

**IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE  
TEXAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION  
(For insurers declared insolvent or impaired on or after September 1, 2005)**

Texas law establishes a system, administered by the Texas Life and Health Insurance Guaranty Association (the "Association"), to protect Texas policyholders if their life or health insurance company fails. Only the policyholders of insurance companies which are members of the Association are eligible for this protection which is subject to the terms, limitations, and conditions of the Association law. (The law is found in the Texas Insurance Code, Chapter 463.)

**It is possible that the Association may not cover your policy in full or in part due to statutory limitations.**

**Eligibility for Protection by the Association**

When a member insurance company is found to be insolvent and placed under an order of liquidation by a court or designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

- Residents of Texas at the time (**irrespective of the policyholder's residency at policy issue**)
- Residents of other states, **ONLY** if the following conditions are met:
  1. The policyholder has a policy with a company domiciled in Texas;
  2. The policyholder's state of residence has a similar guaranty association; and
  3. The policyholder is *not eligible* for coverage by the guaranty association of the policyholder's state of residence.

**Limits of Protection by the Association**

**Accident, Accident and Health, or Health Insurance:**

- For each individual covered under one or more policies: up to a total of \$500,000 for basic hospital, medical-surgical, and major medical insurance, \$300,000 for disability or long term care insurance, and \$200,000 for other types of health insurance.

**Life Insurance:**

- Net cash surrender value or net cash withdrawal value up to a total of \$100,000 under one or more policies on any one life; or
- Death benefits up to a total of \$300,000 under one or more policies on any one life; or
- Total benefits up to a total of \$5,000,000 to any owner of multiple non-group life policies.

**Individual Annuities:**

- Present value of benefits up to a total of \$250,000 under one or more contracts on any one life.

**Group Annuities:**

- Present value of allocated benefits up to a total of \$250,000 on any one life; or
- Present value of unallocated benefits up to a total of \$5,000,000 for one contractholder regardless of the number of contracts.

**Aggregate Limit:**

- \$300,000 on any one life with the exception of the \$500,000 health insurance limit, the \$5,000,000 multiple owner life insurance limit, and the \$5,000,000 unallocated group annuity limit.

**Insurance companies and agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance. When you are selecting an insurance company, you should not rely on Association coverage.**

Texas Life and Health Insurance Guaranty  
Association  
6504 Bridge Point Parkway, Suite 450  
Austin, Texas 78730  
800-982-6362 or [www.txlifega.org](http://www.txlifega.org)

Texas Department of Insurance  
P.O. Box 149104  
Austin, Texas 78714-9104  
800-252-3439 or [www.tdi.state.tx.us](http://www.tdi.state.tx.us)



## GROUP LIFE INSURANCE POLICY

**Sponsor:** Shiftkey, LLC

**Policy Number:** SA3-890-LF1647-01

**Effective Date:** January 1, 2025

**Governing Jurisdiction** is Texas and subject to the laws of that State.

**Premiums** are due and payable monthly on the first day of each month.

**Policy Anniversaries** shall occur each January 1st beginning in 2026.

The Lincoln National Life Insurance Company (hereinafter referred to as Lincoln) agrees to pay the benefits provided by this policy in accordance with its provisions.

**PLEASE READ THIS POLICY CAREFULLY FOR FULL DETAILS.**

This policy is a legal contract and is issued in consideration of the Application of the Sponsor, a copy of which is attached, and of the payment of premiums by the Sponsor.

For purposes of this policy, the Sponsor acts on its own behalf or as the Covered Employee's agent. Under no circumstances will the Sponsor be deemed the agent of Lincoln.

This policy is delivered in and governed by the laws of the governing jurisdiction and to the extent applicable by The Employee Retirement Income Security Act of 1974 (ERISA) and any subsequent amendments.

The following pages including any amendments, riders or endorsements are a part of this policy.

Signed at Lincoln's Home Office, 1301 S. Harrison Street, Fort Wayne, IN 46802-3425



SECRETARY



PRESIDENT

## NOTICE

Life insurance benefits will be reduced if an acceleration-of-life-insurance benefit is paid. Receipt of acceleration-of-life-insurance benefits may affect the Covered Employee or his family's eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. The Covered Employee is advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect him, his spouse and his family's eligibility for public assistance. In addition, the receipt of an Accelerated Death Benefit may or may not qualify for favorable tax treatment under the Internal Revenue Code of 1986. Whether such benefits qualify depends on factors such as the Covered Employee's life expectancy at the time benefits are accelerated or whether he uses the benefits to pay for necessary long-term care expenses, such as nursing home care. If the Accelerated Benefit qualifies for favorable tax treatment, the benefits will be excludable from his income and not subject to federal taxation. Tax laws relating to the Accelerated Benefit are complex. The Covered Employee is advised to consult with a qualified tax advisor about circumstances under which he could receive the Accelerated Benefit excludable from income under federal law.

**THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE SPONSOR DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY, AND IF THE SPONSOR IS A NON-SUBSCRIBER, THE SPONSOR LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKERS' COMPENSATION LAWS. THE SPONSOR MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.**

## **The Lincoln National Life Insurance Company Have a complaint or need help?**

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

### **The Lincoln National Life Insurance Company**

To get information or file a complaint with your insurance company:

**Toll-free: 1-877-275-5462**

Mail: 350 Church Street

Hartford, CT 06103-1106

Email: [lifecompliance@lfg.com](mailto:lifecompliance@lfg.com)

### **The Texas Department of Insurance**

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

Mail: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

## **¿Tiene una queja o necesita ayuda?**

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

### **The Lincoln National Life Insurance Company**

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

**Teléfono gratuito: 1-877-275-5462**

Dirección postal: 350 Church Street

Hartford, CT 06103-1106

Correo electrónico: [lifecompliance@lfg.com](mailto:lifecompliance@lfg.com)

### **El Departamento de Seguros de Texas**

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Correo electrónico: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

Dirección postal: Consumer Protection, MC: CO-CP, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030

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## SECTION 1 - SCHEDULE OF BENEFITS

### ELIGIBILITY REQUIREMENTS FOR INSURANCE BENEFITS

#### Minimum Hourly Requirement:

Employees working a minimum of 30 regularly scheduled hours per week

#### Classification of Covered Employees:

Class 1: All full-time Employees

**Note:** This policy does not cover the following Employees: Temporary and Seasonal Employees, and Employees who are not legal residents working in the United States.

