

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of Earliest Event Reported): December 31, 2009

SECURITY NATIONAL FINANCIAL CORPORATION

(Exact name of registrant as specified in this Charter)

Utah

(State or other jurisdiction of incorporation)

0-9341

(Commission File Number)

87-0345941

(IRS Employer Identification No.)

5300 South 360 West, Salt Lake City, Utah

(Address of principal executive offices)

84123

(Zip Code)

Registrant's Telephone Number, Including Area Code: (801) 264-1060

Does Not Apply

(Former name or former address, if changed since last report)

ITEM 8.01. Other Events.

**Transactions to Liquidate Security National Life Insurance Company of Louisiana
and Capital Reserve Life Insurance Company**

On December 31, 2009, Security National Life Insurance Company of Louisiana ("Security National Life of Louisiana") entered into an Assumption Reinsurance Agreement with Security National Life Insurance Company ("Security National Life") to reinsure the remaining in force business of Security National Life of Louisiana to Security National Life to the extent permitted by the Louisiana Department of Insurance. The Louisiana Department of Insurance approved the Assumption Reinsurance Agreement on December 2, 2009.

As a result of the Assumption Reinsurance Agreement, all of the insurance business and operations of Security National Life of Louisiana, including assets and liabilities, were transferred to Security National Life, as reinsurer, as of December 31, 2009. Thus, \$3,189,000 in statutory assets and liabilities were transferred from Security National Life of Louisiana to Security National Life pursuant to the Assumption Reinsurance Agreement. In addition, Security National Life of Louisiana entered into an Assignment dated December 31, 2009 with Security National Life to assign and transfer to Security National Life all of the assets and liabilities that remained following the transfer of assets and liabilities pursuant to the Assumption Reinsurance Agreement.

The liquidation of Security National Life of Louisiana was completed as of December 31, 2009 in accordance with the terms and conditions of the Agreement and Plan of Complete Liquidation to liquidate Security National Life of Louisiana into Security National Life. The Board of Directors of both Security National Life of Louisiana and Security National Life approved a plan of liquidation as of September 18, 2009. Under the terms of the Agreement and Plan of Complete Liquidation, Security National Life of Louisiana was liquidated into Security National Life in essentially the same manner as the liquidation described in Private Letter Ruling 9847027 in order to achieve the same tax treatment and consequences under Section 332 of the Internal Revenue Code of 1986, as amended, and other applicable provisions described in such Letter Ruling. During 2010, Security National Life plans to take appropriate legal action to dissolve Security National Life of Louisiana in accordance with Louisiana law.

Also, effective as of December 31, 2009, Security National Life exercised its right of recapture pursuant to the Reinsurance Agreement effective as of November 30, 2008, between Capital Reserve Life Insurance Company ("Capital Reserve") and Security National Life in which Security National Life recaptured all of the previously reinsured liabilities under the Reinsurance Agreement. As a result of the recapture, Security National Life is primarily liable for the liabilities on the insurance contracts and annuities originally issued by Capital Reserve to its policyholders. The assets transferred by Capital Reserve to Security National Life pursuant to such recapture have a fair market value of \$4,895,000, which was equal to the assumed liabilities.

In addition, Capital Reserve entered into an Assignment dated December 31, 2009 with Security National Life to assign and transfer to Security National Life all of the assets and liabilities that remained following the recapture, except for Capital Reserve's corporate charter, insurance licenses, and \$1,681,000 in statutory capital and surplus, which will allow Capital Reserve to preserve its corporate existence in Missouri. During 2010, Security National Life plans either to sell the corporate charter, licenses, and capital and surplus of Capital Reserve to an unrelated business entity or to dissolve Capital Reserve in accordance with Missouri law.

The purpose of Security National Life exercising its right of recapture pursuant to the 2008 Reinsurance Agreement was so that the \$4,895,000 in statutory assets and liabilities of Capital Reserve could be transferred to Security National Life by December 31, 2009 in accordance with the terms of the plan of liquidation between Capital Reserve and Security National Life. On December 4, 2009, Capital Reserve and Security National Life entered into an Agreement and Plan of Complete Liquidation to liquidate Capital Reserve into Security National Life in the same manner as the liquidation described in Private Letter Ruling 9847027 in order to achieve the same tax treatment and consequences under Section 332 of the Internal Revenue code of 1986, as amended, and other applicable provisions described in such Letter Ruling.

