience. Released Claims expressly includes all Claims based in whole or in part on KCL’s development, calculation, recalculation, determination, or redetermination of KCL’s Cost of Insurance Rates including without limitation KCL’s actual charge and collection by KCL of its Costs of Insurance Rates and all Claims based in whole or in part on the Monthly Deduction, or the deduction of the Cost of Insurance, the monthly Expense Charge, and/or the monthly charges for

any riders. All Claims relating to KCL's use of the Cost of Insurance Rates at or below the Cost of Insurance Rates which were alleged or could have been alleged in the Action or Related Actions now or in the future for any reason whatsoever are expressly, unconditionally, fully, completely, and finally released without any further recourse in law or in equity. Released Claims also expressly includes all Claims that KCL has any future obligation to decrease Cost of Insurance Rates for any reason or in any specific amount, to any specific degree, or by any specific percentage. Released Claims also includes Claims involving (1) future increases in any portion of KCL's Cost of Insurance Rates if deterioration in KCL's expectations as to future mortality experience is a material or primary reason for the increase; (2) year-over-year increases in an Insured's Cost of Insurance as an Insured ages; and (3) future increases in Cost of Insurance Rates as a result of an increase in an Insured's amount of coverage and new applicable Risk Class on the increased amount as a result of the underwriting process. Released Claims do not include Excluded Claims.

1.31. "Released Parties" means, individually and collectively, KCL and KCL's current and former shareholders, agents, representatives, principals, employees, independent contractors, attorneys, trustees, owners, directors, officers, fiduciaries, administrators, partners, subrogees, reinsurers, creditors, insurance providers, parent, subsidiaries, divisions, affiliates, related entities, predecessors, successors, assignees, and all other persons or entities acting by or through them; and Plaintiffs and each Settlement Class Member and *Sheldon* Class Member and their respective agents, beneficiaries, heirs, relatives, representatives, attorneys, predecessors, successors, insurers, trustees, subrogees, executors, assignees, and all other persons or entities acting by or through any of them.

1.32. "Releasing Parties" means Plaintiffs and each Settlement Class Member and *Sheldon* Class Member on behalf of themselves and their respective agents, beneficiaries, heirs,

relatives, representatives, attorneys, predecessors, successors, insurers, trustees, subrogees, executors, assignees, and all other persons or entities acting by or through any of them; and KCL and KCL's current and former shareholders, agents, representatives, principals, employees, independent contractors, attorneys, trustees, owners, directors, officers, fiduciaries, administrators, partners, subrogees, reinsurers, creditors, insurance providers, parent, subsidiaries, divisions, affiliates, related entities, predecessors, successors, assignees, and all other persons or entities acting by or through them.

1.33. "Settlement" means the settlement set forth in this Agreement.

1.34. "Settlement Administration Expenses" means all fees, costs, and expenses incurred by the Settlement Administrator, including Class Notice costs and claims administration, which shall be paid from the Settlement Fund.

1.35. "Settlement Administrator" means Analytics LLC, a qualified third-party settlement administrator mutually agreed upon by Plaintiff and KCL to provide Class Notice and administer payment of settlement relief. A different Settlement Administrator may be substituted if approved by order of the Court.

1.36. "Settlement Class" means all of the Owners of approximately 88,000 Policies as reflected on the Class List, plus the Policies in *Meek* and *Karr* that were in-force after February 2021, but not including those Owners who are members of the *Sheldon* Class. The Settlement Class excludes: KCL; any entity in which KCL has a controlling interest; any of the officers, employees or board of directors of KCL; the legal representatives, heirs, successors, and assigns of KCL; anyone employed with Plaintiffs' law firms; and any Judge to whom this Action or a Related Action is or has been assigned, and his or her immediate family.

1.37. "Settlement Class Members" means all persons and entities that are included in the Settlement Class who are not excluded by the Court in the Order and Judgment.

1.38. “Settlement Fund” means a non-reversionary cash fund consisting of the consideration paid by KCL in the amount of forty-five million dollars (\$45,000,000.00), of which five million dollars (\$5,000,000.00) shall be allocated for the settlement of the *Sheldon* Class under this Agreement. The Settlement Fund will be divided into two qualified settlement funds pursuant to 26 U.S.C. § 468: the “Nationwide QSF” and the “Sheldon QSF.” Each QSF shall be used to pay Settlement Administration Expenses, Plaintiff’s Service Award, Class Counsel’s Fees and Expenses awarded by the Courts, and all settlement relief to Settlement Class Members and *Sheldon* Class Members. Other than pursuant to Paragraphs 5.6 and 11.14 of this Agreement, no portion of the Settlement Fund may revert to KCL. KCL shall have no financial obligations under this Settlement other than payment of the Settlement Fund.

1.39. “Settlement Fund Account” means: (1) when relating to the Action and the Settlement Class Members, the escrow account to be established by the Settlement Administrator in the United States, from which all payments out of the Nationwide QSF will be made; or (2) when relating to the *Sheldon* Action and the *Sheldon* Class Members, the escrow account to be established by the Settlement Administrator in the United States, from which all payments out of the *Sheldon* QSF will be made. The Settlement Fund Accounts shall be established at a depository institution insured by the Federal Deposit Insurance Corporation.