#### Eligibility Waiting Period:

1. If the Covered Person is employed by the Sponsor on the policy effective date -  
None
2. If the Covered Person begins employment for the Sponsor after the policy effective date -  
None

#### Employee Contributions Required:

Employee Basic Life Insurance Benefits:	No
Employee Optional Life Insurance Benefits:	Yes
Employee Basic Accidental Death and Dismemberment Insurance Benefits:	No
Employee Optional Accidental Death and Dismemberment Insurance Benefits:	Yes
Dependent Optional Life Insurance Benefits:	Yes
Dependent Optional Accidental Death and Dismemberment Insurance Benefits:	Yes

## SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

### LIFE INSURANCE

#### Amount of Insurance:

##### Employee Basic Life Insurance:

An amount equal to 1 times Annual Earnings. If not a multiple of \$1,000.00, this amount will be rounded to the next higher multiple of \$1,000.00. This amount may not exceed \$250,000.00.

##### Employee Optional Life Insurance:

An amount in increments of \$10,000.00. This amount shall not exceed the lesser of 5 times Annual Earnings or \$500,000.00.

##### Dependent Optional Life Insurance:

### SPOUSE

#### Spouse or Domestic Partner:

An amount in increments of \$5,000.00. This amount may not exceed \$250,000.00.

### CHILD

#### Children (Age at Death):

##### Live Birth, but under 26 years

Live birth but under 14 days	\$500.00
15 days but under 26 years	\$10,000.00

**Note:** The amount of Dependent Spouse Optional Life Insurance may not exceed 50.00% of the amount of Employee Optional Life Insurance in force on the Covered Employee.

## SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

### ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

#### Full Amount of Insurance:

#### Employee Basic Accidental Death and Dismemberment Insurance:

An amount equal to the Employee Basic Life Insurance amount

#### Employee Optional Accidental Death and Dismemberment Insurance:

An amount equal to the Employee Optional Life Insurance amount

#### Dependent Optional Accidental Death and Dismemberment Insurance:

#### SPOUSE

Spouse or Domestic Partner:

An amount equal to the Dependent Optional Life Insurance amount

#### CHILD

Children (Age at Death):

Live Birth, but under 26 years

An amount equal to the Dependent Optional Life Insurance amount

**Note:** The amount of Dependent Spouse Accidental Death and Dismemberment Life Insurance may not exceed 50.00% of the amount of Employee Optional Accidental Death and Dismemberment Life Insurance in force on the Covered Employee.

## SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

### ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

#### Applicable to Basic Insurance:

##### Employee Seat Belt Benefit:

Maximum Benefit Amount: 10.00% of Full Amount up to \$15,000.00

#### Applicable to Optional Insurance:

##### Employee and Dependent Spouse or Domestic Partner Seat Belt Benefit:

Maximum Benefit Amount: 10.00% of Full Amount up to \$15,000.00

#### Applicable to Basic Insurance:

##### Employee Air Bag Benefit:

Maximum Benefit Amount: 10.00% of Full Amount up to \$10,000.00

#### Applicable to Optional Insurance:

##### Employee and Dependent Spouse or Domestic Partner Air Bag Benefit:

Maximum Benefit Amount: 10.00% of Full Amount up to \$10,000.00

##### Employee and Dependent Spouse or Domestic Partner Disappearance Benefit:

Maximum Benefit Amount: Full Amount up to \$500,000.00

##### Employee and Dependent Spouse or Domestic Partner Child Education Benefit:

Maximum Annual Benefit (Per Dependent child): \$5,000.00

Maximum Lifetime Family Benefit Amount: \$50,000.00

Dependent Children Maximum Age: 26 years

##### Employee and Dependent Spouse or Domestic Partner Child Care Benefit:

Maximum Annual Benefit (Per Dependent child): \$2,500.00

Maximum Lifetime Family Benefit Amount: \$25,000.00

##### Spouse or Domestic Partner Training Benefit:

Maximum Benefit Amount: \$3,000.00

##### Employee and Dependent Spouse or Domestic Partner Coma Benefit:

Maximum Benefit Amount: 10.00% of Full Amount up to \$10,000.00

**Reduction Formula:**

The amount of Life and Accidental Death and Dismemberment Insurance applicable to the Covered Person's class of benefits will reduce at age 65 or older as follows:

ages 65 - 69:	to 65%
ages 70 & up:	to 50%

Note: Reduced amounts shall take effect on the January 1st, immediately prior to the date the Covered Employee reaches the applicable age. The reduction formula is applicable to Covered Dependent spouses, but is based on the Spouse's age.

## SECTION 1 - SCHEDULE OF BENEFITS

(Continued)

### Evidence of Insurability Requirements

#### Non-Medical Maximum:

Employee Optional Life Insurance Benefits: \$150,000.00

Dependent Spouse or Domestic Partner  
Optional Life Insurance Benefits: \$50,000.00

#### Annual Enrollment:

Employee Optional Life Insurance Benefits: Any increases of more than two levels above the current benefit level will be subject to Evidence of Insurability.

Any increases elected during Annual Enrollment will be subject to Evidence of Insurability if an Employee has previously been denied coverage. The Non-Medical Maximum will apply to any changes made during the Annual Enrollment Period.

Dependent Spouse or Domestic Partner Optional Life Insurance: Any increases of more than two levels above the current benefit level will be subject to Evidence of Insurability.

## SECTION 2 - DEFINITIONS

In this section Lincoln defines some basic terms needed to understand this policy. The male pronoun whenever used in this policy includes the female.

**"Active Employment"** means the Employee must be actively at work for the Sponsor:

1. on a full-time basis and paid regular earnings;
2. for at least the minimum number of hours shown in the Schedule of Benefits; and either perform such work:
  - a. at the Sponsor's usual place of business; or
  - b. at a location to which the Sponsor's business requires the Employee to travel.

