DEUTSCHE BANK AKTIENGESELLSCHAFT
Form 424B2
October 15, 2014

Pricing Supplement W41
To prospectus supplement dated September 28, 2012 and prospectus dated September 28, 2012
Deutsche Bank

Registration Statement No. 333-184193
Dated October 10, 2014; Rule 424(b)(2)

Structured Investments

Deutsche Bank AG
7,453 Capped Call Warrants Linked to an Equally Weighted Basket of Fifteen Equity Securities Expiring October 29, 2015

General

- The capped call warrants (the "warrants") are designed for investors who seek a leveraged return at expiration based on the increase, if any, in the level of an equally weighted basket of fifteen equity securities (the "Basket"), subject to the Maximum Return of 10.00% of the Notional Amount per warrant. If the Final Basket Level is less than or equal to the Basket Strike Level, which is 100% of the Initial Basket Level, the warrants will expire worthless and investors will lose their entire investment in the warrants. If the Final Basket Level is greater than the Basket Strike Level, investors will receive a cash payment upon expiration based on the performance of the Basket, subject to the maximum payment at expiration of $100.00 per warrant. In this circumstance, investors will still lose some or a significant portion of their initial investment if the level of the Basket does not increase sufficiently to offset the Warrant Premium. The warrants do not pay any coupons or dividends. Any payment on the warrants is subject to the credit of the Issuer.
- The warrants are risky investments. The warrants will be exercised automatically on the Expiration Date, and you do not have the right to exercise your warrants prior to the Expiration Date. You will not be able to purchase the warrants unless you have an options-approved brokerage account. The warrants involve a high degree of risk and are not appropriate for investors who cannot sustain a total loss of their investment. You must be able to understand and bear the risk of an investment in the warrants, and you should be experienced with respect to options and option transactions.
- Unsecured contractual obligations of Deutsche Bank AG expiring October 29, 2015
- Minimum initial investment of $9,969.60 or 201 warrants, each with a Notional Amount of $1,000 (and then in increments of one warrant thereafter), resulting in an aggregate minimum Notional Amount of $201,000.
- The warrants priced on October 10, 2014 (the "Trade Date") and are expected to settle on October 16, 2014 (the "Settlement Date").

Key Terms

| | |
|---|---|
| Issuer: | Deutsche Bank AG, London Branch |
| Issue Price per Warrant: | Equal to the Warrant Premium |
| Warrant Premium: | $49.60 per warrant (equal to 4.96% of the Notional Amount) |
| Notional Amount: | $1,000 per warrant |
| Warrant Premium Percentage: | 4.96%, equal to the Warrant Premium divided by the Notional Amount |
| Basket: | The warrants are linked to an equally weighted basket of fifteen equity securities (each a "Basket Component" and collectively, the "Basket Components"), as listed in the table below. |
| Maximum Return: | 10.00%. Accordingly the maximum payment at expiration is $100.00 per warrant, representing a maximum return of 101.61% on your initial investment. |
| Payment at Expiration: | On the Expiration Date, the warrants will be automatically exercised and you will be entitled to receive a cash payment per warrant equal to the Cash Settlement Amount, which |

| | |
|---|---|
| | could be zero. |
| Cash Settlement Amount: | With respect to each warrant, the Cash Settlement Amount will be calculated as follows:<br>If the Final Basket Level is greater than the Basket Strike Level,<br>$1,000 x the lesser of (i) Basket Strike Return and (ii) Maximum Return<br>If the Final Basket Level is less than or equal to the Basket Strike Level, $0.<br>If the Final Basket Level is less than or equal to the Basket Strike Level, the Basket Strike Return will be negative or zero and the warrants will expire worthless. If the level of the Basket does not increase, you will lose your entire investment in the warrants. In addition, if the Final Basket Level is not sufficiently greater than the Basket Strike Level to offset the Warrant Premium, you will lose a portion of your initial investment. In order to receive a positive return on your investment, the Final Basket Level must be greater than the Basket Strike Level by a percentage greater than the Warrant Premium Percentage. |
| Basket Strike Return: | Calculated as follows:<br>Final Basket Level – Basket Strike Level<br>Initial Basket Level |
| Initial Basket Level: | 100 |
| Basket Strike Level: | 100, equal to 100% of the Initial Basket Level |
| Final Basket Level: | The Final Basket Level on the Final Valuation Date will be calculated as follows:<br>100 × [1 + the sum of the Basket Component Return for each Basket Component x (1/15)] |
| Basket Component Return: | With respect to each Basket Component, the performance of such Basket Component from its Initial Stock Price to its Final Stock Price on the Final Valuation Date, calculated as follows:<br>Final Stock Price – Initial Stock Price<br>Initial Stock Price |

(Key Terms continued on next page)

Investing in the warrants involves a number of risks, including the risk that the warrants expire worthless and you lose your entire investment. See "Selected Risk Considerations" beginning on page 7 of this pricing supplement.

The Issuer's estimated value of the warrants on the Trade Date is $[ ] per warrant, which is substantially less than the Issue Price. Please see "Issuer's Estimated Value of the Warrants" on the following page of this pricing supplement for additional information.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the warrants or passed upon the accuracy or the adequacy of this pricing supplement or the accompanying underlying supplement, prospectus supplement or prospectus. Any representation to the contrary is a criminal offense.

| | Price to Public | Fees(1) | Proceeds to Issuer |
|---|---|---|---|
| Per warrant | $49.60 | $3.00 | $46.60 |
| Total | $369,668.80 | $22,359.00 | $347,309.80 |

(1) J.P. Morgan Securities LLC, which we refer to as JPMS LLC, and JPMorgan Chase Bank, N.A. will act as agents for the warrants. The agents receive a fee from us of $3.00 per warrant. For more information see "Underwriting" in this pricing supplement.

The warrants are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered

| | Maximum Aggregate Offering Price | Amount of Registration Fee |
|---|---|---|
| Warrants | $369,668.80 | $42.96 |

JPMorgan
Placement Agent

October 10, 2014

(Key Terms continued from previous page)

| Basket: | Basket Component | Ticker Symbol | Basket Component Weighting | Initial Stock Price |
|---|---|---|---|---|
| | The common stock of Cabot Oil & Gas Corporation | COG | 1/15 | $29.34 |
| | The common stock of Continental Resources, Inc. | CLR | 1/15 | $56.78 |
| | The common stock of Cummins Inc. | CMI | 1/15 | $127.37 |
| | The common stock of Eastman Chemical Company | EMN | 1/15 | $74.58 |
| | The common units of Enterprise Products Partners L.P. | EPD | 1/15 | $36.29 |
| | The common stock of EOG Resources, Inc. | EOG | 1/15 | $89.83 |
| | The common stock of Halliburton Company | HAL | 1/15 | $54.29 |
| | The ordinary shares of LyondellBasell Industries N.V. | LYB | 1/15 | $95.04 |
| | The common units of MarkWest Energy Partners, L.P. | MWE | 1/15 | $70.00 |
| | The common stock of National Oilwell Varco, Inc. | NOV | 1/15 | $70.32 |
| | The common stock of Nucor Corporation | NUE | 1/15 | $48.71 |
| | The common stock of Pioneer Natural Resources Company | PXD | 1/15 | $176.24 |
| | The common units of Plains All American Pipeline, L.P. | PAA | 1/15 | $54.65 |
| | The common stock of Schlumberger N.V. (Schlumberger Limited) | SLB | 1/15 | $93.07 |
| | The common shares of Weatherford International Ltd. | WFT | 1/15 | $17.59 |

| | |
|---|---|
| Initial Stock Price: | With respect to each Basket Component, the Closing Price of such Basket Component on the Trade Date, as set forth in the table above. |
| Final Stock Price: | With respect to each Basket Component, the Closing Price of such Basket Component on the Final Valuation Date |
| Closing Price: | With respect to each Basket Component, as defined under "General Terms of the Warrants — Definitions." The Closing Price for each Basket Component may be adjusted by the Stock Adjustment Factor as described under "General Terms of the Warrants." |
| Stock Adjustment | With respect to each Basket Component, initially 1.0, subject to adjustment upon the occurrence |

| | |
|---|---|
| Factor: | of certain corporate events affecting such Basket Component. See “General Terms of the Warrants — Anti-Dilution Adjustments” in this pricing supplement. |
| Trade Date: | October 10, 2014 |
| Settlement Date: | October 16, 2014 |
| Final Valuation Date†: | October 26, 2015 |
| Expiration Date†: | October 29, 2015 |
| Listing: | The warrants will not be listed on any securities exchange. |
| CUSIP/ISIN: | 25157U523 / US25157U5231 |

† Subject to postponement as described under “General Terms of the Warrants — Adjustments to the Final Valuation Date and Expiration Date” in this pricing supplement.

Issuer's Estimated Value of the Warrants

The Issuer's estimated value of the warrants is our valuation of the warrants calculated based on our internal pricing models using relevant parameter inputs such as expected interest rates and mid-market levels of price and volatility of the assets underlying the warrants or any futures, options or swaps related to such underlying assets. Our internal pricing models are proprietary and rely in part on certain assumptions about future events, which may prove to be incorrect.

The Issuer's estimated value of the warrants on the Trade Date (as disclosed on the cover of this pricing supplement) is less than the Issue Price of the warrants. The difference between the Issue Price and the Issuer's estimated value of the warrants on the Trade Date is due to the inclusion in the Issue Price of the agent's commissions, if any, and the cost of hedging our obligations under the warrants through one or more of our affiliates. Such hedging cost includes our or our affiliates' expected cost of providing such hedge, as well as the profit we or our affiliates expect to realize in consideration for assuming the risks inherent in providing such hedge.

