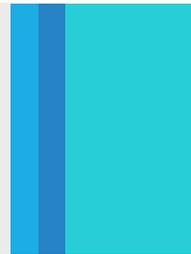


## Sherow Management, LLC

### Eric Smallowitz

30 Broad Street, 14<sup>th</sup> FL  
New York, NY 10004  
(646) 480-4844



September 4, 2015

Mr. Robert Philip Bixby  
Chairman of the Board  
Kansas City Life Insurance Co.  
3520 Broadway  
Kansas City, MO 64111

Dear Mr Bixby,

I write to you on behalf of shareholders regarding Kansas City Life Co's proposed stock registration termination transaction, detailed in the proxy dated 8/4/2015. In my opinion, the proposed 'go-private' transaction is wholly unfair to minority shareholders, both those small holders being offered an inadequate price of \$52.50 per share & even more so to Institutional holders including Sherow Capital Partners, LP, represented in this letter by its General Partner. The Company's proposal would affect no positive change for holders of over 30% of outstanding stock but does in fact do significant harm to those holders. I believe the Board of Directors did not fulfill its Fiduciary duty to protect minority shareholders' interests in crafting this proposal. The Board should immediately rectify this by fulfilling its obligation to maximize value for all Shareholders by instructing its Financial Advisors to fully explore all avenues for value creation. I urge fellow shareholders to clearly reject this proposal & force the Board to represent all Shareholders evenly.

Specifically, the go-private transaction is flawed & the Board's actions inadequate in many respects. I believe it continues KCLI's pattern of management enrichment shareholders have witnessed over many years, represented by both the total compensation to Management & Directors & the Company's bloated expense structure plus excessive capital levels relative to its size seen. Management has been unable to drive its earnings or stock price higher despite its large discount to BV, resulting in this ill-conceived proposal which fails to create value on many accounts. First, the savings generated are insufficient to improve returns meaningfully. The benefit to Management in terms of time saved & a lessening of responsibilities by deregistering with the SEC is not matched with any material gain to stockholders. Second, remaining shareholders are left with no guarantee, nor any increased likelihood that the stock price now will trade closer to Management's own determined worth. The amount of shares to be bought in this transaction is small; on the contrary, KCLI's Board suspended its open market stock buyback with the announcement and has not detailed any capital return plan post the transaction's close. Capital return policy should the Board's primary concern yet details in this area from Management have been non-existent. In fact, the proxy details many risks to going private to remaining shareholders including further reduced liquidity & even less transparency from management. Third, the Board's duty is to all shareholders, not controlling family interest; any shareholder vote on going private should be a vote of only minority shareholders who stand to be left with a bulletin board listed stock issue. The vote is in fact a ridiculous exercise with a pre-determined outcome. Fourth, the Independent Committee of the Board by its own admission did not explore all avenues of value creation for Shareholders, instead remained beholden to ensuring the lack of change of control from the current majority holder. However, this transaction does in fact change the Company's capital structure in a meaningful way as well as its business operations going forward. The Company admits as much in the many risk factors detailed in the Proxy. Last, the price of \$52.50 is inadequate relative to comparative transactions the past 24 months and does not reflect an accurate market valuation. Not only should all shareholders be eligible for a buyout, but the price should accurately reflect marketplace realities. The valuation process from the Board's advisor was clearly flawed and designed to produce the minimum acceptable price.

While I do not doubt the Board & Management's dedication to KCLI, I believe the Board has made a poorly designed proposal & should change course on its own to benefit shareholder interests. I urge you to meet the Board's responsibility & examine all avenues of value creation.

Sincerely,

Eric Smallowitz  
Principal  
Sherow Management, LLC