ITEM 9.01. Financial Statements and Exhibits

(c) Exhibits

- 10.1 Agreement and Plan of Complete Liquidation of Security National Life Insurance Company of Louisiana into Security National Life Insurance Company
- 10.2 Assumption Reinsurance Agreement between Security National Life Insurance Company of Louisiana and Security National Life Insurance Company
- 10.3 Assignment between Security National Life Insurance Company of Louisiana and Security National Life Insurance Company
- 10.4 Agreement and Plan of Complete Liquidation of Capital Reserve Life Insurance Company into Security National Life Insurance Company
- 10.5 Assignment between Capital Reserve Life Insurance Company and Security National Life Insurance Company

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SECURITY NATIONAL FINANCIAL CORPORATION
(Registrant)

Date: January 11, 2010

By: /s/ Scott M. Quist
Scott M. Quist, President

EXHIBIT 10.1

**AGREEMENT AND PLAN OF COMPLETE LIQUIDATION OF
SECURITY NATIONAL LIFE INSURANCE COMPANY OF LOUISIANA
INTO SECURITY NATIONAL LIFE INSURANCE COMPANY**

THIS AGREEMENT AND PLAN OF COMPLETE LIQUIDATION (this "Agreement") is made and entered into effective this 18th day of September 2009, by and between SECURITY NATIONAL LIFE INSURANCE COMPANY OF LOUISIANA, a Louisiana domiciled insurance company, formerly known as Paramount Security Life Insurance Company ("Security National Life of Louisiana") and SECURITY NATIONAL LIFE INSURANCE COMPANY, a Utah corporation ("Security National Life").

WITNESSETH:

WHEREAS, on March 16, 2004, Security National Life completed the purchase of all of the outstanding shares of Security National Life of Louisiana and, as a result, Security National Life of Louisiana became a wholly owned subsidiary of Security National Life;

WHEREAS, both corporations are involved in the same line of business, and it has been determined by the Boards of Directors of both Security National Life of Louisiana and Security National Life that it will be more efficient and profitable to have Security National Life of Louisiana liquidated into Security National Life;

WHEREAS, the Boards of Directors of both Security National Life of Louisiana and Security National Life do for said reasons and for the general welfare of said corporations and their respective stockholders, deem it advisable that Security National Life of Louisiana be liquidated into Security National Life; and

WHEREAS, this Agreement has been approved and authorized by resolutions adopted by the sole shareholder of Security National Life of Louisiana and the directors of each party.

NOW THEREFORE, in consideration of the premises and for the purposes of setting forth and prescribing the terms and conditions of such complete liquidation and the manner of carrying the same into effect, the parties hereto do hereby adopt the following plan of complete liquidation and agree as follows:

AGREEMENT

Section 1

It is intended that Security National Life of Louisiana be liquidated into Security National Life in essentially the same manner as the liquidation described in Private Letter Ruling 9847027 in order to achieve the same tax treatment and consequences under Section 332 of the Internal Revenue Code of 1986 and other applicable provisions described in said Letter Ruling.

Section 2

The liquidation of Security National Life of Louisiana and transfer of its business to Security National Life shall be accomplished as follows:

(1) Prior to December 31, 2009, but after the date of adoption of this Agreement, Security National Life shall exercise its right of recapture pursuant to Article II, Section 3 of the Reinsurance Agreement dated November 30, 2008, between Security National Life and Capital Reserve to recapture all of the policies and risks reinsured under that Reinsurance Agreement and, as a result, Security National Life will become primarily liable for the liabilities on the insurance contracts and annuities originally issued by Capital Reserve to its policyholders. The assets transferred to Security National Life pursuant to such right of recapture shall have a fair market value equal to the assumed liabilities.

(2) Simultaneously with the transfer of assets and liabilities made pursuant to the recapture in paragraph (1) above, all of the other assets of Capital Reserve not transferred in such recapture, as they exist at that time (except for Capital Reserve's corporate charter, insurance licenses, and the minimum capital, if any, including cash and investments necessary to preserve its corporate existence ("Retained Assets")), shall be distributed by Capital Reserve to Security National Life, and Security National Life shall assume all of the liabilities of every kind and description of Capital Reserve existing at that time. Security National Life has no plan or intention to dispose of such assets. The fair market value of Capital Reserve's assets transferred to Security National Life pursuant to the recapture will equal its liabilities (including any amounts owed to Security National Life) immediately prior to the Final Liquidating Distribution, as defined below. After this distribution, Security National Life will continue to own all of the stock of Capital Reserve, and Capital Reserve will be a corporate shell holding only the Retained Assets.

(3) The simultaneous distributions described in paragraphs (1) and (2) above of this Section 2 will constitute the "First Liquidating Distribution." Within twelve months of the First Liquidating Distribution, Security National Life will either (i) sell the Capital Reserve stock to an unrelated business entity, or (ii) distribute the remaining assets to Security National Life in complete liquidation of Capital Reserve, which will constitute the "Second Liquidating Distribution." After such distribution, Capital Reserve will cease to exist.

(4) Security National Life will file the statement described in Treasury Regulations, Section 332-6(b) and, if applicable, both Security National Life and Capital Reserve will file the statement described in Treasury Regulations, Section 381(b)-1(b)(3).

(5) In implementing this Agreement, Security National Life and Capital Reserve shall each be responsible to comply with all regulatory requirements applicable to it.