An Employee will be considered actively at work if he was actually at work on the day immediately preceding:

1. a weekend (except where one or both of these days are scheduled work days);
2. holidays (except when the holiday is a scheduled work day);
3. paid vacations;
4. any non-scheduled work day;
5. an excused leave of absence (except medical leave for the Covered Person's own disabling condition and lay-off); and
6. an emergency leave of absence (except emergency medical leave for the Covered Person's own disabling condition).

**"Administrative Office"** means The Lincoln National Life Insurance Company, 100 Liberty Way, Suite 100, Dover, NH 03820-4695.

**"Annual Earnings"** means the Covered Person's annual rate of earnings from the Sponsor. However, such earnings will not include bonuses, overtime pay and extra compensation other than commissions. Commissions will be averaged over the lesser of (a) the 12 month period prior to the date of loss; or (b) the period of employment.

**"Annual Enrollment Period"** or **"Enrollment Period"** means the period before each policy anniversary so designated by the Sponsor and Lincoln during which an Employee may enroll for coverage under this policy.

## SECTION 2 - DEFINITIONS

(Continued)

"**Application**" is the document designated in Section 9; it is attached to and is made a part of this policy.

"**Confined**" means confinement in a hospital, skilled nursing facility or rehabilitation facility.

"**Covered Dependent**" means a Dependent whose coverage is in effect. It does not include a Dependent whose coverage has ended.

"**Covered Employee**" means a person in Active Employment insured under this policy.

"**Covered Person**" means an Employee in Active Employment or a Dependent insured under this policy.

"**Dependent**" means:

1. a Covered Employee's lawful spouse or Domestic Partner; and
2. a Covered Employee's or Domestic Partner's children and grandchildren, who meet the age requirements shown in the Schedule of Benefits.

Children include the Covered Employee's own natural offspring, and lawfully adopted children. A child will be considered adopted on the date of placement in the Covered Employee's home.

Applicable to Optional Employee Accidental Death and Dismemberment Insurance:

They also include stepchildren, grandchildren including an eligible child's child, foster children or other children.

Applicable to Optional Dependent Life Insurance:

They also include stepchildren, grandchildren including an eligible child's child, foster children or other children.

Applicable to Optional Dependent Accidental Death and Dismemberment Insurance:

They also include stepchildren, grandchildren including an eligible child's child, foster children or other children.

They also include children who, on and after the date on which insurance would otherwise end because of the children's age, are Continuously Disabled.

With respect to this provision, "**Continuously Disabled**" means a child who is incapable of self-sustaining employment because of mental or physical disabilities and is chiefly dependent on the Covered Employee for support and maintenance, or institutionalized because of mental or physical disabilities.

Dependent does not include a person who is an eligible Employee or a member of the armed forces.

## SECTION 2 - DEFINITIONS

(Continued)

**"Domestic Partner"** means an unmarried person of the same or opposite sex with whom the Covered Employee shares a committed relationship, is jointly responsible for the other's welfare and financial obligations, at least 18 years of age and mentally competent to consent to a contract, not related by blood to a degree that could prohibit legal marriage in the state where legally residing, maintains the same residence(s) and is not married to or legally separated from anyone else. A Domestic Partner certification must be completed and filed with the Sponsor before the partner can be designated as a Dependent.

**"Eligibility Date"** means the date an Employee becomes eligible for insurance under this policy. Eligibility Requirements are shown in the Schedule of Benefits.

**"Eligibility Waiting Period"** means the continuous length of time an Employee must be in Active Employment in an eligible class to reach his Eligibility Date.

**"Employee"** means a person in Active Employment with the Sponsor.

**"Enrollment Form"** is the document completed by the Covered Employee, if required, when enrolling for coverage. This form must be satisfactory to Lincoln.

**"Evidence of Insurability"** means a statement of proof of the Covered Person's medical history upon which acceptance for insurance will be determined by Lincoln.

## SECTION 2 - DEFINITIONS

(Continued)

**"Family and Medical Leave"** means a leave of absence for the birth, adoption or foster care of a child, or for the care of the Covered Employee's child, spouse or parent or for the Covered Employee's own serious health condition as those terms are defined by the Federal Family and Medical Leave Act of 1993 (FMLA) and any amendments, or by applicable state law.

**"Family Status Change"** means any one of the following events that may occur:

1. the Employee's marriage or divorce;
2. the Employee's filing or rescinding of a Domestic Partner certification;
3. the birth of a child to the Employee;
4. the adoption of a child by the Employee;
5. the death of the Employee's spouse or Domestic Partner or child;
6. the commencement or termination of employment of the Employee's spouse or Domestic Partner;
7. the change from part-time employment to full-time employment by the Employee or the Employee's spouse or Domestic Partner;
8. the change from full-time employment to part-time employment by the Employee or the Employee's spouse or Domestic Partner;
9. the taking of unpaid leave of absence by the Employee or the Employee's spouse or Domestic Partner.

## SECTION 2 - DEFINITIONS

(Continued)

**"Initial Enrollment Period"** means one of the following periods during which an Employee may first enroll for coverage under this policy:

1. if the Employee is eligible for insurance on the policy effective date, a period before the policy effective date set by the Sponsor and Lincoln.
2. if the Employee becomes eligible for insurance after the policy effective date, the period which ends 31 days after his Eligibility Date.

**"Injury"** means bodily impairment resulting directly from an accident and independently of all other causes.

**"Non-Medical Maximum"** means an amount of insurance on a Covered Person which is not subject to Evidence of Insurability. The Non-Medical Maximum amounts are shown in the Schedule of Benefits. Any amounts of insurance in excess of the Non-Medical Maximums are subject to Evidence of Insurability. Evidence of Insurability will be at the Covered Employee's expense.

**"Physician"** means a person who:

1. is licensed to practice medicine and is practicing within the terms of his license; or
2. is a licensed practitioner of the healing arts in a category specifically favored under the health insurance laws of the state where the treatment is received and is practicing within the terms of his license.