The Issuer's estimated value of the warrants on the Trade Date does not represent the price at which we or any of our affiliates would be willing to purchase your warrants in the secondary market at any time. Assuming no changes in market conditions or our creditworthiness and other relevant factors, the price, if any, at which we or our affiliates would be willing to purchase the warrants from you in secondary market transactions, if at all, would generally be lower than both the Issue Price and the Issuer's estimated value of the warrants on the Trade Date. Our purchase price, if any, in secondary market transactions will be based on the estimated value of the warrants determined by reference to our pricing models at that time, less a bid spread determined after taking into account the size of the repurchase, the nature of the assets underlying the warrants and then-prevailing market conditions. The price we report to financial reporting services and to distributors of our warrants for use on customer account statements would generally be determined on the same basis. However, during the period of approximately three months beginning from the Trade Date, we or our affiliates may, in our sole discretion, increase the purchase price determined as described above by an amount equal to the declining differential between the Issue Price and the Issuer's estimated value of the warrants on the Trade Date, prorated over such period on a straight-line basis, for transactions that are individually and in the aggregate of the expected size for ordinary secondary market repurchases.

Additional Terms Specific to the Warrants

You should read this pricing supplement together with the prospectus dated September 28, 2012, as supplemented by the prospectus supplement dated September 28, 2012, relating to our warrants. You may access these documents on the website of the Securities and Exchange Commission (the "SEC") at.www.sec.gov as follows (or if such address has changed, by reviewing our filings for the relevant date on the SEC website):

Prospectus supplement dated September 28, 2012:
http://www.sec.gov/Archives/edgar/data/1159508/000119312512409460/d415003d424b21.pdf

Prospectus dated September 28, 2012:
http://www.sec.gov/Archives/edgar/data/1159508/000119312512409372/d413728d424b21.pdf

Our Central Index Key, or CIK, on the SEC website is 0001159508. As used in this pricing supplement, "we," "us" or "our" refers to Deutsche Bank AG, including, as the context requires, acting through one of its branches.

This pricing supplement, together with the documents listed above, contains the terms of the warrants and supersedes all other prior or contemporaneous oral statements as well as any other written materials including preliminary or indicative pricing terms, correspondence, trade ideas, structures for implementation, sample structures, brochures or other educational materials of ours. You should carefully consider, among other things, the matters set forth in "Selected Risk Considerations" in this pricing supplement, as the warrants involve risks not associated with conventional debt securities. We urge you to consult your investment, legal, tax, accounting and other advisers before deciding to invest in the warrants.

Deutsche Bank AG has filed a registration statement (including a prospectus) with the Securities and Exchange Commission for the offering to which this pricing supplement relates. Before you invest, you should read the prospectus in that registration statement and the other documents relating to this offering that Deutsche Bank AG has filed with the SEC for more complete information about Deutsche Bank AG and this offering. You may obtain these documents without cost by visiting EDGAR on the SEC website at.www.sec.gov. Alternatively, Deutsche Bank AG, any agent or any dealer participating in this offering will arrange to send you the prospectus supplement, prospectus and this pricing supplement if you so request by calling toll-free 1-800-311-4409.

You may revoke your offer to purchase the warrants at any time prior to the time at which we accept such offer by notifying the applicable agent. We reserve the right to change the terms of, or reject any offer to purchase, the warrants prior to their issuance. We will notify you in the event of any changes to the terms of the warrants, and you will be asked to accept such changes in connection with your purchase of any warrants. You may choose to reject such changes, in which case we may reject your offer to purchase the warrants.

What Is the Cash Settlement Amount, Assuming a Range of Hypothetical Performances for the Basket?

The table and examples below illustrate the potential Cash Settlement Amounts per warrant on the Expiration Date for a hypothetical range of performances of the Basket from -100.00% to 100.00%. The hypothetical Cash Settlement Amounts set forth below reflect the Basket Strike Level of 100% of the Initial Basket Level, the Maximum Return of 10.00% on the Notional Amount, the Warrant Premium Percentage of 4.96%, the Warrant Premium of $49.60 per warrant and the Initial Basket Level of 100.00. The table and hypothetical examples set forth below are for illustrative purposes only. The actual return applicable to a purchaser of the warrants will be based on the performances of the Basket Components, determined using the Closing Prices of the Basket Components on the Final Valuation Date. The numbers appearing in the following table and examples may have been rounded for ease of analysis.

| Hypothetical Final Basket Level | Percentage Change from Initial Basket Level | Hypothetical Basket Strike Return | Cash Settlement Amount | Cash Settlement Amount minus Warrant Premium | Cash Settlement Amount minus Warrant Premium as Percentage Return on Warrant Premium |
|---|---|---|---|---|---|
| 200.00 | 100.00% | 100.00% | $100.00 | $50.40 | 101.61% |
| 190.00 | 90.00% | 90.00% | $100.00 | $50.40 | 101.61% |
| 180.00 | 80.00% | 80.00% | $100.00 | $50.40 | 101.61% |
| 170.00 | 70.00% | 70.00% | $100.00 | $50.40 | 101.61% |
| 160.00 | 60.00% | 60.00% | $100.00 | $50.40 | 101.61% |
| 150.00 | 50.00% | 50.00% | $100.00 | $50.40 | 101.61% |
| 140.00 | 40.00% | 40.00% | $100.00 | $50.40 | 101.61% |
| 130.00 | 30.00% | 30.00% | $100.00 | $50.40 | 101.61% |
| 120.00 | 20.00% | 20.00% | $100.00 | $50.40 | 101.61% |
| 115.00 | 15.00% | 15.00% | $100.00 | $50.40 | 101.61% |
| 110.00 | 10.00% | 10.00% | $100.00 | $50.40 | 101.61% |
| 105.00 | 5.00% | 5.00% | $50.00 | $0.40 | 0.81% |
| 104.96 | 4.96% | 4.96% | $49.60 | $0.00 | 0.00% |
| 102.50 | 2.50% | 2.50% | $25.00 | -$24.60 | -49.60% |
| 100.00 | 0.00% | 0.00% | $0.00 | -$49.60 | -100.00% |
| 90.00 | -10.00% | -10.00% | $0.00 | -$49.60 | -100.00% |
| 80.00 | -20.00% | -20.00% | $0.00 | -$49.60 | -100.00% |
| 70.00 | -30.00% | -30.00% | $0.00 | -$49.60 | -100.00% |
| 60.00 | -40.00% | -40.00% | $0.00 | -$49.60 | -100.00% |
| 50.00 | -50.00% | -50.00% | $0.00 | -$49.60 | -100.00% |
| 40.00 | -60.00% | -60.00% | $0.00 | -$49.60 | -100.00% |
| 30.00 | -70.00% | -70.00% | $0.00 | -$49.60 | -100.00% |
| 20.00 | -80.00% | -80.00% | $0.00 | -$49.60 | -100.00% |

| | | | | | |
|---|---|---|---|---|---|
| 10.00 | -90.00% | -90.00% | $0.00 | -$49.60 | -100.00% |
| 0.00 | -100.00% | -100.00% | $0.00 | -$49.60 | -100.00% |

Hypothetical Examples of Amounts Payable at Expiration

The following hypothetical examples illustrate how the Cash Settlement Amounts set forth above are calculated.

Example 1: The level of the Basket increases 30.00% from the Initial Basket Level of 100.00 to a Final Basket Level of 130.00. Because the Final Basket Level of 130.00 is greater than the Basket Strike Level of 100.00 and the Basket Strike Return of 30.00% is greater than the Maximum Return of 10.00%, the investor will be entitled to receive a Cash Settlement Amount of $100.00 per warrant, calculated as follows:

$1,000 x the lesser of (i) Basket Strike Return and (ii) Maximum Return
$1,000 x 10.00% = $100.00

Taking into account the investor’s payment of the Warrant Premium of $49.60, the payment of the Cash Settlement Amount of $100.00 represents the maximum gain of $50.40 per warrant, or 101.61% of the initial investment of $49.60.

Example 2: The level of the Basket increases 5.00% from the Initial Basket Level of 100.00 to a Final Basket Level of 105.00. Because the Final Basket Level of 105.00 is greater than the Basket Strike Level of 100.00 and the Basket Strike Return of 5.00% is less than the Maximum Return of 10.00%, the investor will be entitled to receive a Cash Settlement Amount of $50.00 per warrant, calculated as follows:

$1,000 x the lesser of (i) Basket Strike Return and (ii) Maximum Return
$1,000 x 5.00% = $50.00

John C. Cozad
(Age 65)

Mr. Cozad has been a Director of the Company since 2008.
Mr. Cozad is President of Cozad Company, LLC, a government relations company in Platte City, Missouri. He had previously been a partner at Stinson Morrison Hecker, a Kansas City law firm. He appears as an on-air commentator on Kansas City Public Television, has previously served on the Missouri Highways and Transportation Commission as Chairman and as a curator on the University of Missouri Board of Curators. Mr. Cozad brings an expertise in government relations to the Board, an important element in the highly regulated industry in which the Company operates. His expertise in regulatory issues is complemented by his experiences in both legal and public service arenas.
Tracy W. Knapp

Mr. Knapp has been a Director of the Company since 2002.
(Age 47)
Member of the:
•Executive Committee

Mr. Knapp is Senior Vice President, Finance and Chief Financial Officer. He joined the Company in 1998 and was responsible for developing a banking subsidiary. Mr. Knapp was elected President and CEO of Generations Bank when it was chartered in July 2000. From 1991 to 1998, he held several positions with U.S. Credit Union including Vice President, Finance and Controller. He is also Director of Sunset Life and Old American, subsidiaries. Mr. Knapp brings a blended financial services background to the Board, bringing both insurance industry and other financial industries experience as a resource for the Board.
Mark A. Milton
(Age 51)

Mr. Milton has been a Director of the Company since 2009.
Mr. Milton is Senior Vice President and Actuary of the Company. He was elected Assistant Actuary in 1984; Assistant Vice President Associate Actuary in 1987; Vice President Associate Actuary in 1989; Vice President and Actuary in 2000 and to his present position in 2001. Mr. Milton is also Director, Vice President and Actuary of Sunset Life and Director of Old American, subsidiaries. Mr. Milton brings significant actuarial expertise to the Board, providing a knowledge base for corporate products and expertise in analyzing industry trends.