Section 3

Capital Reserve will make all deeds, conveyances, assignments, bills of sale or assurances as are necessary or desirable to vest in Security National Life the title to any property or rights of Capital Reserve or to evidence such vesting, and will do all things as may be necessary, proper or appropriate to accomplish same. It is agreed and intended by the parties that all such deeds, conveyances, assignments, bills of sale and assurances will be executed and delivered as part of the liquidating distributions described in Section 2.

Section 4

This Agreement shall be signed on behalf of each party hereto by its President. Each party to this Agreement agrees to comply with laws applicable to it in connection with this Agreement.

EXHIBIT 10.2

ASSUMPTION REINSURANCE AGREEMENT

Effective as of December 31, 2009

between

SECURITY NATIONAL LIFE INSURANCE COMPANY OF LOUISIANA

and

SECURITY NATIONAL LIFE INSURANCE COMPANY

ASSUMPTION REINSURANCE AGREEMENT

THIS ASSUMPTION REINSURANCE AGREEMENT (hereinafter referred to as the "Assumption Reinsurance Agreement" or the "Agreement") is made and entered into this 31st day of December, 2009 (the "Assumption Effective Date"), by and between SECURITY NATIONAL LIFE INSURANCE COMPANY OF LOUISIANA, a Louisiana domiciled insurance company (hereinafter referred to as the "Company") and SECURITY NATIONAL LIFE INSURANCE COMPANY, a Utah domiciled insurance company (hereinafter referred to as the "Reinsurer").

WHEREAS, the Company is the issuer of certain insurance Policies, and

WHEREAS, the Company will cede its risks under the Policies to the Reinsurer on an assumption reinsurance basis; and

WHEREAS, from time to time following the effective date hereof, and upon receipt of all necessary consents and approvals, the Reinsurer will assume the Policies pursuant to the terms of this Assumption Reinsurance Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and in reliance upon the representations, warranties, conditions and covenants contained herein, and intending to be legally bound hereby, the Company and the Reinsurer hereby agree as follows:

ARTICLE I

DEFINITION OF TERMS

It is intended that capitalized terms should have the following meanings when used in this Assumption Reinsurance Agreement:

1.1. Assumed Policy or Policies. Each and all Policies that have been reinsured and assumed by the Reinsurer pursuant to the terms of this Assumption Reinsurance Agreement between the Reinsurer and the Company.

1.2. Assumption Reinsurance Agreement. This Assumption Reinsurance Agreement to be entered into between the Company and the Reinsurer.

1.3. Assumption Certificate. The certificate to be issued by the Reinsurer to the Policyholder of any Assumed Policy under the provisions of this Assumption Reinsurance Agreement.

1.4. Assumption Effective Date. The date upon which any of the Policies are to be assumed by the Reinsurer under the provisions of this Assumption Reinsurance Agreement.

1.5. Books and Records. All original files and records, in whatever form, in the possession or under the control of the Company related to the Policies and useful or necessary in their underwriting, reserving, or administration, including, but not limited to, policy files, claims files and underwriting files, policy form files (including all files relating to the filing and approval of policy forms, applications and riders with insurance regulatory authorities); rate filings and actuarial data developed or utilized by the Company or on its behalf in support of premium rates charged under the Policies; and premium tax records and reports for the Policies now in the hands of the Company.

1.6. Closing Date. The date upon which the Closing shall take place, which shall be December 31, 2009, or such other date and time as the parties may mutually agree in writing.

1.7. Extracontractual Liabilities. Any claim or liability under, in connection with or with respect to the Policies for bad faith, punitive, exemplary or other extra-contractual damages that are based upon, relate to or arise out of any act, error or omission of a party, or any of such party's officers, directors, agents or employees, whether intentional or otherwise.

1.8. Loss. All costs and expenses (including interest, penalties, reasonable attorneys', accountants' and actuaries' fees, and any other costs and expenses incident to any suit, action or proceeding), damages, charges, deficiencies, liabilities, obligations, claims and judgments sustained or incurred by, or asserted against, a party entitled to indemnity hereunder.

1.9. Novation. The substitution of the Reinsurer for the Company under an Assumed Policy with the result that the Reinsurer becomes directly liable to the Policyholder as of the Assumption Effective Date and the Company's liability to the Policyholder under such Assumed Policy is extinguished.

1.10. Policyholder. Any individual or entity who is the owner of a Policy or who has the right to terminate or lapse the Policy, effect changes of beneficiary, coverage limits, add or terminate persons covered under such Policy or direct any other policy changes in such Policy.

1.11. Policy or Policies. Each or all of those insurance policies issued by the Company that are (a) identified by policy number and policyholder name on the Policy Schedule referred to in Schedule A attached hereto and incorporated herein, as may be revised from time to time by mutual agreement of the parties, and (b) in force and effect as of the Closing Date.