It does not include a Covered Person, any immediate family member or domestic partner.

## SECTION 2 - DEFINITIONS

(Continued)

**"Proof"** means the evidence in support of a claim for benefits and includes, but is not limited to, the following:

1. a claim form completed and signed (or otherwise formally submitted) by the Covered Employee or his beneficiary claiming benefits;
2. an attending Physician's statement completed and signed (or otherwise formally submitted) by the Covered Person's attending Physician; and
3. the provision by the attending Physician of standard diagnosis, chart notes, lab findings, test results, x-rays and/or other forms of objective medical evidence in support of a claim for benefits;
4. a certified copy of a death certificate.

Proof must be submitted in a form or format satisfactory to Lincoln.

**"Schedule of Benefits"** means the section of this policy which shows, among other things, the Eligibility Requirements, Eligibility Waiting Period, and Amount of Insurance Benefit.

**"Sickness"** means disease or illness including related conditions and recurrent symptoms of the sickness. Sickness also includes pregnancy.

**"Sponsor"** means the entity to whom this policy is issued.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

### Eligibility Requirements for Employee and Dependent Insurance Benefits

The eligibility requirements for insurance benefits are shown in the Schedule of Benefits.

### Eligibility Date for Insurance Benefits

#### Employee Coverage:

If the Employee is in an eligible class he will qualify for insurance on the later of:

1. this policy's effective date; or
2. the day after he completes the Eligibility Waiting Period shown in the Schedule of Benefits.

#### Dependent Coverage:

If the Employee is eligible for Employee coverage he will be eligible for Dependent coverage on the later of:

1. the date he is eligible for Employee coverage if on that date he has a Dependent; or
2. the date he acquires a Dependent if on that date he is eligible for Employee coverage.

If both parents are Employees, only one will be eligible for Dependent coverage with respect to their Dependent children.

### Annual Enrollment Period

During each Annual Enrollment Period, an Employee may keep his coverage at the same level or make any one of the following changes in coverage for the next policy year, subject to any Evidence of Insurability Requirements as shown in the Schedule of Benefits:

1. decrease his coverage;
2. increase his coverage including enrolling for the first time.

If an Employee fails to enroll for a change in his coverage option during any Annual Enrollment Period he will continue to be insured for the same coverage option during the next policy year, unless the Covered Employee experiences a Family Status Change.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Family Status Change

When a Covered Employee experiences a Family Status Change, a Covered Employee may keep his coverage at the same level or make any one of the following changes in coverage, subject to any Evidence of Insurability Requirements as shown in the Schedule of Benefits:

1. decrease his coverage;
2. increase his coverage including enrolling for the first time.

The Covered Employee must apply for the change in coverage within 31 days of the date of the Family Status Change. Such changes in coverage must be due to or consistent with the reason that the change in coverage was permitted. A change in coverage is consistent with a Family Status Change only if it is necessary or appropriate as the result of the Family Status Change.

### Effective Date for Insurance Benefits

Insurance will be effective at 12:01 A.M. Standard Time in the governing jurisdiction on the day determined as follows, but only if the Employee's application or enrollment for insurance is made with Lincoln through the Sponsor in a form or format satisfactory to Lincoln.

### Employee Coverage:

1. For non-contributory coverage not subject to Evidence of Insurability, the Covered Employee will be insured on his Eligibility Date.
2. For non-contributory coverage subject to Evidence of Insurability, the Covered Employee will be insured on the later of the date Lincoln gives approval or his Eligibility Date.
3. For contributory coverage not subject to Evidence of Insurability, the Covered Employee will be insured on the later of the date he makes application or his Eligibility Date, provided he makes application no later than 31 days after his Eligibility Date.
4. For contributory coverage subject to Evidence of Insurability, the Covered Employee will be insured on the later of the date Lincoln gives approval or his Eligibility Date, provided he makes application no later than 31 days after his Eligibility Date.

Evidence of Insurability will be at the Covered Employee's Expense.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Effective Date for Insurance Benefits (Continued)

#### Dependent Coverage:

1. For contributory coverage not subject to Evidence of Insurability, the Covered Employee's Dependent will be insured on the later of the date the Covered Employee makes application or his Eligibility Date, provided he makes application no later than 31 days after his Eligibility Date.
2. For contributory coverage subject to Evidence of Insurability, the Covered Employee's Dependent will be insured on the later of the date Lincoln gives approval or his Eligibility Date, provided he makes application no later than 31 days after his Eligibility Date.

Evidence of Insurability will be at the Covered Employee's Expense.

#### Increases or Decreases:

Any increase in or addition to coverage will take effect on the date of the change.

Any decrease in or deletion of coverage will take effect on the date of the change.

Any such change applies to loss of life or accidental Injury that occurs on or after the effective date of the change.

#### Delayed Effective Date for Employee Insurance

The effective date of any initial, increased or additional insurance will be delayed for an individual if he is not in Active Employment because of Injury or Sickness. The initial, increased or additional insurance will begin on the date the individual returns to Active Employment.

#### Delayed Effective Date for Dependent Insurance

If a Covered Dependent is Confined on the date the increase or addition is to take effect, it will take effect when the confinement ends. This Delayed Effective Date will not apply to newborn children.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Family and Medical Leave

A Covered Employee's coverage may be continued under this policy for an approved family or medical leave of absence for up to 12 weeks following the date coverage would have terminated, subject to the following:

1. the authorized leave is in writing;
2. the required premium is paid;
3. the Covered Employee's benefit level, or the amount of earnings upon which the Covered Employee's benefit may be based, will be that in effect on the date before said leave begins; and
4. continuation of coverage will cease immediately if any one of the following events should occur:
  - a. the Covered Employee returns to work;
  - b. this policy terminates;
  - c. the Covered Employee is no longer in an eligible class;
  - d. nonpayment of premium when due by the Sponsor or the Covered Employee;
  - e. the Covered Employee's employment terminates.

### Lay-off

The Sponsor may continue the Covered Employee's coverage(s) by paying the required premiums, if the Covered Employee is temporarily laid off.