1.40. “Settlement Website” means a website established by the Settlement Administrator containing information about the Settlement with the URL www.kclcoisettlement.com or a similar address as otherwise agreed by the Parties.

1.41. “*Sheldon* Action” means the lawsuit captioned *Sheldon v. Kansas City Life Insurance Co.*, Case No. 1916-CV26689, WD87931, currently pending in the Missouri Court of Appeals for the Western District, which appeal arises from a final judgment entered by the Missouri Circuit Court for the Sixteenth Judicial District.

1.42 “*Sheldon Class*” means the members of the class that was certified in the *Sheldon* Action as defined in the January 16, 2025 Amended Final Judgment entered in the *Sheldon* Action.

1.43 “*Sheldon Class Members*” means all persons and entities that are included in the *Sheldon Class*.

1.44 “*Sheldon Settlement Fund*” means the portion of Settlement Fund, specified in Paragraph 1.38, allocated as consideration for the *Sheldon Class*. The *Sheldon Settlement Fund* will be deposited into a qualified settlement fund under the jurisdiction of the Court in *Sheldon*, pursuant to 26 U.S.C. § 468 that will be used to pay Settlement Administration Expenses, Plaintiffs’ Service Awards, Class Counsel’s Fees and Expenses awarded by the Court in *Sheldon*, and all settlement relief to *Sheldon Class Members*. Other than pursuant to Paragraphs 5.6 and 11.14 of this Agreement, no portion of the Settlement Fund may revert to KCL.

1.45 “Unknown Claims” means any Claims asserted in the Action or the Related Actions, that might have been asserted in the Action or the Related Actions, or that may later be asserted arising out of the facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures to act that were alleged in the Action or the Related Actions that Plaintiff or any Settlement Class Member or *Sheldon Class Member* does not know or suspect to exist in his or her favor at the time of the entry of the Order and Judgment, and which if known by him or her might have affected his or her decision to opt out of or object to the Settlement. With respect to any and all Claims described and released under Paragraphs 1.29, 3.1, and 3.2, the Parties stipulate and agree that, upon the Final Settlement Date, Plaintiff and each Settlement Class Member and *Sheldon Class Member* understand that they have and shall be deemed to have, and by operation of the Order and Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by all applicable law including without limitation the provisions, rights, and benefits of Section 1542 of the California Civil Code which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

PLAINTIFF AND EACH SETTLEMENT CLASS MEMBER, UPON THE FINAL SETTLEMENT DATE, SHALL BE DEEMED TO HAVE, AND BY OPERATION OF THE ORDER AND JUDGMENT SHALL HAVE, WAIVED ANY AND ALL PROVISIONS, RIGHTS, AND BENEFITS CONFERRED BY ANY LAW OF ANY STATE OR TERRITORY OF THE UNITED STATES, OR PRINCIPLE OF COMMON LAW, WHICH IS SIMILAR, COMPARABLE, OR EQUIVALENT TO SECTION 1542 OF THE CALIFORNIA CIVIL CODE. PLAINTIFFS AND SETTLEMENT CLASS MEMBERS MAY HEREAFTER DISCOVER FACTS IN ADDITION TO OR DIFFERENT FROM THOSE THAT THEY NOW KNOW OR BELIEVE TO BE TRUE WITH RESPECT TO THE SUBJECT MATTER OF THE RELEASED CLAIMS, BUT PLAINTIFFS AND EACH SETTLEMENT CLASS MEMBER, UPON THE FINAL SETTLEMENT DATE, SHALL BE DEEMED TO HAVE, AND BY OPERATION OF THE ORDER AND JUDGMENT SHALL HAVE, FULLY, FINALLY, AND FOREVER SETTLED AND RELEASED ANY AND ALL RELEASED CLAIMS, KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, CONTINGENT OR NON-CONTINGENT, WHETHER OR NOT

CONCEALED OR HIDDEN, WHICH NOW EXIST, OR HERETOFORE HAVE EXISTED UPON ANY THEORY OF LAW OR EQUITY NOW EXISTING OR COMING INTO EXISTENCE IN THE FUTURE, INCLUDING, BUT NOT LIMITED TO, CONDUCT THAT IS NEGLIGENT, INTENTIONAL, WITH OR WITHOUT MALICE, OR ANY BREACH OF ANY DUTY, LAW, OR RULE WITHOUT REGARD TO SUBSEQUENT DISCOVERY OR EXISTENCE OF SUCH DIFFERENT OR ADDITIONAL FACTS. PLAINTIFFS AND EACH SETTLEMENT CLASS MEMBER AGREE THAT THIS IS AN ESSENTIAL TERM OF THE RELEASE.

1.46 The terms “he or she” and “his or her” include “it” or “its” or “their,” where applicable. Defined terms expressed in the singular also include the plural form of the term, and vice versa, where applicable.

1.47 All references in this Agreement to sections and paragraphs refer to sections and paragraphs of this Agreement, unless otherwise expressly stated in the reference.