1.12. Required Assumption Approvals. The approvals of, or pre-closing notice filings with, any insurance regulatory authorities that may be required in connection with the reinsurance of any of the Policies by the Reinsurer on an assumption reinsurance basis, including the approval of the Assumption Certificate to be issued by the Reinsurer to the Policyholders of any Assumed Policy.

ARTICLE II

BASIS OF REINSURANCE

2.1. Assumption Reinsurance. From time to time after the date of this Assumption Reinsurance Agreement, as Required Assumption Approvals are received, the Company hereby cedes to the Reinsurer and the Reinsurer hereby assumes, by means of assumption reinsurance, all of the contractual rights, obligations, liabilities and risks of the Company under or with respect to each Policy. The parties intend to accomplish, where permitted, as soon as practicable with respect to each jurisdiction in which the Policies have been issued, transfers of the Company's contractual rights, obligations, liabilities and risks with respect to such Policies, with the result that the Reinsurer, as transferee, in all respects and conditions, shall succeed the Company as the insurer under the terms and provisions of each of such Policies, as though the Reinsurer had originally issued them, and to transfer to the Reinsurer, as administrator, full and complete responsibility for servicing and administering such Policies in accordance with the terms and conditions of this Assumption Reinsurance Agreement and the Policies. No additional monetary consideration shall be due from the Reinsurer to the Company or from the Company to the Reinsurer upon the assumption of any Policies, and no additional reserves shall be transferred by the Company to the Reinsure in connection therewith.

2.2. Conditions of Reinsurance: Regulatory Approvals. Consummation of the reinsurance contemplated by this Assumption Reinsurance Agreement with respect to any Policy is subject to and contingent upon receipt by the Reinsurer of all Required Assumption Approvals with respect to each Policy. The Reinsurer shall be responsible for obtaining all Required Assumption Approvals. Each party shall use its best efforts to assist the other party in obtaining the Required Assumption Approvals.

2.3. Effect of Reinsurance. The reinsurance effected by this Assumption Reinsurance Agreement shall create a Novation under all of the Assumed Policies in accordance with each of the terms and conditions thereof, and subject to all rights, privileges, defenses, offsets, cross-actions and counterclaims to which the Company would have been entitled had it continued to act as the insurer thereunder. It is expressly understood and agreed by the parties to this Assumption Reinsurance Agreement that no such rights, privileges, defenses, offsets, cross-actions or counterclaims are waived by the execution of this Assumption Reinsurance Agreement or the consummation of the transactions contemplated herein, and that the Reinsurer shall be fully subrogated to all such rights, privileges, defenses, offsets, cross-actions and counterclaims. On the applicable Assumption Effective Date, the Reinsurer shall be the successor of the Company with respect to the Assumed Policy, and such Assumed Policy shall be the direct obligation of the Reinsurer, and the Company shall have no further rights or liability thereunder. The Policyholder and any persons insured under the Assumed Policy shall thereafter disregard the Company as a party to the Assumed Policy and treat the Reinsurer as if it had been originally obligated under the Assumed Policy. On and after the applicable Assumption Effective Date, the Policyholder and the insured or beneficiary under any Assumed Policy shall have the right to file claims for benefits under the Assumed Policy directly with the Reinsurer, and shall have a direct right of action against the Reinsurer therefor. Any payments for benefits made under any Assumed Policy by the Company prior to the applicable Assumption Effective Date shall be deemed to have been made by the Reinsurer for purposes of determining any maximum benefits payable under any of the Assumed Policies.

ARTICLE III

UNDERTAKINGS OF REINSURER

3.1. Policy Administration. On and after the applicable Assumption Effective Date, the Reinsurer shall assume all responsibility for servicing and administration of the Assumed Policies, including without limitation, the payment of all allowable claims for benefits under the Assumed Policies in accordance with the contractual terms and provisions of the Assumed Policies and the investigation, adjustment, appraisal, defense or settlement thereof, at the Reinsurer's sole cost and expense; billing and collection of premiums under the Assumed Policies; preparation of policy changes, endorsements, and such other administrative services as the Reinsurer, in its sole discretion, deems necessary, appropriate, or lawful in connection with the Assumed Policies, as though such Assumed Policies were originally issued as direct insurance obligations of the Reinsurer.

3.2. Premium Payments: Negotiation of Checks. Upon and after the applicable Assumption Effective Date, all premium payments under the Assumed Policies shall be the sole property of the Reinsurer. The Reinsurer shall be authorized to endorse for payment all checks, drafts, and money orders payable to the Company with respect to premiums payable on the Assumed Policies. Effective as of the applicable Assumption Effective Date, the Company hereby assigns all of its rights and privileges, to the extent permitted by law, to draft or debit the accounts of any Policyholders for premiums due under the Assumed Policies pursuant to existing pre-authorized bank draft or electronic fund transfer arrangements between the Company and such Policyholders.