The Covered Employee's coverage(s) will not continue beyond a period of one month in which the lay-off begins. In continuing such coverage(s) under this provision, the Sponsor agrees to treat all Covered Employees equally.

### Leave of Absence

The Sponsor may continue the Covered Employee's coverage(s) by paying the required premiums, if the Covered Person is granted an approved leave of absence.

The Covered Employee's coverage(s) will not continue beyond a period of one month in which the leave of absence begins. In continuing such coverage(s) under this provision, the Sponsor agrees to treat all Covered Employees equally.

### Leave of Absence Due to Disability

The Sponsor may continue the Covered Employee's coverage(s) by paying the required premiums, if the Covered Employee is granted an approved leave of absence due to a disability.

The Covered Employee's coverage(s) will not continue beyond a period of twelve months. In continuing such coverage(s) under this provision, the Sponsor agrees to treat all Covered Employees equally.

**Rehire Terms**

If a former Employee is re-hired by the Sponsor within 6 month of his termination date, all past periods of Active Employment with the Sponsor will be used in determining the re-hired Employee's Eligibility Date. If a former Employee is re-hired by the Sponsor more than 6 month after his termination date, he is considered to be a new Employee when determining his Eligibility Date.

## SECTION 3 - ELIGIBILITY AND EFFECTIVE DATES

(Continued)

### Continuation During a Labor Dispute

#### ELIGIBILITY

A Covered Employee whose coverage under this policy ends because he stops active work as a result of a labor dispute may have the right to have continued coverage. To continue coverage, the required premium must be paid to the Sponsor when due.

To qualify for continued coverage, a Covered Employee must have been covered by this policy on the date of cessation of work.

If any premium was due prior to the date of cessation of work and is unpaid at the date of cessation of work, continuation may be contingent upon payment of such premium.

#### PAYMENT FOR CONTINUED COVERAGE

The Covered Employee must pay his individual contribution of premium and any contribution due from the employer for the period of cessation of work. The premium will be 100% of the total employer and employee cost of providing the same benefits if the cessation of work had not occurred. The individual premium rate may be increased up to an additional 20%, or a higher percent if approved by the Commissioner of Insurance of Texas.

#### BENEFITS UNDER CONTINUED COVERAGE

This continued coverage will at all times provide the same benefits as would have been afforded to the Covered Employee had the work cessation not occurred. This includes any changes in the coverage under this policy as may become effective while continued coverage is in effect.

#### TERMINATION OF CONTINUED COVERAGE

A Covered Employee's continued coverage under this provision will end at the earliest of these dates:

- the date which ends the "maximum period" as defined below;
- the date ending the last period for which the covered person has made any required payment for continued coverage on a timely basis;
- the date work cessation ends;
- the date on which the number of persons for which premium is paid is less than 75% of those eligible to continue coverage;
- the date a Covered Employee takes full-time employment with another employer.

The "maximum period" referred to above will start with the first day of the period of work cessation and will end with the date 6 months after the work cessation began.

## SECTION 4 - INSURANCE BENEFITS

### EMPLOYEE LIFE INSURANCE

#### Benefits

When Lincoln receives satisfactory Proof of the Covered Employee's death, Lincoln will pay the proceeds of the Life Insurance in force on the Covered Employee's life under this policy. The benefit payable is shown in the Schedule of Benefits.

#### Conversion Privilege

##### Conversion Privilege at Individual Termination or Reduction of Benefits:

If all or part of a Covered Employee's coverage ends, the Covered Employee may convert the amount that ends to an individual Life Insurance policy. Conversion is subject to the following conditions:

1. within 31 days after coverage ends or is reduced, the Covered Employee must make written application to Lincoln and pay the first premium payment.
2. the individual policy will be issued without Evidence of Insurability. It will contain Life Insurance benefits only. The policy will be one then being offered by Lincoln. The premium due will be based on the premium schedule of Lincoln's conversion policy that applies to the Covered Employee's class of risk and age at the birthday nearest to the effective date of the individual policy.

The individual policy will be effective 31 days after the Covered Employee's group coverage ends.

##### Conversion Privilege at Class or Policy Termination:

If coverage ends for all employees or for a Covered Employee's class, the Covered Employee is entitled to a limited conversion privilege. The Covered Employee must have been covered for at least 5 years. The Covered Employee must apply for the individual policy in the same manner as described above. The amount the Covered Employee may convert is limited to the lesser of:

1. the amount the Covered Employee was covered for on the date the group coverage terminated less any group insurance he becomes eligible for within 31 days; or
2. \$2,000.

The individual policy will be effective 31 days after the Covered Employee's group coverage ends.

##### Death Within the 31 Days Allowed for Conversion:

If a Covered Employee dies within the 31 days allowed for conversion, Lincoln will pay to his beneficiary the amount he was eligible to convert. Such insurance will be paid as a claim under this policy. Any premiums paid for a converted policy will be refunded.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### EMPLOYEE LIFE INSURANCE COVERAGE (Continued)

#### Accelerated Death Benefit

If, while insured under this policy, a Covered Employee or Covered Dependent spouse or Domestic Partner gives Lincoln satisfactory Proof of having a Terminal Condition, the Covered Employee or Covered Dependent spouse or Domestic Partner may receive a portion of his Life Insurance as an Accelerated Death Benefit. Such insurance will be paid one time to the Covered Employee or Covered Dependent spouse or Domestic Partner in one lump sum.

Applicable to Basic Life Insurance:

The amount of Accelerated Death Benefit payable under this policy is limited to the lesser of the following:

1. the Accelerated Death Benefit amount requested by the Covered Employee;
2. 75.00% of the Covered Employee's Life Insurance that is in force on the date the Covered Employee applies for an Accelerated Death Benefit; or
3. \$250,000.00.

Applicable to Optional Life Insurance:

The amount of Accelerated Death Benefit payable under this policy is limited to the lesser of the following:

1. the Accelerated Death Benefit amount requested by the Covered Employee;
2. 75.00% of the Covered Employee's Life Insurance that is in force on the date the Covered Employee applies for an Accelerated Death Benefit; or
3. \$500,000.00.