1.48 For clarity, unless otherwise specified, the intent of the Parties is for the Court in the Action to make all necessary approvals and awards under Federal Rule of Civil Procedure 23 related to the Settlement Class and Settlement Class Members and for the Court in the *Sheldon* Action to make all necessary approvals and awards under Missouri Supreme Court Rule 52.08 related to the *Sheldon* Class and *Sheldon* Class Members. This Agreement should be interpreted consistent with that intent, and, when a(n) right, event, condition, or obligation under this Agreement is required or granted in the Action, it is intended that it applies to the Action; likewise, when a(n) right, event, condition, or obligation under this Agreement is required or granted in the *Sheldon* Action, it is intended that it applies to the *Sheldon* Action. Thus, certain defined terms,

unless specified otherwise below, may have two meanings: for example, when the Preliminary Approval Date in the Action occurs, the obligations that are triggered from that event are those obligations related to the Action (unless otherwise specified) and when the Preliminary Approval Date in the *Sheldon* Action occurs, the obligations that are triggered from that event are those obligations related to the *Sheldon* Action (unless otherwise specified). Notwithstanding this clarification, however, the Final Settlement Date as defined in Paragraph 1.16 requires entry of the Order and Judgment in both the Action and the *Sheldon* Action, consistent with the Parties intent that a condition of the Settlement is the final approval in both actions.

2. Settlement Relief

2.1. On or within one (1) business days after the Preliminary Approval Date in the Action, Class Counsel shall provide to KCL written confirmation of all necessary information to complete the wire transfers of any funds due from KCL pursuant to the Settlement into the Settlement Fund Account. Within ten (10) business days of the Final Settlement Date, KCL shall fund the Settlement Fund (LESS any amounts transferred prior to the Final Settlement Date) in full by wire transfer into the Settlement Fund Accounts. On or within ten (10) business days after the Preliminary Approval Date, KCL shall wire transfer one hundred thousand dollars (\$100,000.00) into the Settlement Fund Account as an advance to fund costs actually incurred, including the costs of notice, arising out of the administration of this Agreement.

2.2. The Net Settlement Fund shall be distributed to the Settlement Class Members and to *Sheldon* Class Members pursuant to the Distribution Plan in the form approved by the Court. Any such revision required to obtain Court approval shall not constitute an amendment or modification to the Agreement subject to Paragraph 11.13.

2.3. To the extent Class Counsel requires additional data in order to apply the approved Distribution Plan, they shall request such data from KCL on or prior to twenty-one (21) days after

the Preliminary Approval Date. To the extent the requested information is available to it, KCL shall provide the requested data for the Settlement Class and the *Sheldon* Class, to the extent such data is needed, on or before an agreed upon date to be negotiated with Class Counsel. Within 30 days after the Final Settlement Date, the Settlement Administrator shall calculate each Settlement Class Member's and *Sheldon* Class Member's distribution pursuant to the Distribution Plan and deliver to each person or entity by U.S. mail, first-class postage prepaid, a settlement check or other mechanism of payment in the amount of the share of the Net Settlement Fund to which the Settlement Class Member or *Sheldon* Class Member is entitled pursuant to the Distribution Plan. Settlement payments will be automatically delivered without any proof of claim or further action on the part of the Settlement Class Members or *Sheldon* Class Members.

2.4. Checks shall remain negotiable for 180 days from the date of mailing. Checks not cashed during this time will be canceled and amounts of canceled checks will be sent by the Settlement Administrator to the unclaimed property division of each state in which each such Settlement Class Member was last sent Class Notice or distributed as otherwise ordered by the Court. Checks shall be re-issued by the Settlement Administrator if such requests are received from Settlement Class Members or *Sheldon* Class Members before the transfer to the unclaimed property divisions has occurred. KCL shall have no obligations or responsibility relating to the redistribution or reissuance of any canceled checks or the transmission of any amounts of canceled checks.

2.5. The Parties agree that if the Court finds that the Distribution Plan submitted by Class Counsel is not fair and reasonable, and refuses to approve the Settlement on that basis, Class Counsel may, in consultation with KCL, modify the Distribution Plan to resolve the issue to the satisfaction of the Court, and any such modification shall not constitute an amendment or

modification of this Agreement. In no event will any modification to the Distribution Plan change KCL's obligations under Paragraph 1.38 or any other provision of this Agreement.

3. Releases and Waivers

3.1. Upon the Final Settlement Date and KCL's wiring of the Settlement Fund amount (less the one hundred thousand dollar (\$100,000.00) advance) provided by Paragraph 2.1, the Releasing Parties shall be deemed to have, and by operation of the Order and Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Released Parties of and from all Released Claims.

3.2. As part of the consideration for the benefits conveyed pursuant to Paragraphs 1.38 and 2.1 through 2.5, the Releasing Parties agree and understand that, among the Released Claims in the Agreement, KCL may continue to use Cost of Insurance Rates equal to or lower than the Cost of Insurance Rates in effect as of the date of the Settlement Agreement, and KCL may continue to use and adjust Cost of Insurance Rates as set forth and described in Paragraphs 1.14 and 1.30 of the Agreement.

3.3. Upon the Final Settlement Date, the Releasing Parties shall be deemed to have, and by operation of the Order and Judgment shall have, waived any and all Released Claims against the Released Parties and shall be barred from asserting such claims again in any venue for any purpose.

3.4. Nothing in this Section 3 shall preclude any action to enforce the terms of this Agreement.

3.5. The scope of the Released Claims or Released Parties shall not be impaired in any way by the failure of any Settlement Class Member or *Sheldon* Class Member to actually receive the benefits provided for under this Agreement.