3.3. Assumption Certificates. As promptly as possible after the receipt of any Required Assumption Approvals, the Reinsurer shall issue to each of the Policyholders of the Assumed Policies an Assumption Certificate, and provide satisfactory evidence thereof to the Company. The Assumption Certificate shall be effective on the applicable Assumption Effective Date, and shall be mailed to each Policyholder's last known address of record furnished to the Reinsurer by the Company.

3.4. Premium Taxes. The Reinsurer shall be and shall remain liable for payment of premium taxes and state guaranty fund assessments on premiums received under the Assumed Policies on and after the applicable Assumption Effective Date.

3.5. Forwarding Checks and Correspondence. On and after the applicable Assumption Effective Date, all notices, claims and correspondence received by the Company pertaining to the Assumed Policies, including applications for reinstatements of lapsed policies, will be forwarded promptly by the Company to the Reinsurer. All checks, drafts or money orders held or received by the Company for premiums due under the Assumed Policies shall be properly endorsed to the Reinsurer and forwarded promptly to the Reinsurer by the Company.

ARTICLE IV

INDEMNIFICATION

4.1. Reinsured Claims. All claims under the Assumed Policies on and after the applicable Assumption Effective Date shall be the responsibility of the Reinsurer, and the Reinsurer shall indemnify and hold the Company harmless from and against all such claims, including the Company's costs in connection therewith.

4.2. Extracontractual Liabilities. The Reinsurer assumes no liability of any kind hereunder for any Extracontractual Liabilities that the Company may have incurred or may incur by reason of any actions, inactions or misconduct of the Company in connection with such Assumed Policies occurring prior to the Closing Date.

4.3. Cooperation. Each party agrees that it will cooperate fully with the other party in the satisfactory settlement of any and all claims, insofar as possible.

4.4. Indemnification. From and after the applicable Assumption Effective Date, the Reinsurer shall reimburse the Company for, and shall indemnify and hold the Company harmless and defend the Company from and against any and all Loss sustained or incurred by, or asserted against, the Company (a) with respect to the payment of amounts due under or in connection with any of the Assumed Policies, whether incurred on or before the Assumption Effective Date; (b) which arise out of (i) any breach or nonfulfillment by the Reinsurer of, or any failure by the Reinsurer to perform, any of the covenants, terms or conditions of or any of its duties or obligations under this Agreement; or, (ii) any action or inaction of the Reinsurer under or with respect to any of the Assumed Policies (including, without limitation, any Extracontractual Liabilities that the Company may have incurred or may incur by reason of any actions, inactions or misconduct of the Reinsurer in connection with such Assumed Policies occurring on or after the Assumption Effective Date); or (c) with respect to any enforcement of this indemnity.

ARTICLE V

MISCELLANEOUS PROVISIONS

5.1. Notices. Any and all notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given when (a) received by the receiving party if mailed via United States registered or certified mail, return receipt requested, or mailed by United States overnight express mail, (b) sent by facsimile or telecopy machine or email, followed by confirmation mailed by United States first-class mail or overnight express mail, or (c) delivered in person or by commercial courier to the parties, provided written acknowledgment of receipt is obtained, in each case at the address or addresses as follows:

If to the Company:

Security National Life Insurance Company of Louisiana
5300 South 360 West, Suite 200
Salt Lake City, Utah 84123
Attn: Stephen M. Sill, Vice President, Treasurer
and Chief Financial Officer

If to the Reinsurer:

Security National Life Insurance Company
5300 South 360 West, Suite 200
Salt Lake City, Utah 84123
Attn: Stephen M. Sill, Vice President, Treasurer
and Chief Financial Officer

5.2. Entire Agreement. This Agreement constitutes the sole and entire agreement between the parties hereto with respect to the subject matter hereof, and supersede all prior discussions and agreements between the parties with respect to the subject matter hereof, which are merged with and into this Agreement.

5.3. Assignment. This Agreement shall not be assigned by either of the parties hereto without the prior written approval of the other party.

5.4. Confidentiality. Each of the parties shall maintain the confidentiality of all information related to the Policies and all other information denominated as confidential by the other party provided to it in connection with this Agreement and shall not disclose such information to any third parties without prior written consent of the other party, except as may be required by regulatory authorities, or pursuant to legal process.

5.5. Misunderstandings and Oversights. If any failure to pay amounts due or to perform any other act required of either party by this Agreement is shown to be unintentional and caused by misunderstanding, oversight or clerical error, then this Agreement shall not be deemed in breach thereby, but such error shall be corrected by restoring both parties to the positions they would have occupied had error not occurred.

5.6. Waivers and Amendments. Any term or condition of this Assumption Reinsurance Agreement may be waived at any time by the party that is entitled to the benefit thereof. Such waiver must be in writing and must be executed by an executive officer of such party. A waiver on one occasion will not be deemed to be a waiver of the same or any other term or condition on a future occasion. This Agreement may be modified or amended only by a writing duly executed by an executive officer of the Company and the Reinsurer, respectively.

