

**STATE OF ARKANSAS
SECURITIES DEPARTMENT**

IN THE MATTER OF

KANSAS CITY LIFE INSURANCE
COMPANY

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION
NO. 00-045-S

FINDINGS OF FACT

1. On August 21, 2000, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of shares of the common stock (the "Stock") of Kansas City Life Insurance Company (the "Company"), to sales agent representatives (the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).

2. The Company is a corporation organized under the laws of the State of Missouri. The Stock consists of 400 shares of the common stock of the Company offered pursuant to the Kansas City Life Stock Bonus and Deferred Compensation Plan (the "Plan"). The Company has file a Registration Statement under the Securities Act of 1933 on Form S-3.

3. The buyers will be 6 sales agent representatives of the Company who reside in Arkansas (the "Buyers"). The Buyers are not technically employees of the Company; however, they do represent the Company in the promotion and sale of their insurance products.

4. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Ark. Code Ann. § 23-42-504(a)(12). The Buyers have had access to financial and other information concerning the Company as is necessary to make an informed investment decision. Based upon the foregoing, the Transaction is not the type the Arkansas Securities Act (the "Act") was designed to protect by requiring registration.

CONCLUSIONS OF LAW

1. Under Section 23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from Sections 23-42-501 and 23-42-502 of the Act as not being necessary or appropriate in the public interest for the protection of investors.
2. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to register the Transaction under the Act for the purposes of the contemplated offering.
3. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to engage the services of a registered agent for the purpose of making sales of the securities.

OPINION

In recognition of the representations made by the Company, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Company from the antifraud provisions of the Act.

ORDER

IT IS THEREFORE ORDERED that securities offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of August 21, 2000, and the attached exhibits, and in accordance with the Findings of Fact stated herein, shall be exempted from Sections 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this ~~24~~ day of August 2000.



MAC DODSON
SECURITIES COMMISSIONER