The amount of Accelerated Death Benefit payable to the Covered Dependent spouse or Domestic Partner under this policy is limited to the lesser of the following:

1. the Accelerated Death Benefit amount requested by the Covered Dependent spouse or Domestic Partner;
2. 75.00% of the Covered Dependent spouse's or Domestic Partner's Life Insurance that is in force on the date the Covered Dependent spouse or Domestic Partner applies for an Accelerated Death Benefit; or
3. \$250,000.00.

If the amount of a Covered Employee's or Covered Dependent spouse's or Domestic Partner's Life Insurance under this policy is scheduled to reduce within 24 months following the date the Covered Employee or Covered Dependent spouse or Domestic Partner applies for the Accelerated Death Benefit, the benefit payable under this policy will be based on the reduced amount.

## **Application for an Accelerated Death Benefit**

A Covered Employee or Covered Dependent spouse or Domestic Partner must apply for an Accelerated Death Benefit. To apply, the Covered Employee or Covered Dependent spouse or Domestic Partner must give Lincoln:

1. certification, from a Physician, that he has a Terminal Condition, as defined by this policy;
2. supporting evidence satisfactory to Lincoln, documenting the Terminal Condition;
3. a completed claims form;
4. At Claim Disclosure Form for Accelerated Death Benefit Agreement.

During the pendency of a claim, Lincoln may, at its own expense, have a Physician examine the Covered Employee or Covered Dependent spouse or Domestic Partner. If there are conflicting opinions between the Covered Employee's or Covered Dependent spouse's or Domestic Partner's Physician and Lincoln's Physician, the medical opinion issued by the Covered Employee's or Covered Dependent spouse's or Domestic Partner's Physician will rule. If the Covered Employee or Covered Dependent spouse or Domestic Partner has assigned all or a portion of the Life Insurance under this policy or named an irrevocable beneficiary, the Covered Employee or Covered Dependent spouse or Domestic Partner must also give Lincoln a signed written consent form from the assignee or irrevocable beneficiary.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### EMPLOYEE LIFE INSURANCE COVERAGE (Continued)

#### Accelerated Death Benefit (Continued)

#### Application for an Accelerated Death Benefit (Continued)

The Accelerated Death Benefit will be payable upon receipt of satisfactory Proof of a Terminal Condition; and signed written consent from an assignee or irrevocable beneficiary, if required.

With respect to this provision "**Terminal Condition**" means an illness or physical condition, including a physical injury:

1. which is expected to result in the Covered Employee's or Covered Dependent spouse's or Domestic Partner's death within 24 months; and
2. from which there is no reasonable prospect of recovery.

#### Effect on Insurance

The amount of a Covered Employee's or Covered Dependent spouse's or Domestic Partner's Life Insurance will be reduced by the amount paid as an Accelerated Death Benefit. Premiums, if any, for the remaining portion of a Covered Employee's or Covered Dependent spouse's or Domestic Partner's Life Insurance will be based on the amount of the remaining Life Insurance in effect after payment of the Accelerated Death Benefit. All other terms and provisions of this policy will apply to the remaining portion. The acceleration-of-life-insurance benefits, related charges, interest, discounts or liens, if applicable, and the balance of the death benefit of the life insurance policy, which will be paid upon the Covered Employee's or Covered Dependent spouse's or Domestic Partner's death, shall constitute full settlement on maturity of the face amount of the policy. Receipt of an Accelerated Death Benefit does not affect any Accidental Death or Dismemberment insurance benefit in force on a Covered Employee's or Covered Dependent spouse's or Domestic Partner's life.

When an Accelerated Death Benefit is paid, the Covered Employee or Covered Dependent spouse or Domestic Partner will receive a notice which specifies:

1. the amount of benefits paid;
2. the effect of the Accelerated Death Benefit payment on the death benefit face amount, specified amount, future charges, and future premiums; and
3. the amount of remaining Life Insurance

#### Exceptions

No Accelerated Death Benefit will be paid if:

1. the Covered Employee or Covered Dependent spouse or Domestic Partner is required by a court of law to exercise this option to satisfy a claim of creditors, whether in bankruptcy or otherwise;
2. the Covered Employee or Covered Dependent spouse or Domestic Partner is required by a governmental agency to exercise this option in order to apply for, receive, or continue a government benefit or entitlement;
3. all or a part of a Covered Employee's insurance must be paid to the Covered Employee's children or spouse or former spouse as part of a divorce decree, separate maintenance agreement or property settlement agreement;
4. the Covered Employee is married and lives in a community property state, unless the Covered Employee's spouse has given Lincoln signed written consent; or
5. the Covered Employee or Covered Dependent spouse or Domestic Partner has previously received an Accelerated Death Benefit under this policy.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### DEPENDENT LIFE INSURANCE

#### Benefits

When Lincoln receives satisfactory Proof of the Covered Dependent's death, Lincoln will pay to the Covered Employee the amount in force on such Covered Dependent's life under this policy. The Dependent Life Insurance benefit will be paid in one sum. It is shown in the Schedule of Benefits.

#### Conversion Privilege

##### Conversion Privilege at Individual Termination or Reduction of Benefits:

If a Covered Dependent's coverage ends because:

1. of the Covered Employee's death; or
2. the Covered Employee's employment in an eligible class for Dependent Life Insurance ends,

the Covered Employee's Covered Dependent spouse or Domestic Partner may convert Dependent Life Insurance to an individual policy. Within 31 days after coverage ends, the Covered Dependent spouse or Domestic Partner must make written application to Lincoln and pay the first premium payment. The individual policy will contain Life Insurance benefits only. The policy will be one then being offered by Lincoln. Evidence of Insurability will not be required.

##### Conversion Privilege at Class or Policy Termination:

If a Covered Dependent's coverage ends because:

1. coverage ends for all employees; or
2. coverage ends for all employees in the Covered Employee's eligible class,

the Covered Dependent spouse or Domestic Partner is entitled to a limited conversion privilege. The Covered Employee must be entitled to convert to an individual policy in order for his Covered Dependent spouse or Domestic Partner to have this limited privilege. Conversion must be applied for in the same way as stated above. The amount the Covered Dependent spouse or Domestic Partner may convert is limited to the lesser of:

1. the amount the Covered Dependent spouse or Domestic Partner was covered for on the date coverage ended less any group insurance he becomes eligible for within 31 days; or
2. \$2,000.