5.7. Third Party Beneficiaries. This Agreement is for the sole and exclusive benefit of the parties and their successors and permitted assigns and, to the extent expressly set forth in this Agreement, those Policyholders, insureds and beneficiaries who are insured under Assumed Policies.

5.8. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Utah, without regard to its conflicts of law doctrine.

5.9. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which shall constitute one and the same instrument.

5.10. Headings. The headings in this Agreement have been inserted for convenience and do not constitute matter to be construed or interpreted in connection with this Agreement.

5.11. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law or if determined by a court of competent jurisdiction to be unenforceable, and if the rights or obligations of the Company or the Reinsurer under this Agreement will not be materially and adversely affected thereby, such provision shall be fully severable, and this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

SECURITY NATIONAL LIFE INSURANCE
COMPANY OF LOUISIANA

By: /s/ Scott M. Quist
Scott M. Quist, President

SECURITY NATIONAL LIFE INSURANCE
COMPANY

By: /s/ Scott M. Quist
Scott M. Quist, President

SAMPLE

SECURITY NATIONAL LIFE INSURANCE COMPANY
5300 South 360 West, Suite 200
Salt Lake City, Utah 84123

Policy No.
John Doe
123 Main Street
City, State, Zip

CERTIFICATE OF ASSUMPTION

This is to certify that pursuant to the terms of an Assumption Reinsurance Agreement, Security National Life Insurance Company, a Utah domiciled life insurance company, with its home office at 5300 South 360 West, Suite 200, Salt Lake City, Utah 84123, has reinsured and assumed all of the contractual liabilities of Security National Life Insurance Company of Louisiana, a Louisiana domiciled insurance company, under this Policy on the same terms and conditions as set forth in this Policy; subject to any available defenses and offsets, and subject to the terms and conditions set forth in the Assumption Reinsurance Agreement and this Assumption Certificate, which will become a part of the Policy.

From and after the date hereof, you should submit all claims under this Policy, whenever incurred, and all premiums due under this Policy, to the following address:

SECURITY NATIONAL LIFE INSURANCE COMPANY
5300 South 360 West, Suite 200
Salt Lake City, Utah 84123
Phone: 801-264-1060
Toll Free: 1-800-574-7117

IN WITNESS WHEREOF, Security National Life Insurance Company has caused this Certificate to be executed at its administrative office in Salt Lake City, Utah, by its President as of the ____ day of December, 2009, its effective date.

_____, Secretary

_____, President

EXHIBIT 10.3

ASSIGNMENT

THIS ASSIGNMENT (this "Assignment") is made and entered into effective this 31st day of December, 2009, by and between SECURITY NATIONAL LIFE INSURANCE COMPANY OF LOUISIANA, a Louisiana domiciled insurance company ("Security National Life of Louisiana"), and SECURITY NATIONAL LIFE INSURANCE COMPANY, a Utah domiciled insurance company ("Security National Life") (collectively, the "Parties").

WITNESSETH:

WHEREAS, on September 18, 2009, Security National Life of Louisiana and Security National Life entered into an Agreement and Plan of Complete Liquidation (the "Agreement"), pursuant to which Security National Life of Louisiana is to be liquidated into Security National Life in essentially the same manner as the liquidation described in the Internal Revenue Service Private Letter Ruling 9847027 in order to achieve the same tax treatment and consequences under Section 332 of the Internal Revenue Code of 1986, as amended, and other applicable provisions described in said Letter Ruling; and

WHEREAS, in order to complete the liquidation of Security National Life of Louisiana and the transfer of its business to Security National Life under the terms of the Agreement, Security National Life and Security National Life of Louisiana entered into a Reinsurance Agreement (the "Reinsurance Agreement") dated December 31, 2009, in which Security National Life became primarily liable for the liabilities of Security National Life of Louisiana on insurance contracts and annuities issued by Security National Life of Louisiana to its policyholders, and Security National Life of Louisiana transferred assets to Security National Life having a fair market value equal to or greater than the assumed liabilities; and

WHEREAS, Security National Life of Louisiana and Security National Life desire to enter into an assignment in which Security National Life of Louisiana would assign and transfer to Security National Life all of its assets and liabilities, except for the assets and liabilities transferred pursuant to the Reinsurance Agreement;

NOW, THEREFORE, in consideration of the mutual promises, agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Except for the assets transferred by Security National Life of Louisiana to Security National Life pursuant to the Reinsurance Agreement, Security National Life of Louisiana hereby assigns, transfers and conveys to Security National Life, as of the date of this Assignment, all of Security National Life of Louisiana's rights, title and interest in and to all of its assets of every kind and nature whatsoever, including without limitation, the following: (i) cash reserved for the payment of certain liabilities and obligations of Security National Life of Louisiana, including advanced premiums, suspense items on insurance policies, and escheate obligations; (ii) furniture and equipment, including computer hardware and software; (iii) prepaid deposits; (iv) accrued investment income; (v) reinsurance and other receivables; (vi) agent balances; (vii) business and other operational licenses; (viii) maintenance agreements; (ix) rights to transact business in the name of Security National Life Insurance Company of Louisiana; (x) accounting and other records; (xi) leases and contract rights; (xii) insurance policies; and (xiii) any and all other real and personal property.