3.6. The Parties acknowledge that the release provisions in this Section 3 constitute essential terms of this Agreement.

3.7. The Parties acknowledge and expressly agree that the release provisions in this Section 3 shall be, and may be raised as, a complete defense and bar to and will preclude any action or proceeding encompassed by the Released Claims.

4. Notice to the Settlement Class and *Sheldon* Class

4.1. Subject to the requirements of any orders entered by the Court, and no later than 45 days after the Preliminary Approval Date or the date the Court approves the Class Notice plan, whichever is later, the Settlement Administrator will mail a Class Notice by first-class mail to the addresses on the Notice List. If more time is needed to prepare the Notice List and mail Class Notice, the Parties will agree on another date for mailing the Class Notice, unless otherwise ordered by the Court.

4.2. The mailing of a Class Notice to a person or entity that is not in the Settlement Class or *Sheldon* Class shall not render such person or entity a part of either Class or otherwise entitle such person to participate in the Settlement.

4.3. KCL will deliver the Notice List to the Settlement Administrator within twenty-one (21) days following the Preliminary Approval Date. This Notice List shall be designated Confidential Information.

4.4. The Settlement Administrator will run an update of the last known addresses provided by KCL through the National Change of Address database before mailing the Class Notice. If a Class Notice is returned to the Settlement Administrator as undeliverable, the Settlement Administrator will: (i) re-mail any Class Notice returned with a forwarding address; and (ii) make reasonable attempts to find an address for any returned Class Notice that does not include a forwarding address. The Settlement Administrator will re-mail the Class Notice to every person and entity in the Notice List for which it obtains an updated address. If any member of the Settlement Class or

Sheldon Class is known to be deceased, the Class Notice will be addressed to the estate of the policyholder as designated in the Policy or Policies

4.5. Within seven (7) days after the Notice Date, the Settlement Administrator shall provide the Parties with one or more declarations confirming that notice was completed in accordance with the Parties' instructions and the Court's approval. Class Counsel shall file such declaration(s) with the Court as an exhibit to or in conjunction with the motion for final approval of the Settlement.

4.6. The Settlement Administrator will establish, maintain, and update a Settlement Website to provide relevant information to the Settlement Class and the *Sheldon* Class, including links to important documents relating to the Settlement.

4.7. The Agreement may be amended by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest, as provided in Paragraph 11.13. Unless otherwise ordered by the Court, notice of any such amendment will be provided to the Settlement Class and *Sheldon* Class through the Settlement Website.

5. Responses to Class Notice

5.1. The Class Notice shall advise members of the Settlement Class of their right to opt out of the Settlement and the manner required to do so. They may opt out of this Settlement by serving a written notice on the Settlement Administrator postmarked no later than 60 days after the Notice Date, or such other date determined by the Court. The Settlement Administrator shall notify the Parties of the receipt of any written opt-out notice.

5.2. To be in proper form, the opt-out notice must include: (i) the member of the Settlement Class's full name, current address, telephone number, e-mail address, and Policy number; (ii) a clear statement that he, she, they, or it elects to be excluded from the Settlement Class and does not want to participate in the Settlement; and (iii) be signed by the member or by

a person providing a valid power of attorney to act on behalf of the member. If there are multiple owners of a Policy, all owners must sign unless the signatory holds and submits a copy of a valid power of attorney to act on behalf of all then-current owners of the Policy.

5.3. Every member of the Settlement Class that does not file a timely and proper written opt-out notice will be bound by all subsequent proceedings, orders, and judgments in the Action.

5.4 The *Sheldon* Class shall not be provided a further opportunity to opt-out of the class, having been provided such an opportunity after the *Sheldon* class was certified for litigation purposes, unless the Court requires a further opportunity to opt-out.

5.5. The Class Notice shall advise the Settlement Class and the *Sheldon* Class of their right to object and the manner required to do so. Any Settlement Class Member or *Sheldon* Class Member may object to this Settlement by serving a written objection on the Settlement Administrator postmarked no later than 60 days after the Notice Date, or such other date determined by the Court. Unless otherwise ordered by the Court, the objection must contain: (1) the full name, address, telephone number, and e-mail address, if any, of the Settlement Class Member or *Sheldon* Class Member; (2) the Settlement Class Member's or *Sheldon* Class Member's Policy number; (3) a written statement of all grounds for the objection accompanied by any legal support for the objection (if any); (4) copies of any documents upon which the objection is based; (5) a list of all persons who will be called to testify in support of the objection (if any); (6) a statement of whether the Settlement Class Member or *Sheldon* Class Member intends to appear at the Fairness Hearing; (7) a statement whether the objection applies only to the objector, to a specific subset of the class, or to the entire class, including whether the objection is directed to the proceedings in the Action or the *Sheldon* Action; and (8) the signature of the Settlement Class Member or *Sheldon* Class Member or his or her counsel. The written objection must also identify all attorneys representing the objecting Settlement Class Member or *Sheldon* Class Member, including any attorney who will appear at the

Fairness Hearing. Unless otherwise ordered by the Court, Settlement Class Members or *Sheldon* Class Member who do not timely object as provided in this Paragraph will be deemed to have waived all objections and shall not be heard or have the right to appeal approval of the Settlement. The Settlement Administrator shall promptly provide the Parties with copies of all objections.