Board Committees

The Board has four standing Committees: Audit, Compensation, Nominating and Executive. With the exception of the Executive Committee, these Committees are governed by written charters available on the Company's website at www.kclife.com under the link "FINANCIALS". The Executive Committee is governed by the Company's Bylaws and Articles of Incorporation.

Audit Committee

The primary function of the Audit Committee is to assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) the qualifications, performance and independence of the independent registered public accounting firm, (3) the performance of the internal auditors, and (4) the Company's compliance with regulatory requirements. The Audit Committee also reviews and approves the terms of any new related-party agreements. The Audit Committee met seven times in 2009.

The Board has determined that Director Miller qualifies as the "Audit Committee Financial Expert" as defined by the Securities and Exchange Commission and NASDAQ Capital Market rules.

Compensation Committee

The function of the Compensation Committee is to aid the Board in meeting its responsibilities with regard to oversight and determination of executive compensation. The Compensation Committee reviews and recommends to the Board base salaries, director compensation, the Annual Incentive Plan and the Long-Term Incentive Plan, and reviews and discusses the Compensation Disclosure and Analysis with Management. Based on their review, the Committee may recommend to the Board that it be included in the annual report on Form 10-K and, as applicable, to the Company's Proxy. The Compensation Committee met two times in 2009.

Nominating Committee

The function of the Nominating Committee is to aid the Board in meeting its responsibilities with regard to the organization and operation of the Board and selection of nominees for election to the Board. The Nominating Committee periodically reviews the appropriate size of the Board, whether any vacancies are expected due to retirement or otherwise, and the need for particular expertise on the Board. The Nominating Committee met once in 2009.

Executive Committee

The function of the Executive Committee is to exercise all of the authority of the Board of Directors in the management, general control and supervision of the business of the Company, subject to the general direction of the Board of Directors, as provided for in the Articles and Bylaws of the Company. The Executive Committee met twelve times in 2009.

During the year ending December 31, 2009, the Board of Directors met four times. All of the members attended 75% or more of the Board meetings and Committee meetings on which they served.

The following sets forth Committee memberships as of the date of this Proxy Statement:

| Director | Audit Committee | Compensation Committee | Nominating Committee | Executive Committee |
|---|---|---|---|---|
| R. Philip Bixby1 | | | XX | XX |
| Walter E. Bixby1 | | | X | X |
| William R. Blessing | | X | | X |
| Michael Braude | | X | X | |
| Richard L. Finn | | | | X |
| Daryl D. Jensen | X | XX | | |
| Tracy W. Knapp1 | | | | X |
| Cecil R. Miller2 | XX | | | |
| Bradford T. Nordholm | X | | | |
| William A. Schalekamp1 | | | | X |

X = Member
XX = Committee Chair

1Not independent directors.
2Cecil R. Miller is the financial expert on the Audit Committee.

Because more than 50% of stockholder voting power of the Company is held pursuant to a Voting Agreement dated October 31, 2004, the Company has elected to be treated as a "controlled company" under the corporate governance listing standards of the NASDAQ Capital Market. Accordingly, the Company is exempt from the corporate governance listing standards requiring (1) a board consisting of a majority of directors who have been determined to be independent under the criteria set forth in the listing standards, (2) a nominating committee composed entirely of independent directors and (3) a compensation committee composed entirely of such independent directors.

Director Independence

The Board has affirmatively determined that the following directors are independent according to the listing standards of the NASDAQ Capital Market.

| Director | Matters Considered by Board |
|---|---|
| Kevin G. Barth | No relationships |
| William R. Blessing | No relationships |
| Michael Braude | Former employee of Company |
| John C. Cozad | No relationships |
| Richard L. Finn | Former executive officer employee of Company |
| Daryl D. Jensen | Former executive officer employee of a subsidiary |
| Cecil R. Miller | |

| | |
|---|---|
| | Former employee of the Company’s outside audit firm |
| Bradford T. Nordholm | No relationships |

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16 of the Securities Exchange Act of 1934 requires the Company’s directors and executive officers to file reports of ownership and changes in ownership of common stock. To the best of the Company’s knowledge, in 2009 all required forms were filed on time with the Securities and Exchange Commission, with the exception of two Forms 4 which were filed late.

EXECUTIVE OFFICERS

| Name, Age and Position | Business Experience During Past 5 Years |
|---|---|
| R. Philip Bixby, 56<br>President, CEO and Chairman of the Board (PEO) | See Director's Elected April 23, 2009 for a Three Year Term. |
| Walter E. Bixby, 51<br>Vice Chairman of the Board | See Directors Elected April 24, 2008 for a Three Year Term. |
| Charles R. Duffy, Jr., 62<br>Senior Vice President, Operations | Elected Vice President, Computer Information Services in 1989; Vice President, Insurance Administration in 1992; and to present position in 1996. Responsible for the Company's Computer Operations, Customer Services, Claims, Agency Administration, New Business, Medical, Underwriting, Human Resources, Facility Services, Distribution Services, Printing and Office Services. Director of Sunset Life, Sunset Financial and Old American, subsidiaries. |
| Tracy W. Knapp, 47<br>Senior Vice President, Finance (PFO) | See Director's Elected April 23, 2009 for a Three Year Term. |
| Donald E. Krebs, 52<br>Senior Vice President, Sales & Marketing | Elected Senior Vice President, Sales & Marketing in April 2004. Served as Vice President, Agency Marketing 2001 until 2004, and Regional Vice President 1996 until 2001. Responsible for Individual sales and marketing efforts for Kansas City Life. Director and Vice President of Sales & Marketing for Sunset Life; Director and Vice President of Sunset Financial Services, subsidiaries. |
| David A. Laird, 49<br>Vice President and Controller | Elected Vice President and Controller in December 2007. Chief Accounting Officer responsible for all corporate accounting and financial reports. Mr. Laird has been with the Company in various positions since 1982, most recently as Assistant Vice President and Assistant Controller. |
| Mark A. Milton, 51<br>Senior Vice President and Actuary | See Director's Elected April 23, 2009 for a Three Year Term |
| William A. Schalekamp, 65<br>Senior Vice President, General Counsel and Secretary | See Directors Elected April 24, 2008 for a Three Year Term. |
| Jeffrey M. Seeman, 52<br>Vice President, Group | Elected Vice President, Group in October 2008. Responsible for group sales and products. Formerly Assistant Vice President, Group Claims for Canada Life August 2001 until November 2004; Assistant Vice President, Group Disability Claims for Jefferson Pilot Corp. November 2004 until April 2006; Product & Process Consultant, Assistant Vice President, Group Disability Claims for Lincoln National Corp. April 2006 until October 2008. |

The Board of Directors has determined that the Chairman of the Audit Committee, Cecil R. Miller, an independent director, is a financial expert as required by the applicable standards of the Securities and Exchange Commission and the NASDAQ Capital Market.

The Company has adopted a Code of Ethics for Officers, Directors and Employees. Copies are available on the Company's website at http://www.kclife.com and a copy may be obtained without charge upon written request to the Company Secretary, 3520 Broadway, Kansas City, Missouri, 64111.

The Company has a standing Nominating Committee and its charter can be viewed on the Company's website at the following address: http://www.kclife.com. One of its members is an independent director. It complies with the applicable requirements for directors under the standards promulgated by the Securities and Exchange Commission and the listing standards of the NASDAQ Capital Market. The Committee takes into consideration such criteria as it deems appropriate in evaluating a candidate, including his or her knowledge, expertise, skills, integrity, diversity, judgment, business or other experience and reputation in the business community. It may (but is not required to) consider candidates suggested by Management, other members of the Board of Directors, or shareholders. Nominations are governed by the Company's Bylaws and Articles of Incorporation.

Communications with the Board

The Board provides a process for stockholders to send communications to the independent members of the Board, by mailing such communications to Cecil R. Miller, Chairman of the Audit Committee, Kansas City Life Insurance Company, 3520 Broadway, Kansas City, Missouri, 64111.

Current Board Structure

The Board of Directors is currently comprised of fourteen members, eight of whom are independent directors, with the Chairman also serving in the role of Principal Executive Officer. The Board believes that having a single person serve as Chairman and Principal Executive Officer provides unified leadership and direction, and that such a structure facilitates oversight of management and the full engagement of its independent directors.