The individual policy will become effective 31 days after the Covered Dependent spouse's or Domestic Partner coverage ends.

##### Death Within the 31 Days Allowed for Conversion:

Dependent Life Insurance is payable if a Covered Dependent spouse or Domestic Partner dies during this period. The amount payable is the amount the Covered Dependent spouse or Domestic Partner was entitled to convert. Such insurance will be paid under this policy. Any premium paid for an individual policy will be refunded.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### EMPLOYEE AND DEPENDENT ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

#### Benefits

Accidental Death and Dismemberment benefits are payable when a Covered Person suffers a loss solely as the result of accidental Injury that occurs while covered. The loss must occur within 365 days after the date of the accident. The benefit payable is called the Full Amount. It is shown in the Schedule of Benefits.

<b>Loss Schedule:</b>	<b>Benefit Payable:</b>
Life	Full Amount
Both Hands or Both Feet	Full Amount
Sight of Both Eyes	Full Amount
One Hand and One Foot	Full Amount
One Hand and Sight of One Eye	Full Amount
One Foot and Sight of One Eye	Full Amount
Speech and Hearing in Both Ears	Full Amount
One Hand or One Foot	One-half Full Amount
Sight of One Eye	One-half Full Amount
Speech or Hearing in Both Ears	One-half Full Amount
Thumb and Index Finger of the Same Hand	One-quarter Full Amount
Quadriplegia	Full Amount
Paraplegia	One-half Full Amount
Hemiplegia	One-half Full Amount
Diplegia	One-half Full Amount
Monoplegia	One-quarter Full Amount

Payment is made for loss due to each accident without regard to loss resulting from any prior accident. In no event may the total amount payable for all losses due to any one accident exceed the Full Amount.

Loss of hands or feet means complete severance through or above the wrist or ankle joint.

Loss of sight, speech or hearing must be total and irrecoverable.

Loss of thumb and index finger means that all of the thumb and index finger are cut off at or above the joint closest to the wrist. This benefit is not payable if a benefit is payable for the loss of the same entire hand.

Quadriplegia means the total and permanent paralysis of both upper and lower limbs.

Paraplegia means the total and permanent paralysis of both lower limbs.

Hemiplegia means the total and permanent paralysis of the upper and lower limbs on one side of the body.

Diplegia means the total and permanent paralysis of both arms.

Monoplegia means the total and permanent paralysis of one arm or one leg.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)

#### Benefits (Continued)

##### Seat Belt Benefit

Lincoln will pay an additional benefit if accidental death was caused by an Automobile accident while the Covered Person was driving or riding in an Automobile and the Covered Person was covered by this policy. The benefit is payable if the Covered Person was wearing a Seat Belt at the time of the accident. The benefit payable is shown in the Schedule of Benefits.

Lincoln must be given satisfactory written Proof that the Covered Person's death resulted from an Automobile accident while wearing a Seat Belt. A copy of the police accident report should be submitted with the claim. If a copy of the police accident report is not available, or if it is unclear that the Covered Person was wearing a Seat Belt, Lincoln will pay 10.00% of the maximum benefit as shown in the Schedule of Benefits.

No benefit will be paid if the Covered Person was the driver of the Automobile and did not hold a current valid driver's license.

##### Air Bag Benefit

Lincoln will pay an additional benefit if accidental death was caused by an Automobile accident while the Covered Person was driving or riding in an Automobile and the Covered Person was covered by this policy. The benefit is payable if the Covered Person was wearing a Seat Belt at the time of the accident and was seated behind a properly installed Air Bag. The benefit payable is shown in the Schedule of Benefits.

Lincoln must be given satisfactory written Proof that the Covered Person's death resulted from an Automobile accident while wearing a Seat Belt and the Automobile was equipped with an Air Bag directly in front of the Covered Person. A copy of the police accident report should be submitted with the claim.

No benefit will be paid if the Covered Person was the driver of the Automobile and did not hold a current valid driver's license.

With respect to this provision, "**Air Bag**" means the passive restraint device in an Automobile which inflates automatically upon collision to provide protection in Automobile accidents. The Air Bag must meet the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration and be installed by the manufacturer.

With respect to this provision, "**Automobile**" means a private passenger motor vehicle licensed for use on public highways.

With respect to this provision, "**Seat Belt**" means a combination lap and shoulder restraint system that must meet the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration and be installed by the manufacturer. A Seat Belt will include a lap belt alone, but only if the Automobile did not have a combination lap and shoulder restraint system when manufactured. Seat Belt does not include a shoulder restraint alone.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)

#### Benefits (Continued)

##### Exposure Benefit

Applicable to Optional Accidental Death & Dismemberment:

Lincoln will pay a benefit to the Covered Person or beneficiary in the event the Covered Person suffers a loss from exposure to the elements of nature by reason of a covered Injury. The benefit payable is shown on the Loss Schedule in the Accidental Death and Dismemberment provision.

##### Disappearance Benefit

Applicable to Optional Accidental Death & Dismemberment:

Lincoln will pay a benefit to the beneficiary in the event the body of the Covered Person is not found within 365 days after the disappearance, sinking or wrecking of a public conveyance in which the Covered Person was known to be a fare-paying Passenger. The Covered Person will be presumed to have died resulting from Injury caused by an accident. The benefit payable is equal to the Full Amount payable under Accidental Death and Dismemberment shown in the Schedule of Benefits.