5.6. Notwithstanding anything in this Agreement, if the total dollar amount for payments of members of the Settlement Class who properly and timely exercise their right to opt out of the Settlement exceeds an amount set forth in a separate confidential agreement between the Parties executed and delivered with execution of this Agreement, KCL will have the right, in their sole and absolute discretion, but not the obligation, to withdraw from the Settlement and terminate the Agreement in writing no later than fourteen (14) days after receiving the final number of opt outs from the Settlement Administrator without penalty and without prejudice to its position on the issue of class certification or any other issue in the Action. If KCL exercises its right to terminate under this provision, the Parties will be restored to their position existing immediately before the execution of this Agreement with the unused portion of the Settlement Fund being returned to KCL. The confidential termination agreement may be disclosed to the Court in camera should the Court so request. Notwithstanding any disclosure to the Court, the Parties agree to keep the content of the confidential termination agreement strictly confidential.

5.7. Class Counsel shall file with the Court all objections served on the Settlement Administrator within five (5) days after the deadline to file objections, or as otherwise directed by the Court. The Parties may serve and file responses to written objections any time prior to the Fairness Hearing, or as otherwise directed by the Court.

6. Notice Under the Class Action Fairness Act

6.1. Within ten (10) days following the filing of this Agreement for preliminary approval by the Court, the Settlement Administrator will serve or cause to be served notices of the

proposed Settlement upon the appropriate officials in compliance with the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1715.

7. Communications with Settlement Class Members, *Sheldon* Class Members and Policyowners

7.1. KCL will not be privy to or respond to inquiries between members of the Settlement Class or *Sheldon* Class and Class Counsel regarding the proposed Settlement or the Action. However, KCL may communicate with its agents and employees regarding the proposed Settlement or Action, and respond to inquiries from or on behalf of, agents, employees, insureds, beneficiaries, policyowners, and members of the Settlement Class or *Sheldon* Class, orally or in writing, regarding matters in the normal course of administering the Policies or in the ordinary course of business, including through appropriate agents or agencies. Notwithstanding the foregoing, prior to the Final Settlement Date, KCL shall refer substantive inquiries relating to participation or objections from members of the Settlement Class or *Sheldon* Class to Class Counsel.

7.2. Class Counsel will respond to inquiries from Settlement Class Members or *Sheldon* Class Members, subject to review and comment by KCL should Class Counsel deem such review and comment helpful or necessary. The Settlement Administrator may respond to inquiries received directly from members of the Settlement Class or *Sheldon* Class and may communicate with both Class Counsel and KCL about those inquiries.

8. Attorneys’ Fees, Costs, and Expenses

8.1. For the settlement relief provided to Settlement Class Members and *Sheldon* Class Members, Class Counsel will seek an award of attorneys’ fees in an amount not to exceed one-third of the Settlement Fund, and reimbursement of all costs and expenses in an amount not to exceed one million four-hundred thousand dollars (\$1,400,000.00), subject to apportionment between the Action and *Sheldon* Action and approval by the respective Court. Provided that neither Plaintiffs nor

Class Counsel seek attorneys' fees, costs, and expenses in excess of the amounts set forth in this Paragraph, KCL agrees to take no position on Plaintiffs' or Class Counsel's request for approval of attorneys' fees, costs, and expenses. The Parties agree that this provision was negotiated after negotiating substantive relief to the Settlement Class, including the amount of the Settlement Fund.

8.2. Class Counsel may move the Court for, and KCL agrees not to oppose, a service award payment to Plaintiffs or, if deceased, their estate, in an amount not to exceed \$100,000.00 each to compensate Plaintiff for their efforts on behalf of the Settlement Class. All such payments shall be paid from the Settlement Fund with no additional obligation of KCL to fund any additional amounts for such payments. Payment of Plaintiffs' Service Award, if any, shall be made to Plaintiffs or, if deceased, their estate, in addition to any settlement relief he may be eligible to receive.

8.3. KCL and Plaintiffs shall not be liable or obligated to pay any fees, expenses, costs, or disbursements to any person, either directly or indirectly, in connection with the Action or the Related Actions, this Agreement, or the Settlement, other than as expressly provided in this Agreement.

8.4. The Parties agree that the Settlement is not conditioned on the Court's approval of Plaintiffs' Service Awards or approval of the payment of Class Counsel's Fees and Expenses. Class Counsel will submit a separate order for the Court's consideration related to attorneys' fees, litigation costs and expenses, and Plaintiff's Service Awards.

9. Tax Reporting and No Prevailing Party

9.1. Any person or entity receiving any payment or consideration pursuant to this Agreement shall be solely responsible for the reporting and payment of any federal, state, or local income or other tax on any payment made pursuant to this Agreement, and KCL shall have no obligations to report or pay any federal, state, or local income or other tax on any payment made

pursuant to this Agreement, except that KCL shall provide any reasonably available data necessary for the Settlement Administrator to make any such reports. KCL, its counsel, and Class Counsel have not provided and shall have no responsibility for providing any opinion concerning the tax consequences of the proposed Settlement to any Settlement Class Member or *Sheldon* Class Member, nor are any representations or warranties in this regard made by virtue of this Agreement.