The Board has not designated a lead independent director, but each of the Company's independent directors brings to bear substantial leadership experience in areas relevant to the Company's business. The Board of Directors believes that it has the necessary power and authority to request and obtain information from management and to retain outside consultants where appropriate. As more specifically discussed below, the Compensation Committee reports on senior management compensation with input from the entire Board and evaluates the performance of the Principal Executive Officer. In addition, the independent directors meet in executive session at least twice a year, and report to the Board and communicate with management through a committee representative.

## COMPENSATION DISCLOSURE AND ANALYSIS

### Overview

This compensation discussion describes the material elements of compensation awarded to, earned by or paid to each of our executive officers who served as named executive officers during the last completed fiscal year. This compensation discussion focuses on the information contained in the following tables and related footnotes and narrative for primarily the last completed fiscal year, but also describes compensation actions taken before or after the last completed fiscal year to the extent it enhances the understanding of our executive compensation disclosure.

### The Compensation Committee's Responsibilities

The Compensation Committee of the Board is responsible for oversight of the Company's executive compensation and benefit policies to ensure that they provide the appropriate motivation to achieve superior corporate performance and stockholder value. Each year, the Committee reviews and approves the overall design of the Company's executive pay programs and all pay elements for the senior executive officers. In addition, the Committee performs an annual evaluation of the Principal Executive Officer's performance compared to pre-established performance goals and objectives, and recommends compensation actions impacting executive officers and directors to the Board.

The Committee is composed entirely of independent directors. Reports of the Committee's actions and recommendations are presented to the full Board after each meeting. The purpose of this analysis is to summarize the philosophical principles, specific program elements and other factors considered by the Committee in making decisions about executive compensation. In addition to its own work, the Committee seeks input from an outside consultant (more fully described below), the Principal Executive Officer and the Senior Vice President, Operations, to provide the Committee with information, perspectives, and recommendations on a variety of human resources matters, such as annual incentive goals and plan design changes for Board-approved compensation plans. The Company's General Counsel also advises the Committee on various legal aspects relating to compensation and employment matters.

### Compensation Philosophy

The Committee's guiding philosophy is to establish a compensation program that will enable the attraction, motivation and retention of quality executive leadership who will achieve competitively superior corporate performance and stockholder value creation. The compensation program is designed to be competitive with the compensation programs of other comparable employers, and to align the executive's compensation with the Company's objectives as measured against established goals. The Company employs a balanced approach to compensation that considers market pay data, achievement of individual and organization performance objectives, the Company's progress toward strategic goals, and the retention of key executive talent. The Committee bases its compensation decisions on the following core principles:

- Pay is Performance Based: Executive officer pay programs are designed to align with Company performance and be competitive when compared to similar job sizes in the insurance industry. Base salary midpoints are targeted to median salary levels as provided in Hay Group's All-Insurance Industry database ("competitive market"). Total cash compensation (base salary + annual incentive) is targeted at median of the All-Insurance market where annual incentives are paid at target levels. To ensure our pay practices remain competitive within the industry, the Committee also reviews compensation data on base salary, annual incentives, and long-term incentives paid at a Peer Group of 14 comparable insurance companies ("Peer Group"). Our compensation philosophy is to provide executives the opportunity to earn total direct compensation between the 50th and 75th percentiles of the Company's competitive market where performance exceeds targeted levels, as proposed by management and affirmed by the Committee. Similarly, where performance does not meet threshold levels no incentive payout will occur, and executives will earn total direct compensation below Median levels of the competitive market. Under the Company's current pay philosophy, the majority of each executive's pay is at-risk with the amount realized, if any, based on Company performance. Pay levels and portion of at-risk compensation increase as an executive assumes greater levels of responsibility and impact to the Company.

- Compensation Opportunities Must Be Competitive: Competition for key management talent in the insurance industry is aggressive. The Committee carefully monitors the compensation practices of the insurance market and the industry peers to ensure the Company's compensation philosophy and pay practices are appropriately competitive.

Program Elements

The Company’s executive compensation program is composed of base salary, bonus, an annual incentive plan and long term incentive compensation. All senior executive officers participate in the same compensation program and are subject to the same pay policies. The Company uses a formal job evaluation methodology to consider both the internal and external equity of executives’ total compensation. Internal equity is considered in order to ensure that executives are compensated at an appropriate level relative to other Company executives, while external equity is a measure of how our compensation compares to compensation for comparable job content at other companies that are similar to our Company. Hay Group reviews each executive position using its proprietary job evaluation methodology to assess the position’s relative size. In this process, Hay Group considers the breadth of responsibilities, the complexity of the role, and the role’s impact on the success of the business. Once each job is valued independently, Hay Group compares the jobs to determine relative relationships and then relates these job content sizes to pay opportunity levels based on compensation market data from Hay Group’s All-Insurance compensation database.

Base Salary. Base salaries are provided to compensate for the duties, competencies, experience and performance of the executive, as well as to provide a basic degree of financial security. The Committee sets base salary midpoints after considering the particular responsibilities of the executive positions and base salaries paid to similar positions in the competitive market, as adjusted for company size. Base salary midpoints for executive officers are targeted to the Median of the competitive market. Salary ranges are set with the minimum at 20 percent below midpoint and the maximum at 20 percent above midpoint.

The Peer Group of companies consists of:

| | |
|---|---|
| American Equity Investment Life Holding Co. | Presidential Life Corporation |
| Delphi Financial Group, Inc. | Protective Life Corporation |
| FBL Financial Group, Inc. | StanCorp Financial Group, Inc. |
| Harleysville Group Inc. | Torchmark Corporation |
| Horace Mann Educators Corp. | United Fire and Casualty Company |
| National Western Life Insurance Co. | Unitrin, Inc. |
| Phoenix Companies, Inc., The | Universal American Corp. |

All executive officers are eligible for an annual merit increase to base salary, effective January 1, based primarily on performance of job responsibilities and accomplishment of predetermined performance objectives. Job responsibilities are described by a current written job description and are measured using Hay Group’s proprietary job evaluation methodology (as discussed above). The Principal Executive Officer evaluates the executive officers’ performance and the Compensation Committee evaluates the Principal Executive Officer’s performance.

In accordance with common Company practice, annual base salary increases for 2010 were developed in late 2009. The Committee approved an average 2.3% annual merit increase for senior officers.

Bonus. Discretionary bonuses are approved by the Committee and Board of Directors or Executive Committee.

Annual Incentive. The Company provides the named executive officers and 76 other participants with an opportunity to earn cash incentive awards based on annual performance through the Company's Annual Incentive Plan (the "AIP"). Annual incentive compensation is paid in cash. The Company targets total cash (base salary + annual incentive) at median of the Hay Group All-Insurance Industry database, as adjusted for company size, when incentive awards are paid at target. Historically, the Committee has established aggressive AIP targets resulting in actual annual incentive payouts below target levels. Consequently, actual total cash received by the Company's executives has trailed median levels of the competitive market.

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AIP participants are divided into six classes based on their level within the Company. Each class is assigned a target incentive opportunity, expressed as a percent of base salary. The more senior the position, the higher the percentage of the award is allocated to corporate goals in order to reflect broader job duties. Incentive opportunities for all AIP participants, with the exception of the Principal Executive Officer, are based on the achievement of three corporate goals and two individual goals. The Principal Executive Officer is incented based solely on the Company's achievement against corporate goals.

The table below provides annual incentive targets expressed as a percent of base salary for each of the Company's named executive officers.

| Executive | Target Incentive |
|---|---|
| President, CEO, & Chairman | 70% |
| Senior Vice President, Operations | 40% |
| Senior Vice President and Actuary | 40% |
| Senior Vice President, Finance | 40% |
| Senior Vice President, Sales & Marketing | 40% |

The Committee established the following three fiscal year corporate goals for the 2009 AIP: Finance, Growth and Expense Control (discussed more fully below). The Committee has re-affirmed the use of these three corporate goals for the 2010 AIP. These metrics were selected because they drive shareholder value and reflect the Company's emphasis on profitable growth and cost control.

The Finance Goal is measured by operating earnings excluding the impact of incentive compensation plans. The Growth Goal is measured by new life insurance target premiums. The Expense Control Goal is measured by controllable expenses. Financial and Growth performance measures have a threshold, target and maximum award. The Expense Goal continues to be achieved or not achieved without threshold or maximum performance levels.

The AIP is designed such that no payouts are made unless the fiscal year earnings trigger is achieved. The intention of the Committee in using an earnings trigger is to prevent AIP payouts unless a specific level of earnings is achieved. For 2009, the earnings trigger was achieved and payouts will be made under the AIP. For 2010, the earnings trigger is a specified net income threshold of $21.67 million.

The AIP is designed to award individual and Company performance that result in meeting important Company objectives. In reviewing and approving AIP goals for plan year 2010, the Committee considered current economic conditions, their continued impact on investment values and projected slow recovery of life insurance sales. The Committee's objective is to establish AIP goals at levels that will drive superior performance, but that remain attainable, to provide the desired motivational impact to AIP participants.

The AIP goals and earnings trigger are annually recommended by management and approved by the Compensation Committee.