EXHIBIT 10.4

**AGREEMENT AND PLAN OF COMPLETE LIQUIDATION OF
CAPITAL RESERVE LIFE INSURANCE COMPANY
INTO SECURITY NATIONAL LIFE INSURANCE COMPANY**

THIS AGREEMENT AND PLAN OF COMPLETE LIQUIDATION (this "Agreement") is made and entered into effective this 4th day of December, 2009, by and between CAPITAL RESERVE LIFE INSURANCE COMPANY, a Missouri domiciled insurance company ("Capital Reserve"), and SECURITY NATIONAL LIFE INSURANCE COMPANY, a Utah domiciled life insurance company ("Security National Life").

WITNESSETH:

WHEREAS, on December 20, 2007, Security National Life completed the purchase of all of the outstanding shares of Capital Reserve and, as a result, Capital Reserve became a wholly owned subsidiary of Security National Life;

WHEREAS, both corporations are involved in the same line of business, and it has been determined by the Boards of Directors of both Capital Reserve and Security National Life that it will be more efficient and profitable to have Capital Reserve liquidated into Security National Life;

WHEREAS, the Boards of Directors of both Capital Reserve and Security National Life do for said reasons and for the general welfare of said corporations and their respective stockholders, deem it advisable that Capital Reserve be liquidated into Security National Life; and

WHEREAS, this Agreement has been approved and authorized by resolutions adopted by the sole shareholder of Capital Reserve and the directors of each party.

NOW THEREFORE, in consideration of the premises and for the purposes of setting forth and prescribing the terms and conditions of such complete liquidation and the manner of carrying the same into effect, the parties hereto do hereby adopt the following plan of complete liquidation and agree as follows:

AGREEMENT

Section 1

It is intended that Capital Reserve be liquidated into Security National Life in essentially the same manner as the liquidation described in Private Letter Ruling 9847027 in order to achieve the same tax treatment and consequences under Section 332 of the Internal Revenue Code of 1986 and other applicable provisions described in said Letter Ruling.

Section 2

The liquidation of Capital Reserve and transfer of its business and operations to Security National Life shall be accomplished as follows:

(1) Prior to December 31, 2009, but after the date of adoption of this Agreement, Security National Life shall exercise its right of recapture pursuant to Article II, Section 3 of the Reinsurance Agreement dated November 30, 2008, between Security National Life and Capital Reserve to recapture all of the policies and risks reinsured under that Reinsurance Agreement and, as a result, Security National Life will become primarily liable for the liabilities on the insurance contracts and annuities originally issued by Capital Reserve to its policyholders. The assets transferred to Security National Life pursuant to such right of recapture shall have a fair market value equal to the assumed liabilities.

(2) Simultaneously with the transfer of assets and liabilities made pursuant to the recapture in paragraph (1) above, all of the other assets of Capital Reserve not transferred in such recapture, as they exist at that time (except for Capital Reserve's corporate charter, insurance licenses, and the minimum capital, if any, including cash and investments necessary to preserve its corporate existence ("Retained Assets")), shall be distributed by Capital Reserve to Security National Life, and Security National Life shall assume all of the liabilities of every kind and description of Capital Reserve existing at that time. Security National Life has no plan or intention to dispose of such assets. The fair market value of Capital Reserve's assets transferred to Security National Life pursuant to the recapture will equal its liabilities (including any amounts owed to Security National Life) immediately prior to the Final Liquidating Distribution, as defined below. After this distribution, Security National Life will continue to own all of the stock of Capital Reserve, and Capital Reserve will be a corporate shell holding only the Retained Assets.

(3) The simultaneous distributions described in paragraphs (1) and (2) above of this Section 2 will constitute the "First Liquidating Distribution." Within twelve months of the First Liquidating Distribution, Security National Life will either (i) sell the Capital Reserve stock to an unrelated business entity, or (ii) distribute the remaining assets to Security National Life in complete liquidation of Capital Reserve, which will constitute the "Second Liquidating Distribution." After such distribution, Capital Reserve will cease to exist.

(4) Security National Life will file the statement described in Treasury Regulations, Section 332-6(b) and, if applicable, both Security National Life and Capital Reserve will file the statement described in Treasury Regulations, Section 381(b)-1(b)(3).

(5) In implementing this Agreement, Security National Life and Capital Reserve shall each be responsible to comply with all regulatory requirements applicable to it.