9.2. No Party shall be deemed the prevailing party for any purposes of this Action or the Related Actions.

10. Preliminary and Final Approval

10.1. On or before the date in which they file for preliminary approval in the Action, Plaintiffs, through Class Counsel, will submit, by joint stipulation of the Parties, a second amended class action complaint in the Action that: (a) conforms the class allegations to match the definition of the Settlement Class; and (b) adds each Plaintiff as a party plaintiff that Class Counsel deem necessary to effectuate approval of this Agreement. KCL may, but shall not be required to, file an answer to the second amended complaint in due course. In the event the Settlement is not approved and cannot be cured pursuant to Paragraph 11.1, the Parties agree that the second amended complaint shall be withdrawn and that the Action shall proceed as it was previously pled without prejudice to any Party. In the event any court in a Related Action raises any concerns regarding the Agreement, the Parties will work in good faith to resolve those concerns consistent with the terms and intent of this Agreement prior to or in conjunction with seeking preliminary approval in this Action.

10.2 Upon entry of the order granting preliminary approval in the Action, the Parties shall file a joint motion to transfer the pending cases in the Related Actions, other than the *Karr* and *Sheldon* actions, to the Honorable Beth Phillips and shall seek consolidation of those actions with the Action. In the event any court in a Related Action raises any concerns regarding the Agreement, the Parties will work in good faith to resolve those concerns consistent with the terms

and intent of this Agreement prior to or in conjunction with seeking final approval in this Action. It is the Parties' intent to effectuate a global settlement encompassing the Related Actions in the Action.

10.3. Prior to seeking preliminary approval in the Action, the Parties shall file a joint motion for limited remand of the *Sheldon* Action from the Missouri Court of Appeals for settlement-approval proceedings as described in this Agreement. The entry of an Order and Judgment in both the Action and the *Sheldon* Action are material conditions of the Settlement. In the event that the Settlement is not approved in either the Action or the *Sheldon* Action, such failure shall result in the immediate termination of all settlement proceedings in the other, unless the Parties agree in writing to the contrary. In the event of and following such a termination of the settlement proceedings, the Parties shall proceed as if no settlement had occurred in either this Action, the *Sheldon* Action, and the Related Actions, with the Parties being returned to their *status quo ante*.

10.4. Plaintiffs, through Class Counsel, will request that the Court enter a preliminary approval order in the form attached hereto as Exhibit D-1 (relating to the Action) and D-2 (relating to the *Sheldon* Action) and schedule the Fairness Hearings for purposes of determining the fairness of the Settlement, considering the motions for approval of Class Counsel's Fees and Expenses and Plaintiff's Service Awards, granting final approval of the Settlement and this Agreement, and entering each of the Orders and Judgments.

10.5. In the Action, Class Counsel will file a motion for Order and Judgment seeking certification of the Settlement Class, except for members who timely and validly seek exclusion, and final approval of the Settlement and a motion for Class Counsel's Fees and Expenses. In the *Sheldon* Action, Class Counsel will file a motion for Order and Judgment seeking final approval of the Settlement and a motion for Class Counsel's Fees and Expenses. Each motion for Order and

Judgment will include the Class List and a proposed Order and Judgment in a form agreed to by the Parties. The Orders and Judgments proposed by the Parties will, among other things: (a) approve the proposed Settlement as fair, reasonable, and adequate; (b) dismiss the Action and *Sheldon* Action with prejudice pursuant to Federal Rule of Civil Procedure 41 and Missouri Rule of Civil Procedure 67.01, with jurisdiction retained by each Court to enforce the terms of the Agreement related to the respective class members in each action; and (c) permanently enjoin all Settlement Class Members and *Sheldon* Class Members from filing, prosecuting, maintaining, or continuing litigation based on or related to the Released Claims. Class Counsel shall separately submit proposed orders with respect to Class Counsel's Fees and Expenses and Plaintiffs' Service Awards.

10.6. Within seven (7) days of the Final Settlement Date, Plaintiffs shall cause to be filed a stipulation of dismissal with prejudice signed by all Parties in each Related Action, including as applicable any Related Action currently pending on appeal. As a term of said stipulation, each Party shall bear its own costs and expenses.

11. Other Provisions

11.1. The Parties: (i) agree to cooperate in good faith to the extent reasonably necessary to implement all terms and conditions of the Agreement and to exercise their best efforts to fulfill the foregoing terms and conditions of the Agreement; and (ii) agree to cooperate in good faith to obtain preliminary and final approval of the Settlement and to finalize the Settlement. If preliminary or final approval of the Settlement is not obtained, the Parties agree to work in good faith to address any deficiencies in the Settlement and to submit a revised proposed settlement within thirty (30) days following the denial of preliminary or final approval of the Settlement; provided, however, that KCL shall have no obligation to agree to pay more than forty-five million dollars (\$45,000,000.00) for this aggregate Settlement in this Action and the *Sheldon* action.