2010 Annual Incentive Plan Corporate Goals

| Weighting | Goals | Performance Measures | | | |
|---|---|---|---|---|---|
| | Finance Goal: | Threshold | $ | 21.66 | MM |
| 40% | Operating Earnings | Target | $ | 27.07 | MM |
| | (Calendar Year) | Maximum | $ | 32.49 | MM |

| | | | | | |
|---|---|---|---|---|---|
| | | Kansas City Life | Threshold | $ | 10.061 MM |
| | | 32% total | Target | $ | 10.301 MM |
| | Growth Goal: | weighting | Maximum | $ | 10.540 MM |
| | Life Insurance | Third Party | Threshold | $ | 1.200 MM |
| 40% | Target | 8% total | Target | $ | 1.229 MM |
| | Premiums | weighting | Maximum | $ | 1.257 MM |
| | Expense Goal: | | Threshold | $ | N/A |
| 20% | Controllable Expenses | | Target | $ | 73.082 MM |
| | | | Maximum | $ | N/A |

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Long Term Incentive. The Company provides executive officers with a Long Term Incentive Plan ("LTIP") that annually grants Phantom Stock Options (PSOs) for three year overlapping terms. The 2007-2009 plan cycle began on January 1, 2007 and concluded on December 31, 2009. The initial face value of one PSO is the volume weighted average Company stock closing price from December 1, 2006 to December 31, 2006. The ending value of one PSO for this plan cycle was the volume weighted average Company stock closing price from December 1, 2009 to December 31, 2009. Payouts to LTIP participants are determined by the increase in the ending PSO value over the initial PSO face value plus Company stock dividends accrued over the three-year cycle. Under the LTIP, dividends are payable at the end of each plan cycle, to the extent that the aggregate dividends exceed any negative share price appreciation. For the 2007-2009 plan cycle that concluded on December 31, 2009, no payouts were made as the decline in stock price between the initial and end dates exceeded dividends accrued from PSOs awarded for the 2007-2009 plan cycle.

As in 2009, the Compensation Committee granted PSO awards for 2010 under the LTIP using a percentage of base salary approach. For each executive, the Committee reviewed data from the competitive market, as adjusted for company size, provided by its compensation consultant to determine the appropriate percentage of base salary at which to set long-term incentive awards. For 2010, these percentages remain at 90% for the Chairman/CEO and 65% to 50% for other senior executives. To determine the number of PSOs to be granted under the LTIP, the option value of a PSO unit is calculated using an Expanded Black-Scholes valuation methodology.

Deductibility of Executive Compensation

In establishing total compensation for the executive officers, the Committee considers the effect of Section 162(m) of the Internal Revenue Code. Section 162(m) generally disallows a tax deduction for compensation over $1 million paid to an individual in any year unless the compensation qualifies as performance-based. The Committee seeks to design and administer the Company's compensation programs in such a manner as to preserve the deductibility of compensation paid to executives. Going forward, the Company intends to continue to provide compensation to executives in a way that maintains the future deductibility of pay and awards under the annual and long-term incentive programs.

Role of Compensation Consultant

The Compensation Committee has the authority under the Compensation Committee Charter to retain outside consultants or advisors to assist the Committee. In accordance with this authority, the Committee engaged the services of Hay Group, an independent executive compensation consultant, to provide benchmarking data, analysis and recommendations on various projects as part of the Committee's comprehensive review of executive compensation programs to evaluate whether the compensation programs are aligned with the Company's compensation philosophy and strategy. The services provided by Hay Group are subject to a master consulting agreement and project-specific engagement letters and the Committee has sole authority to terminate the relationship. Under the direction of the Compensation Committee, Hay Group interacts with members of the senior management team to provide insights into Company practices and to ensure that management is fully informed with regard to emerging best practices and market trends.

Management also engages Hay Group as needed throughout the year on projects related to job-sizing and market data for non-executive positions at the Company. The aggregate cost for Hay Group's services provided to management during 2009 did not exceed $120,000.

Conclusion

The Company and Compensation Committee are satisfied that the base salary, bonus, Annual Incentive Plan and Long Term Incentive Plan provided to the named executive officers of the Company are structured and operate to foster a performance-oriented culture and create strong alignment with the long-term best interests of the Company and its stockholders, and that compensation levels are reasonable in light of performance and industry practices.

SUMMARY COMPENSATION TABLE

| Name and Principal Position | Year | Salary | Bonus | Non-Equity Incentive Plan Compensation (11) | Change in Pension Value and Non-Qualified Deferred Compensation Earnings and Retiree Medical | | All Other Compensation | | Total |
|---|---|---|---|---|---|---|---|---|---|
| R. Philip Bixby President, CEO and Chairman of the Board (PEO) | 2009 | $688,740 | $200 | $385,695 | $(208,813) | (1) | $89,483 | (6), (12), (14) | $955,305 |
| Tracy W. Knapp Senior Vice President, Finance (PFO) | 2009 | $284,100 | $110 | $ 94,322 | $488,688 | (2) | $ 24,434 | (7), (13), (14) | $891,654 |
| Charles R. Duffy, Jr. Senior Vice President, Operations | 2009 | $288,360 | $200 | $95,736 | $34,511 | (3) | $ 35,893 | (8), (14) | $454,700 |
| Mark A. Milton Senior Vice President and Actuary | 2009 | $287,520 | $200 | $86,832 | $83,199 | (4) | $ 36,801 | (9), (14) | $494,552 |
| Donald E. Krebs Senior Vice President, Sales & Marketing | 2009 | $267,600 | $130 | $88,844 | $27,267 | (5) | $ 49,693 | (10), (14) | $433,534 |

(1) Includes $273,656 change in pension value and $(469,425) change in nonqualified deferred compensation earnings and $(13,044) change in retiree medical.
(2) Includes $25,561 change in pension value and $461,382 change in nonqualified deferred compensation earnings and $1,745 change in retiree medical.
(3) Includes $43,274 change in pension value and $(2,698) change in nonqualified deferred compensation earnings and $(6,065) change in retiree medical.

(4) Includes $96,792 change in pension value and $(12,363) change in nonqualified deferred compensation earnings and $(1,230) change in retiree medical.
(5) Includes $26,277 change in pension value and $251 change in nonqualified deferred compensation earnings and $739 change in retiree medical.
(6) Includes $8,000 in cash compensation for services as chairman, $5,000 of which was attributable to the registrant and $3,000 of which was attributable to subsidiaries.
(7) Includes $8,000 in cash compensation for service as a director, $5,000 of which was attributable to the registrant and $3,000 of which was attributable to subsidiaries.
(8) Includes $3,000 in cash compensation for service as a director for subsidiaries of the registrant.
(9) Includes $6,750 in cash compensation for service as a director, $3,750 of which was attributable to registrant and $3,000 of which was attributable to subsidiaries.

(10) Includes $2,000 in cash compensation for service as a director for a subsidiary.
(11) Includes the amounts earned in the Long Term Incentive Plan (LTIP) and the Annual Incentive Plan (AIP) as shown below:

| | Year | LTIP | AIP | Total LTIP and AIP |
|---|---|---|---|---|
| R. Philip Bixby | 2009 | $ 0 | $385,695 | $ 385,695 |
| Tracy W. Knapp | 2009 | $ 0 | $ 94,322 | $ 94,322 |
| Charles R. Duffy, Jr. | 2009 | $ 0 | $ 95,736 | $ 95,736 |
| Mark A. Milton | 2009 | $ 0 | $ 86,832 | $ 86,832 |
| Donald E. Krebs | 2009 | $ 0 | $ 88,844 | $ 88,844 |

(12) Includes total perquisites for R. Philip Bixby of $33,332, including $17,321 incremental cost for the personal use of corporate aircraft and a reimbursement of $13,309 for a tax gross up for payment of taxes on income attributable to the non-business use of the corporate aircraft. The incremental cost to the Company for personal use of Company aircraft based on the cost of fuel and oil per passenger mile of flight; trip-related inspections, repairs, and maintenance; crew travel expenses; on-board catering; trip-related flight planning services; landing, parking, and hangar fees; supplies; passenger ground transportation; and other variable costs. Since the aircraft is used primarily for business travel, the fixed costs that do not change based on personal usage, such as pilots' salaries, the purchase or leasing costs of Company aircraft and the cost of maintenance not related to trips are not included.
(13) This named executive officer did not receive perquisites totaling $10,000 or more.
(14) Includes:

| | Year | Employer 401(k) Match | Employer Contribution to Deferred Comp. |
|---|---|---|---|
| R. Philip Bixby | 2009 | $ 14,700 | $ 24,824 |
| Tracy W. Knapp | 2009 | $ 14,700 | $ 546 |
| Charles R. Duffy, Jr. | 2009 | $ 14,700 | $ 1,160 |
| Mark A. Milton | 2009 | $ 14,700 | $ 1,114 |
| Donald E. Krebs | 2009 | $ 14,700 | $ 18 |