Section 3

Capital Reserve will make all deeds, conveyances, assignments, bills of sale or assurances as are necessary or desirable to vest in Security National Life the title to any property or rights of Capital Reserve or to evidence such vesting, and will do all things as may be necessary, proper or appropriate to accomplish same. It is agreed and intended by the parties that all such deeds, conveyances, assignments, bills of sale and assurances will be executed and delivered as part of the liquidating distributions described in Section 2.

Section 4

This Agreement shall be signed on behalf of each party hereto by its President. Each party to this Agreement agrees to comply with laws applicable to it in connection with this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CAPITAL RESERVE LIFE INSURANCE COMPANY,
a Missouri corporation

Attest:

By: /s/ Scott M. Quist
Scott M. Quist, President

/s/ Jeffrey R. Stephens
Jeffrey R. Stephens, Secretary

SECURITY NATIONAL LIFE INSURANCE COMPANY,
a Utah corporation

Attest:

By: /s/ Scott M. Quist
Scott M. Quist, President

/s/ Jeffrey R. Stephens
Jeffrey R. Stephens, Secretary

EXHIBIT 10.5

ASSIGNMENT

THIS ASSIGNMENT (this "Assignment") is made and entered into effective the 31st day of December, 2009, by and between CAPITAL RESERVE LIFE INSURANCE COMPANY, a Missouri domiciled insurance company ("Capital Reserve"), and SECURITY NATIONAL LIFE INSURANCE COMPANY, a Utah domiciled insurance company ("Security National") (collectively, the "Parties").

WITNESSETH:

WHEREAS, on December 4, 2009, Capital Reserve and Security National entered into an Agreement and Plan of Complete Liquidation of Capital Reserve Life Insurance Company into Security National Life Insurance Company (the "Agreement and Plan of Complete Liquidation"), pursuant to which Capital Reserve would be liquidated into Security National in essentially the same manner as the liquidation described in the Internal Revenue Service Private Letter Ruling 9847027 in order to achieve the same tax treatment and consequences under Section 332 of the Internal Revenue Code of 1986, as amended, and other applicable provisions described in said Letter Ruling; and

WHEREAS, on December 31, 2009, in order to complete the liquidation of Capital Reserve and the transfer of its business to Security National under the terms of the Agreement and Plan of Complete Liquidation, Security National exercised its right of recapture pursuant to Article II, Section 3 of the Reinsurance Agreement dated November 30, 2008, to recapture all the policies and risks under that Reinsurance Agreement and, as a result, Security National became primarily liable for the liabilities of Capital Reserve on the insurance contracts and annuities originally issued by Capital Reserve to its policyholders; of which the assets transferred to Security National pursuant to such right of recapture have a fair market value of \$4,955,000, which amount is equal to the amount of assumed liabilities; and

WHEREAS, Capital Reserve and Security National desire to enter into an assignment to transfer and distribute to Security National all of Capital Reserve's remaining assets, except that the assets to be transferred hereunder will not include certain retained assets (the "Retained Assets") described in Exhibit "A" attached hereto and incorporated herein, such Retained Assets to consist of Capital Reserve's corporate charter, insurance licenses, and capital and surplus, including cash and bonds, necessary to preserve Capital Reserve's corporate existence;

NOW, THEREFORE, in consideration of the mutual promises, agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Except for the Retained Assets only, Capital Reserve hereby assigns, transfers and conveys to Security National all of Capital Reserve's rights, title and interests in and to all of the following assets: (i) furniture and equipment, including computer hardware and software; (ii) leases and contract rights, including the license relating to the Rudd and Wisdom QL Admin policy administration system; (iii) the Mizell Funeral Home Note in the principal amount of \$46,175; and (iv) accounting and other records.
 2. This Assignment may be modified or amended only in writing duly executed by each of the Parties.
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3. This Assignment shall be governed and construed and enforced in accordance with the laws of the State of Utah (without regard to the principles of conflicts of law) applicable to a contract executed and performable in such state.

4. This Assignment is binding upon and will inure to the benefit of the Parties and their respective successors and permitted assigns.

5. Neither this Assignment nor any right or obligation herein or part hereof may be assigned by any party hereto with the prior written consent of the other party hereto (and any attempt to do so will be void).

6. This Assignment may be executed simultaneously in counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument.

IN WITNESS WHEREOF, each of the Parties hereto, intending to be legally bound hereby, has duly executed this Assignment as of the date first above written.

CAPITAL RESERVE LIFE INSURANCE COMPANY

By: /s/ Scott M. Quist
Its: President

SECURITY NATIONAL LIFE INSURANCE COMPANY

By: /s/ Scott M. Quist
Its: President

Corporate Charter:

State of Missouri

Insurance Licenses:

States of Iowa, Kansas and Missouri

Capital and Surplus:

Cash:

Key Bank	\$	1,038,000
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Total

Bonds:

U.S. Treasury ^{*/}	\$	<u>650,000</u>
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Total Assets	\$	1,688,000
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Total Capital and Surplus	\$	1,688,000
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^{*/} On deposit with the Missouri Department of Insurance