11.2. Plaintiffs (other than Gregory Sheldon): (i) agree to serve as representatives of the Settlement Class; (ii) remain ready, willing, and able to perform all of the duties and obligations of a representative of the Settlement Class; (iii) are familiar with the allegations in the Action and Related Actions; (iv) has consulted with Class Counsel about the Action (including discovery conducted in the Action and Related Actions), this Agreement, and the obligations of a representative of the Settlement Class; and (v) shall remain representatives of the Settlement Class until the terms of this Agreement are fully implemented, this Agreement is terminated in accordance with its terms, or the Court determines that Plaintiffs cannot represent the Settlement Class. The Parties agree that should any Plaintiff be rendered medically incompetent or die before the Final Settlement Date, any further obligation of said Plaintiff as a representative of the Settlement Class shall be carried out by the remaining Plaintiffs or class members or by an alternative class representative approved by the Court.

11.3. Class Counsel covenants, represents, and warrants to KCL that: (i) Prior to Plaintiffs' execution of this Agreement, Class Counsel shall have explained the terms and effect of this Agreement to Plaintiffs; (ii) Class Counsel has not and will not make any undisclosed payment or promise to Plaintiffs for the direct or indirect purpose of obtaining Plaintiffs' consent to the Agreement; and (iii) Class Counsel will not use, distribute, give, sell, or transfer any materials obtained from KCL as a result of the Action or Related Actions for use in any other litigation or for any other purpose.

11.4. Class Counsel further warrants and represents to KCL that it has the full authority to enter into this Agreement on behalf of and bind the Settlement Class and *Sheldon* Class, other than those who validly opt out in the manner set forth above.

11.5. Class Counsel, the Settlement Class, the *Sheldon* Class, and KCL shall use their best efforts to conclude the Settlement and obtain the final Orders and Judgments. Class Counsel,

the Settlement Class, the *Sheldon* Class, and KCL agree that it is essential that this Settlement be prosecuted to a successful conclusion in accordance with all applicable provisions of law and the exercise of good faith on the part of Class Counsel, the Settlement Class, the *Sheldon* Class, and KCL. The Parties further represent, agree, and acknowledge that the Settlement is a fair resolution of these claims for the Parties and the Settlement Class and the *Sheldon* Class. Subject to their ethical obligations, neither the Parties nor their respective counsel shall make any statements suggesting the contrary, either before or after the Courts' approval of the Settlement.

11.6. The Parties agree that the amounts paid in Settlement and the other terms of the Settlement were negotiated in good faith, and at arm's length, and reflect a Settlement that was reached voluntarily after consultation with competent legal counsel.

11.7. No person or entity shall have any claim against Class Counsel, the Settlement Administrator, KCL's counsel, or any of the Released Parties based on actions taken substantially in accordance with the Agreement or further orders of the Court.

11.8. KCL specifically and generally denies all liability or wrongdoing of any sort with regard to any of the claims or allegations in the Action and/or Related Actions and makes no concessions or admissions of liability of any sort. Neither this Agreement nor the Settlement nor any drafts or communications related to them, nor any act performed or document executed pursuant to or in furtherance of the Agreement or the Settlement: (i) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of any of the Released Parties; or (ii) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any of the Released Parties in any civil, criminal, or administrative proceeding in any court, administrative agency, regulatory proceeding, or other tribunal. Nothing in this Paragraph shall prevent KCL or any of the Released Parties from using this Agreement and Settlement or the Orders and Judgments in any action against them to

support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, waiver, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion, issue preclusion, or similar defense or counterclaim.

11.9. Plaintiff and Class Counsel agree that if this Agreement fails to be approved, fails to become effective, is terminated, or otherwise fails to be consummated, or if there is no Final Settlement Date, the Parties shall retain, and expressly reserve, all of the rights they had before the execution of this Agreement to seek, maintain, oppose, or object to the maintenance of the Action and/or the Related Actions as a class action. Plaintiff and Class Counsel agree that nothing in this Agreement or other papers or proceedings related to the Settlement shall be used as evidence or argument concerning whether the Action or any Related Action may properly be maintained as a class action, whether the purported class is ascertainable, or whether Class Counsel or Plaintiff can adequately represent class members under applicable law. If the Agreement is deemed void or the Final Settlement Date does not occur, Plaintiff and Class Counsel agree not to argue or present any argument, and hereby waive any argument, that KCL could not contest (or are estopped from contesting) maintenance of the Action or any Related Action as a class action based on any grounds it had prior to the execution of this Agreement; and this Agreement shall not be deemed an admission by, or ground for estoppel against, KCL that class certification or any claims brought in the Action and/or any Related Actions are proper. If the Agreement is declared void, terminated or the Final Settlement Date does not occur, Plaintiff and Class Counsel retain all rights and arguments they had before execution of this Agreement to oppose KCL's positions and arguments. Each of the Parties will be restored to the place he, she, they or it was in as of the date this Agreement was signed with the right to assert in the Action or any Related Actions any argument or defense.

11.10. This Agreement does not, and will not be deemed to, create any fiduciary or similar relationship between KCL and any of its current, past, or prospective policy owners. This Agreement

does not impose, and will not be deemed to impose, any fiduciary or other similar duty on KCL, and KCL expressly disclaims any fiduciary or other similar duty. The duties and obligations assumed by KCL as a result of this Agreement are limited to those expressly set forth in this Agreement.

11.11. Punitive or exemplary damages are not available to any Settlement Class Member or *Sheldon* Class Member under the Settlement described in this Agreement.