GRANTS OF PLAN BASED AWARDS
2009

| Name | Grant Date (4) | Board of Directors Action Date (4) | Estimated Future Payouts Under Non-Equity Incentive Plan Awards | | | |
|---|---|---|---|---|---|---|
| | | | Threshold | Target | Maximum | |
| R. Philip Bixby | 1/1/2009 | 10/27/2008 | $ 192,847 | $ 482,118 | $ 674,965 | (1) |
| | 1/1/2007 | 10/30/2006 | - | - | - | (2)(3) |
| | 1/1/2008 | 10/29/2007 | - | - | - | (3) |
| | 1/1/2009 | 10/27/2008 | - | - | - | (3) |
| | 1/1/2010 | 10/26/2009 | - | - | - | (3) |
| Tracy W. Knapp | 1/1/2009 | 10/27/2008 | $ 55,684 | $ 113,640 | $ 152,278 | (1) |
| | 1/1/2007 | 10/30/2006 | - | - | - | (2)(3) |
| | 1/1/2008 | 10/29/2007 | - | - | - | (3) |
| | 1/1/2009 | 10/27/2008 | - | - | - | (3) |
| | 1/1/2010 | 10/26/2009 | - | - | - | (3) |
| Charles R. Duffy, Jr. | 1/1/2009 | 10/27/2008 | $ 56,519 | $ 115,344 | $ 154,561 | (1) |
| | 1/1/2007 | 10/30/2006 | - | - | - | (2)(3) |
| | 1/1/2008 | 10/29/2007 | - | - | - | (3) |
| | 1/1/2009 | 10/27/2008 | - | - | - | (3) |
| | 1/1/2010 | 10/26/2009 | - | - | - | (3) |
| Mark A. Milton | 1/1/2009 | 10/27/2008 | $ 56,354 | $ 115,008 | $ 154,111 | (1) |
| | 1/1/2007 | 10/30/2006 | - | - | - | (2)(3) |
| | 1/1/2008 | 10/29/2007 | - | - | - | (3) |
| | 1/1/2009 | 10/27/2008 | - | - | - | (3) |
| | 1/1/2010 | 10/26/2009 | - | - | - | (3) |
| Donald E. Krebs | 1/1/2009 | 10/27/2008 | $ 52,450 | $ 107,040 | $ 143,434 | (1) |
| | 1/1/2007 | 10/30/2006 | - | - | - | (2)(3) |
| | 1/1/2008 | 10/29/2007 | - | - | - | (3) |
| | 1/1/2009 | 10/27/2008 | - | - | - | (3) |
| | 1/1/2010 | 10/26/2009 | - | - | - | (3) |

(1) Based on the terms of the Company’s Annual Incentive Plan, as described in the Compensation Discussion and Analysis, all but the Principal Executive Officer have two personal goals based on either achieving the goal or not and the total award is disclosed in the minimum, threshold and maximum columns of this table. The calculation assumes that both personal goals are achieved and that the weighted corporate goals are all at threshold, target or maximum for each executive officer.

(2) Based on the terms of the Company's Long Term Incentive Plan as described in the Compensation Discussion and Analysis. It does not have a threshold, target or maximum. The amount shown as target is the actual plan award for the term from January 1, 2007 to December 31, 2009.

(3)

| Grant For 3 yr. Plan | | Grant Price | | December 2008 Av. W. Price (*) | | Cycle to Date Div/SH Accrual |
|---|---|---|---|---|---|---|
| 1/1/2007 | $ | 52.10 | $ | 30.04 | $ | 5.24 |
| 1/1/2008 | $ | 44.33 | $ | 30.04 | $ | 2.16 |
| 1/1/2009 | $ | 44.93 | $ | 30.04 | $ | 1.08 |
| 1/1/2010 | $ | 30.04 | $ | 30.04 | $ | - |

* Each three year plan will use the volume-weighted stock price for the December at the end of the term.

(4) The Grant Date and the Board of Directors Action Date for this non-equity plan are different because some factors critical to past performance are not known until the end of the year.

NON-QUALIFIED DEFERRED COMPENSATION
2009

| Name | | Executive Contributions In Last FY (1) | | Registrant Contributions In Last FY (2) | | Aggregate Earnings In Last FY (3) | | Aggregate Withdrawals/ Distributions | | Aggregate Balance At Last FYE (4) |
|---|---|---|---|---|---|---|---|---|---|---|
| R. Philip Bixby | $ | 413,244 | $ | 24,824 | $ | (469,425) | $ | - | $ | 1,690,208 |
| Tracy W. Knapp | $ | - | $ | 546 | $ | 461,382 | $ | - | $ | 954,358 |
| Charles R. Duffy, Jr. | $ | 2,883 | $ | 1,160 | $ | (2,698) | $ | - | $ | 136,359 |
| Mark A. Milton | $ | - | $ | 1,114 | $ | (12,363) | $ | (95,526) | $ | 167,599 |
| Donald E. Krebs | $ | 2,676 | $ | 18 | $ | 251 | $ | - | $ | 14,675 |

(1) Amounts reported in this column are included in the Salary column of the Summary Compensation Table.
(2) Amounts reported in this column are included in the All Other Compensation column of the Summary Compensation Table.
(3) Amounts reported in this column are included in the Change in Pension Value and Non-Qualified Deferred Compensation Earnings and Retiree Medical column of the Summary Compensation Table.
(4) Amounts reported in this column were reported in the last fiscal year in the Summary Compensation Table as follows: Executive Contributions were included in the Salary column; Registrant Contributions were included in the All Other Compensation column; Aggregate Earnings were included in the Change in Pension Value and Non-Qualified Deferred Compensation Earnings column; Aggregate Withdrawals/Distributions were not included.

Non-Qualified Deferred Compensation Discussion

Participation in the Kansas City Life Deferred Compensation Plan is limited to highly compensated employees. For 2009, highly compensated employees were defined as those whose compensation was $105,000 or more in 2008. Participants are eligible to participate in the Plan up to a maximum of 100% of their base salary and/or eligible bonuses.

The plan participant selects funds from a variety of investment choices provided by the plan. Selections may be changed daily. The interest rates and earnings vary for the participants depending on their fund selections and allocations plus the performance of each fund.

Prior to the beginning of each plan year, participants are required to elect the time or event (specific date or separation from service) and form (lump sum or annuity payment) of distributions for contributions to be made during the following plan year.

PENSION BENEFITS
2009

| Name | Plan Name | Number of Years Credited Service | Present Value of Accumulated Benefit | | Payments During Last Fiscal Year | |
|---|---|---|---|---|---|---|
| R. Philip Bixby | Kansas City Life Insurance Company Cash Balance Pension Plan | 32 years | $ | 1,119,037 | $ | - |
| | Kansas City Life Insurance Company Excess Benefit Plan | 32 years | $ | 932,601 | $ | - |
| | Kansas City Life Insurance Company Retiree Medical Plan | 32 years | $ | 105,464 | $ | - |
| Tracy W. Knapp | Kansas City Life Insurance Company Cash Balance Pension Plan | 11 years | $ | 92,339 | $ | - |
| | Kansas City Life Insurance Company Excess Benefit Plan | 11 years | $ | 12,387 | $ | - |
| | Kansas City Life Insurance Company Retiree Medical Plan | 11 years | $ | 22,399 | $ | - |
| Charles R. Duffy, Jr. | Kansas City Life Insurance Company Cash Balance Pension Plan | 20 years | $ | 251,706 | $ | - |
| | Kansas City Life Insurance Company Excess Benefit Plan | 20 years | $ | 39,406 | $ | - |
| | Kansas City Life Insurance Company Retiree Medical Plan | 20 years | $ | 118,214 | $ | - |
| Mark A. Milton | Kansas City Life Insurance Company Cash Balance Pension Plan | 28 years | $ | 620,900 | $ | - |
| | Kansas City Life Insurance Company Excess Benefit Plan | 28 years | $ | 38,421 | $ | - |
| | Kansas City Life Insurance Company Retiree Medical Plan | 28 years | $ | 73,350 | $ | - |
| Donald E. Krebs | Kansas City Life Insurance Company | 13 years | $ | 126,028 | $ | - |

| | | | | | |
|---|---|---|---|---|---|
| Cash Balance Pension Plan | | | | | |
| Kansas City Life Insurance Company Excess Benefit Plan | 13 years | $ | 7,584 | $ | - |
| Kansas City Life Insurance Company Retiree Medical Plan | 13 years | $ | 51,115 | $ | - |

Pension Benefits Discussion

The registrant offers three plans that provide for payments or other benefits at, following, or in connection with retirement. These include the Kansas City Life Insurance Company Cash Balance Pension Plan (the “Qualified Plan”), Kansas City Life Excess Benefit Plan (the “Excess Benefit Plan”) and the Kansas City Life Employee Medical Plan (the " Medical Plan") collectively, “the Plans”:

The Qualified Plan is open to employees who are at least 21 years of age who have completed one year of service with the Registrant or a participating subsidiary. The “normal retirement” benefit under the plan is available at age 65. The Qualified Plan has two “early retirement” provisions based on when the participant joined the plan. For participants who joined the plan on or after January 1, 1982, the participant will be able to receive benefits at or after age 55 as long as the participant’s age plus their years of service after age 25 are equal to or greater than 75. For participants who joined the plan prior to January 1, 1982, the participant will be able to receive benefits under the plan at age 55, if the participant was a member of the plan for at least fifteen years, or at age 60 if the participant was a member of the plan for at least 10 years. Mr. Bixby and Mr. Duffy would be eligible for the “early retirement” benefit under the Qualified Plan.

The normal retirement benefit under the Qualified Plan is the greater of the participant’s Cash Balance Account or the actuarial equivalent of the participant’s Prior Plan Benefit or Grandfathered Benefit. The Cash Balance Account is credited with a percentage of compensation each year based on years of service and is also credited with interest each year. The normal form of payment is a life annuity if single or a qualified joint and survivor annuity if married. Participants also have the option of electing an actuarial equivalent form of payment, including a lump sum. The early retirement benefit is the accrued benefit at severance actuarially reduced for early commencement. The Prior Plan Benefit and the Grandfathered Benefit are reduced by the Prior Plan reduction factors. The compensation used in determining the accrued benefit is base pay excluding bonuses, overtime pay, vacation pay, severance pay or any other extraordinary payments.

The Medical Plan provides benefits to retired employees and their dependents who satisfy eligibility requirements if the retired employee continues to pay the applicable premium for medical benefits. Premiums for retired employees and their qualifying dependents may vary based on years of service and the age at which the employee retires. Active employees hired prior to January 1, 2000 who become eligible to retire must continuously participate in the Medical Plan during the last sixty (60) months of employment immediately prior to retirement to be eligible for Retiree Medical Plan coverage. Active employees hired on or after January 1, 2000 but prior to January 1, 2005 who become eligible to retire must have a minimum of one hundred twenty (120) months of service and continuously participate in the Medical Plan during the last sixty (60) months of employment immediately prior to retirement to be eligible for Retiree Medical Plan coverage. Employees hired or rehired on or after January 1, 2005 are not eligible to participate in the Retiree Medical Plan.

The Excess Benefit Plan is similar in operational design to the Qualified Plan discussed above, with the exception that the Excess Benefit Plan does not set IRC Section 401(a)(17) compensation limits and IRC Section 415 benefit limitations. The Excess Benefit Plan is designed to provide the same essential pension benefits as those under the Qualified Plan, with the participant accepting that the plan does not provide the protections and benefits provided by IRC Section 401(a)(17) and IRC Section 415. Mr. Bixby and Mr. Duffy would be eligible for the “early retirement” benefit under the Excess Benefit Plan.

The Plans are designed to provide some retirement benefits for all eligible Company employees.

A discussion regarding the assumptions upon which the present value of accumulated benefits for all of the Plans can be found in Item 6, Management’s Discussion and Analysis, and in Note 8, Pensions and Other Postretirement Benefits, to the Consolidated Financial Statements found in the Form 10-K.

## POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Assuming the employment of the named executive officers were to be terminated because of a reduction in staff, each as of December 31, 2009, the following individuals would be entitled to payments in the amounts set forth opposite to their name in the below table. As provided in the Company's severance plan applicable to senior officers, they would each receive one month’s pay for each year of service up to a maximum of one year.

| | | | Cash Severance |
|---|---|---|---|
| R. Philip Bixby | $ 57,395 | per month for 12 months | $ 688,740 |
| Tracy W. Knapp | $ 23,675 | per month for 11 months | $ 260,425 |
| Charles R. Duffy, Jr. | $ 24,030 | per month for 12 months | $ 288,360 |

| | | | |
|---|---|---|---|
| Mark A. Milton | $ 23,960 | per month for 12 months | $ 287,520 |
| Donald E. Krebs | $ 22,300 | per month for 12 months | $ 267,600 |

No severance payment is provided for any of the executive officers in the event of death, disability or retirement.

No payments are due in connection with a severance by reduction in staff unless the executive executes a general release and waiver of claims against the Company following procedures set out by the Company.

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A change in control does not affect the amount or timing of cash severance payments, nor are there any other payments for change in control.

Assuming the employment of the named executive officers were to be terminated due to death, disability or retirement as of December 31, 2009 their year end payout as shown in the summary compensation table for the Annual Incentive Plan and the Long Term Incentive Plan would not change. Upon all other terminations, the amounts in the Annual Incentive Plan and Long Term Incentive Plan would be forfeited.

Payments upon termination are also disclosed in the Non-Qualified Deferred Compensation and Pension Benefit Tables in the two immediately preceding sections of this Proxy Statement.

## DIRECTOR COMPENSATION

Directors who are not employees of the Company are paid an annual fee of $20,000, payable quarterly, plus a $2,500 attendance fee per quarterly meeting and a $2,000 attendance fee per special meeting.

The tables below set forth a summary of director compensation for the fiscal year ending December 31, 2008.

| Director | Board Cash Fees | Committee Fees | All Other Compensation | Total Compensation |
|---|---|---|---|---|
| Kevin G. Barth | $ 30,000 | $ - | $ - | $ 30,000 |
| William R. Blessing | $ 30,000 | $ 17,250 | $ - | $ 47,250 |
| Nancy Bixby Hudson | $ 30,000 | $ - | $ 4,000 | $ 34,000 |
| Michael Braude | $ 30,000 | $ 1,500 | $ - | $ 31,500 |
| John C. Cozad | $ 30,000 | $ - | $ - | $ 30,000 |
| Richard Finn | $ 30,000 | $ 15,000 | $ - | $ 45,000 |
| Daryl D. Jensen | $ 30,000 | $ 9,000 | $ 4,000 | $ 43,000 |
| Cecil R. Miller | $ 30,000 | $ 14,000 | $ - | $ 44,000 |
| Bradford Nordholm | $ 22,500 | $ 6,000 | $ - | $ 28,500 |
| Larry Winn, Jr. | $ 15,000 | $ - | $ - | $ 15,000 |

Directors who are employees of the Company are paid an annual fee of $5,000 payable quarterly and a $500 attendance fee per special meeting.

Employee (non-named executive officer) directors who serve on the Board were paid as shown below:

| Director | Board Cash Fees | Committee Fees | All Other Compensation | Total Director Compensation |
|---|---|---|---|---|
| Walter E. Bixby | $ 5,000 | $ - | $ 3,000 | $ 8,000 |
| William A. Schalekamp | $ 5,000 | $ - | $ - | $ 5,000 |

The Company reimburses travel expenses to attend Board and Committee meetings.

RISK MANAGEMENT

Board Oversight of Risk

In order to better manage operations of the Company on a regular basis, the Board has created an Executive Committee. The Executive Committee is comprised of six directors, four of whom are currently executive officers of the Company and two of whom are independent directors. The Committee is authorized to exercise all authority of the Board related to management, general control, and supervision of the business of the Company. This authority includes the oversight of operational risk related to the Company's business, risks associated with the Company's investment decisions, and underwriting risk associated with insurance products offered by the Company and its subsidiaries. The Executive Committee meets regularly during the course of the year, and met twelve times in 2009. This Committee is well-positioned to understand daily events and circumstances impacting the Company's operations, Company policies and procedures that address and mitigate risks associated with the Company's business, and to advise the full Board on an ongoing basis regarding operational, investment, and underwriting risks faced by the Company.

In addition, the Company has a Risk Oversight Committee whose members include the Senior Officers of the Company and the Internal Auditor. The Risk Oversight Committee reports at least quarterly to the full Board and to the Board's Audit Committee. The Committee's purpose is set out in the Risk Oversight Policy that supports a strong risk management culture and informed executive team and Board of Directors.

Risk Related to Compensation Policies and Practices

The Registrant sells life insurance and annuity contracts to the public. Like other companies in this industry, the compensation policies and practices of the Registrant create an incentive for employees and sales personnel to take risks in order to grow the Company's business

The design philosophy of the compensation system for all employees is similar to the Compensation Philosophy discussed for executive officers earlier in this document. The Company's guiding philosophy is to establish a compensation program that will enable the attraction, motivation and retention of employees at all levels. The compensation program is designed to be competitive with other comparable employers.

The compensation system is structured so that only two areas have a compensation structure that significantly varies from the remainder of the Company. The Company also has two areas that carry a significant portion of the Company's risk profile.

The two areas within the Company that have unique compensation structures are the insurance agency force plus sales management and the group sales department.

The Registrant distributes its products through insurance agents who are independent contractors. These agents are paid solely on a commission basis. These agents are supervised by regional sales management personnel who receive a base salary plus a bonus based on sales performance of their respective regions. These individuals report to the Senior Vice President, Sales and Marketing. For its group insurance business, the Company utilizes independent insurance agents paid on a commission only basis and internal sales management who receive a base salary plus a bonus based on sales in their area. These individuals report to the Senior Vice President and Actuary.

The commissions paid on all Company products are designed by the actuarial department based on an analysis of a multitude of risk factors associated with the sale of the product. The actuarial department will evaluate and measure mortality risk, marketplace risk, financial risk, operational risk, political risk, and other measurable risks that could impact the profitability and performance of the products offered by the Company. After measuring these risks, and considering values needed to provide long term value to customers and corporate profitability, the Actuarial Department will set its commission rates for the products it sells. These rates are developed using regulatory guidelines by the states. The Company monitors performance of each product and files quarterly financial reports analyzing overall financial performance and performance by product line in each state in which it does business. In the event that the commission rates are excessive, the Company will adjust rates downwards. In the event they are too low, the Company will raise the rates.

The two areas bearing significant portions of the Company's risk profile are the actuarial department, reporting to the Senior Vice President and Actuary, and the investment management departments reporting to the Principal Financial Officer. The employees in both groups are salaried employees, with no specific bonus related to the performance of the risks they manage. Many of these employees are eligible to participate in the Annual Incentive Plan ("AIP") for the Company detailed earlier in this document. The AIP is designed so that no award is available unless the Company meets an earnings trigger. Additionally, the AIP sets goals for growth balanced by quantifiable and measurable goals for increasing operating earnings and controlling expenses. The Compensation Committee actively reviews and approves each year's goals and reviews performance against those established goals.

As noted above, the Registrant also has a Risk Oversight Committee that evaluates all risk, including risks related to compensation practices and policies.

PERFORMANCE COMPARISON

The following graph provides a comparison of the cumulative total return on Kansas City Life's common stock over the last five fiscal years to the S&P 500 Index ("S&P 500") and to a peer comparison group ("Peer Group"). The graph assumes that $100 was invested on December 31, 2004, and that all dividends were reinvested on the last day of each quarter. Points on the graph represent performance as of the last business day of each of the years indicated.