11.12. The Parties agree, to the extent permitted by law, that all orders entered during the course of the Action or any Related Action relating to confidentiality of information shall survive this Agreement.

11.13. The Agreement may be amended only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest. No waiver of any provision of this Agreement or consent to any departure by either Party therefrom shall be effective unless in writing, signed by the Parties or their counsel, and any such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given. No amendment to this Agreement pursuant to this Paragraph shall require any additional notice to the Settlement Class Members or *Sheldon* Class Members, including written or publication notice, unless ordered by the Court. The Parties may provide updates on any amendments to this Agreement on the Settlement Website.

11.14. This Agreement will terminate at the sole option and discretion of Plaintiffs or KCL if: (a) the Court or any appellate court with jurisdiction over any appeal taken from the Court rejects, modifies, or denies approval of any material portion of this Agreement; (b) the Court or any appellate court with jurisdiction over any appeal taken from the Court does not enter or completely affirm, or modifies, alters, narrows, or expands, any material portion of the Order and Judgment; or (c) if the *Sheldon* settlement not fully and completely effectuated for any reason. However, this Paragraph shall not apply to any modification, rejection, or denial of approval of

any portion of Plaintiffs' Service Awards or Class Counsel's Fees and Expenses. The terminating Party must exercise the option provided in this Paragraph to withdraw from and terminate the Settlement in writing no later than fourteen (14) days after receiving notice of the event prompting the termination; notwithstanding the conditional right of termination herein, the Parties agree to act in good faith, pursuant to Paragraph 11.1, to attempt to cure any impediment to this Settlement becoming effective. If the Agreement is so terminated, the Parties will be returned to their *status quo ante*.

11.15. The Parties agree to keep this Settlement confidential until it is submitted to the Court for preliminary approval except as otherwise contemplated and agreed by the Parties. The Parties shall work cooperatively to prepare an agreed statement that will be the only statement used at either Party's election to announce the Agreement or in response to press inquiries. The Parties and counsel shall refrain from making disparaging comments about any opposing Party related to the Action or its subject matter.

11.16. Each person executing the Agreement warrants that he or she has the full authority to do so.

11.17. The Agreement may be executed in one or more counterparts. All executed counterparts shall be deemed to be the same instrument. PDFs or copies of original signatures will have the same effect as the original. A complete set of executed counterparts shall be filed with the Court.

11.18. The Agreement shall be binding upon, and inure to the benefit of, the successors, heirs, and assigns of the Parties; but this Agreement is not designed to and does not create any third-party beneficiaries, either express or implied, except as to the Settlement Class Members and *Sheldon* Class Members.

11.19. The language of all parts of this Agreement, including the prefatory statement and Exhibits which are an integral part of the Agreement, shall in all cases be construed as a whole, according to its fair meaning, and not construed for or against either Party. No Party shall be deemed the drafter of this Agreement. The Parties acknowledge that the terms of the Agreement are contractual and are the product of negotiations between the Parties and their counsel. Each Party and his, her or its respective counsel cooperated in the drafting and preparation of the Agreement. No parol or other evidence may be offered to explain, construe, contradict, or clarify the terms of this Agreement, the intent of the Parties or the Parties' counsel, or the circumstances under which this Agreement was made or executed. The Parties acknowledge that there are no other agreements, arrangements, or understandings among or between them that are not expressed or referred to in this Agreement.

11.20. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Missouri, without reference to its choice-of-law or conflict-of-laws rules, with the exception of the portion of Section 1.45 relying on California Civil Code § 1542, which shall be governed and interpreted in accordance with the laws of the State of California.

11.21. The Court in the Action shall retain exclusive and continuing jurisdiction with respect to implementation and enforcement of the Agreement and any discovery sought from or concerning objectors to the Settlement, except that the *Sheldon* Court shall retain exclusive and continuing jurisdiction with respect to implementation and enforcement of the Agreement related to the *Sheldon* Class Members and any discovery sought from or concerning objectors to the *Sheldon* portion of the settlement. All Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement under Paragraph 10.2.

11.22. Whenever this Agreement requires or contemplates that one Party shall or may give notice to the other, notice shall be provided by e-mail and next-day (excluding Saturday and Sunday) express delivery service as follows:

If to KCL, then to:

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If to Plaintiffs, then to:

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-and-

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11.23. The Parties reserve the right to agree between themselves on any reasonable extensions of time that might be necessary to carry out any of the provisions of this Agreement. Any such agreement shall be commemorated in writing via e-mail, but is not otherwise subject to the notice provisions of Section 11.22.

11.24. All time periods in this Agreement shall be computed according to Fed. R. Civ. P. 6 as it exists as of the date of this Agreement.

Stipulated and agreed to by,

**CLASS COUNSEL ON BEHALF OF THE PLAINTIFF (WHO HAS SPECIFICALLY
ASSENTED TO THE TERMS OF THIS AGREEMENT) AND THE SETTLEMENT
CLASS:**



On Behalf of Plaintiffs and the Settlement Class and Sheldon Class

By: John J. Schirger

Date: JUNE 19, 2025

KANSAS CITY LIFE INSURANCE COMPANY

By: 

Title: Senior Vice President, General Counsel & Secretary

Date: June 18, 2025

On Behalf of KCL

APPROVED:



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