Comparison of 5 Year Cumulative Total Return
Among Kansas City Life, the S&P 500 and a Peer Group

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|
| Kansas City Life | $100.00 | $107.43 | $109.93 | $102.34 | $104.26 | $ 74.11 |
| S&P 500 | $100.00 | $104.90 | $121.43 | $128.09 | $ 80.77 | $102.08 |
| Peer Group | $100.00 | $107.42 | $121.26 | $117.69 | $ 80.32 | $ 80.58 |

The Peer Group index weights individual company returns for stock market capitalization. The companies included in the Peer Group index are the same as those companies used in the compensation comparator group identified in the Compensation Disclosure and Analysis. The companies included in the Peer Group index are shown in the following table.

| | |
|---|---|
| American Equity Investment Life Holding Co. | Presidential Life Corporation |
| Delphi Financial Group, Inc. | Protective Life Corporation |
| FBL Financial Group, Inc. | StanCorp Financial Group, Inc. |
| Harleysville Group Inc. | Torchmark Corporation |
| Horace Mann Educators Corp. | United Fire and Casualty Company |
| National Western Life Insurance Co. | Unitrin, Inc. |
| Phoenix Companies, Inc., The | Universal American Corp. |

The Peer Group index has changed during the five-year period. Both Amerus Group Co. and Jefferson-Pilot Corp. were removed from the Peer Group index in 2006 due to their having been acquired. Great American Financial Resources, Inc. was removed at year end 2007 and Nationwide Financial Services, Inc. was removed in 2009 due to being fully acquired. The chart above only includes the data from the current Peer Group member companies listed above.

The disclosure set forth above under the caption “Performance Comparison” shall not be deemed to be soliciting material and is not incorporated by reference into any of our prior filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, as amended, that incorporated future filings or portions thereof, including this Proxy Statement or the “Executive Compensation” section of this Proxy Statement.

REPORT OF THE COMPENSATION COMMITTEE

The function of the Compensation Committee is to aid the Board in meeting its responsibilities with regard to the oversight and determination of executive compensation by reviewing and recommending salary and other compensation for executive officers including the Company's Long-Term Incentive Plan and Annual Incentive Plan. It also reviews and recommends director compensation to the Board.

The Compensation Committee has reviewed and discussed the Compensation Disclosure and Analysis with Management and its compensation consultants and based on the review, has recommended to the Board that it be included in the Annual Report on Form 10-K for the year ended December 31, 2009 and, as applicable, for the Company's Proxy Statement for filing with the Securities and Exchange Commission.

COMPENSATION COMMITTEE
Daryl D. Jensen, Compensation Committee Chair
William R. Blessing, Committee Member
Michael Braude, Committee Member

AUDIT COMMITTEE REPORT

During fiscal year 2009, in accordance with its written charter, the Audit Committee of the Board of Directors was responsible for the oversight of the accounting and financial reporting processes of the Company and the audit of the Company's financial statements. The Audit Committee charter adopted by the Board of Directors complies with all applicable provisions of the NASDAQ Capital Market listing standards. Each of the members of the Audit Committee meets the independence and experience requirements of the NASDAQ Capital Market and the independence requirements of the Sarbanes-Oxley Act of 2002. During fiscal year 2009, the Audit Committee met seven times. In addition, the Audit Committee Chair, as representative of the Audit Committee, and one or more of the Audit Committee members, discussed the interim financial information contained in each quarterly earnings announcement with the Chief Financial Officer and the Independent Registered Public Accounting Firm (Auditors) prior to public release.

In discharging its oversight responsibility as to the audit process, the Audit Committee obtained from the Auditors the written disclosures and the letter describing all relationships between the Auditors and the Company that might bear on the Auditors' independence consistent with Public Company Accounting Oversight Board Rule 3526, "Communications with Audit Committees Concerning Independence," and discussed with the Auditors any relationships that may impact their objectivity and independence and satisfied itself as to the Auditors' independence. The Audit Committee also discussed with Management, the internal auditors and the Auditors, with and without Management present, the quality and adequacy of the Company's internal controls and the internal audit function's organization, responsibilities and staffing. The Audit Committee reviewed with both the Auditors and the internal auditors their audit plans, audit scope and identification of audit risks.

The Audit Committee discussed and reviewed with the Auditors all communications required by generally accepted auditing standards, including those described in Statement on Auditing Standards No. 61, as amended, ("Communication with Audit Committees") and discussed and reviewed the results of the Auditors' examination of the financial statements. The Audit Committee also discussed the results of the internal audit examinations. In accordance with its charter, the Audit Committee pre-approves all non-audit services provided by the Auditors.

The Audit Committee reviewed and discussed the audited financial statements for the Company as of and for the fiscal year ended December 31, 2009, with Management and the Auditors. Management has the responsibility for the preparation of the Company's financial statements and the Auditors have the responsibility for the examination of those statements.
Based on the above-mentioned review and discussion with Management and the Auditors, the Audit Committee recommended to the Board of Directors that the Company's audited financial statements be included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2009, for filing with the Securities and Exchange Commission.

After reviewing the services provided by the Auditors, the Audit Committee, in accordance with its charter, authorized the appointment of KPMG as Auditors for 2010.

AUDIT COMMITTEE
Cecil R. Miller, Audit Committee Chair
Daryl D. Jensen, Committee Member
Bradford T. Nordholm, Committee Member

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FEES AND SERVICES

The Company's Audit Committee has engaged KPMG LLP as its independent registered public accounting firm. The Audit Committee regularly reviews and determines whether any non-audit services provided by KPMG LLP potentially affects their independence with respect to the Company. The Audit Committee's policy is to pre-approve all audit services and permissible non-audit services provided by KPMG LLP. Pre-approval is generally provided by the Audit Committee for up to one year, is detailed as to the particular service or category of services to be rendered, and is generally subject to a specific budget. Specific members of Management are authorized to approve audit services of up to $10,000 with ratification by the Audit Committee at the next scheduled meeting of the Audit Committee. Also, the Audit Committee may pre-approve additional services or specific engagements on a case-by-case basis.

A representative of KMPG LLP will be present at the meeting, will be available to respond to appropriate questions, and will have the opportunity to may make a statement if they desire to do so.

The following table sets forth the aggregate fees, in thousands, billed by KPMG LLP with respect to audit and non-audit services for the Company for the years ended December 31, 2009 and 2008:

| | 2009 | 2008 |
|---|---|---|
| Audit Fees (1) | $ 907 | $ 944 |
| Audit-Related Fees (2) | 19 | - |
| Tax Fees (3) | - | - |
| All Other Fees | - | - |
| | $ 926 | $ 944 |

(1) Includes fees for professional services rendered for the integrated audit of the Company's consolidated financial statements and effectiveness of the Company's internal control over financial reporting, the review of the Company's Annual Report on Form 10-K for the years 2009 and 2008, and for the reviews of the consolidated financial statements included in the Company's quarterly reports on Form 10-Q for the first three quarters of 2009 and 2008.

(2) Includes fees in 2009 for professional services rendered for the review of Form S-8 and Form S-3 registration statements.  There were no audit-related fees in 2008.

(3) There were no tax fees paid to KPMG in 2009 or 2008.

## OTHER MATTERS

The only business which Management intends to present at the meeting consists of the matters set forth in this statement. Management knows of no other matters to be brought before the meeting by any other person or group. If any other matter should properly come before the meeting, the proxy enclosed confers upon the persons designated herein authority to vote thereon in their discretion.

## COSTS OF SOLICITATION

We normally pay for preparing, printing and mailing this Proxy Statement. We have engaged Broadridge, Inc. to help us solicit proxies from stockholders. Broadridge has waived its standard fee for this service for 2010.

PROXY
KANSAS CITY LIFE INSURANCE COMPANY
3520 Broadway * Kansas City, Missouri * 64111-2565

ANNUAL MEETING OF STOCKHOLDERS - APRIL 22, 2010
CUSIP NO. 484836-10-1

Please sign, date and mail your proxy card promptly in the enclosed envelope.
No postage will be necessary if mailed in the United States.

SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS FOR THE ANNUAL MEETING OF STOCKHOLDERS OF KANSAS CITY LIFE INSURANCE COMPANY

I hereby make, constitute and appoint R. Philip Bixby and William A. Schalekamp, jointly and severally, proxies for the undersigned to vote all the shares which I am entitled to vote at the Annual Meeting of stockholders of Kansas City Life Insurance Company to be held at the Company, 3520 Broadway, Kansas City, Missouri, at 9:00 a.m. on April 22, 2010, and direct said proxies to vote as follows:

1) ELECTION OF DIRECTORS:

FOR all nominees listed below (except WITHHOLD AUTHORITY to vote for
as marked to the contrary below)* o all nominees listed below o
(* To withhold authority to vote for any individual nominee strike a line through the nominee’s name in the list below)

William R. Blessing Richard L. Finn

Cecil R. Miller Bradford T. Nordholm

(2) In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting.

When properly executed and received in time, this Proxy will be voted as directed by the stockholder, HOWEVER, IF NO SUCH CHOICE IS SO INDICATED, THIS PROXY WILL BE VOTED FOR THE NOMINEES PROPOSED BY THE BOARD AS LISTED ABOVE.

Dated_____________________, 2010 ______________________________________________
Stockholder
I do _____ I do not _____ plan to attend the meeting.

This Proxy should be executed by and in the name of the stockholder exactly as such name appears on the stock certificate. If executed by a corporation, the proxy should be signed by an authorized officer, indicating their title. If executed by an executor, administrator, trustee or other fiduciary, the title of such fiduciary should be shown. Any person named as proxy must be a stockholder of the Company.