With respect to this provision, "**Passenger**" is defined as an individual other than a pilot, operator or crew member who is riding in or on, boarding, or dismounting from a public conveyance.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)

**Benefits** (Continued)

#### **Child Education Benefit**

Applicable to Optional Accidental Death & Dismemberment:

Lincoln will pay a one-time benefit to the Covered Person or beneficiary on behalf of the Covered Person's Dependent children if the Covered Employee or Covered Dependent spouse or Domestic Partner suffers loss of life as a result of an accident provided:

1. the Dependent child meets the definition of Dependent under this policy; and
2. satisfactory proof is furnished to Lincoln that the child is a Dependent child; and
3. on the date of the accident the Dependent child was at the 12th grade level and enrolls as a full-time student in an accredited post-secondary institution of higher learning within 365 days of the Covered Person's death; or
4. the Dependent child continues to be enrolled as a full-time student in an accredited post-secondary institution of higher learning.

The one-time benefit payable is shown in the Schedule of Benefits. A benefit will not be payable beyond the earlier of:

- a. 4 years;
- b. the attainment of a bachelor's degree; or
- c. the attainment of the Dependent maximum age shown in the Schedule of Benefits.

The maximum benefit payable under this provision is shown in the Schedule of Benefits.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)

#### Benefits (Continued)

##### Child Care Benefit

Applicable to Optional Accidental Death & Dismemberment:

Lincoln will pay a one-time benefit to the Covered Person or beneficiary on behalf of the Covered Person's Dependent children if the Covered Employee or Covered Dependent spouse or Domestic Partner suffers loss of life as a result of an accident provided:

1. the Dependent child meets the definition of Dependent under this policy; and
2. proof is furnished to Lincoln that the child is a Dependent child and is age 7 or under; and
3. the Dependent child is enrolled within 365 days of the Covered Person's death or continues to be enrolled in a legally licensed Child Care Program.

Proof of a Dependent child's enrollment in a Child Care Program may be in the form of, but not limited to, the following:

1. a copy of the Dependent child's approved enrollment application in a Child Care Program; or
2. a canceled check which proves payment for a Child Care Program; or
3. a letter from the Child Care Program stating the Dependent child is attending a Child Care Program or has been enrolled in a Child Care Program and will be attending within 365 days of the date of the Covered Person's death.

The benefit payable is shown in the Schedule of Benefits. The maximum benefit payable under this provision is shown in the Schedule of Benefits.

With respect to this provision, "**Child Care Program**" means a center of child care which:

1. holds a license as a day care center, or is operated by a licensed day care provider, if required; or
2. if licensing is not required, operates primarily for the care of children on a daily basis for 12 months a year; and
3. is operated in a private home, school or other facility; and
4. customarily charges for the care provided.

A Child Care Program does not include a hospital; the Dependent child's home or care provided during normal school hours while a Dependent child is attending grades one through three.

## **SECTION 4 - INSURANCE BENEFITS**

(Continued)

### **ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)**

**Benefits (Continued)**

#### **Spouse Training Benefit**

Applicable to Optional Accidental Death & Dismemberment:

Lincoln will pay a one-time benefit to a surviving Dependent spouse or Domestic Partner if the Covered Employee suffers loss of life as a result of an accident provided:

1. satisfactory proof is furnished to Lincoln that the Dependent spouse or Domestic Partner meets the definition of Dependent under this policy; and
2. within 365 days after the Covered Employee's death, the surviving Dependent spouse or Domestic Partner is enrolled and attending an accredited institution or trades program for the purpose of obtaining employment or increasing earnings.

The benefit payable is shown in the Schedule of Benefits.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### ADDITIONAL ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (Continued)

#### Benefits (Continued)

##### Coma Benefit

Applicable to Optional Accidental Death & Dismemberment:

Subject to all terms, conditions, and limitations of the Policy, Lincoln will pay a Coma Benefit if, as a result of an accident, the Covered Employee or Covered Dependent spouse or Domestic Partner becomes Comatose.

For the Coma benefit to be payable:

1. the Covered Employee or Covered Dependent spouse or Domestic Partner must become comatose within a 31 day period from the date of the accident; and
2. remain Comatose for at least 30 days.

Applicable to Optional Accidental Death and Dismemberment Insurance:

The Coma Benefit payable is:

1. 10.00% of the full Accidental Death and Dismemberment benefit amount up to a maximum of \$10,000.00; and
2. in addition to the Accidental Death and Dismemberment benefit payable under the policy.

The Coma Benefit will be paid to the Covered Person or the designated beneficiary.

For the purposes of this provision, "**Coma**" or "**Comatose**" means complete and continuous:

1. unconsciousness; and
2. inability to respond to external or internal stimuli.

Lincoln must be given satisfactory written proof of the Covered Employee's or Covered Dependent spouse's or Domestic Partner's medical condition.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### WAIVER OF PREMIUM FOR TOTAL DISABILITY

Applicable to Basic Insurance:

If a Covered Employee becomes Totally Disabled while insured under this policy he may be eligible for continued Life Insurance coverage without premium payment, provided that:

1. he becomes Totally Disabled while insured under this policy and before age 60;
2. within one year from the date he is no longer in Active Employment Lincoln receives initial Proof that his Total Disability has continued for 9 months (initial Proof); and
3. during the three months before each anniversary of receipt of initial Proof, Lincoln receives Proof of continuation of Total Disability. Lincoln will not request such Proof more often than once every three months.

In addition, Lincoln, at its own expense, may request the Covered Employee to be examined by a Physician chosen by Lincoln. After the benefit has been continued for two years under this provision, Lincoln will not require an examination more than once a year.

When Proof of Total Disability has been approved, premiums will be waived beginning the later of:

1. the date Lincoln gives approval; or
2. 9 months from the date the Covered Employee is no longer in Active Employment due to Total Disability.

Applicable to Optional Insurance:

If a Covered Employee becomes Totally Disabled while insured under this policy he may be eligible for continued Life Insurance coverage without premium payment, provided that:

1. he becomes Totally Disabled while insured under this policy and before age 60;
2. within one year from the date he is no longer in Active Employment Lincoln receives initial Proof that his Total Disability has continued for 6 months (initial Proof); and
3. during the three months before each anniversary of receipt of initial Proof, Lincoln receives Proof of continuation of Total Disability. Lincoln will not request such Proof more often than once every three months.

In addition, Lincoln, at its own expense, may request the Covered Employee to be examined by a Physician chosen by Lincoln. After the benefit has been continued for two years under this provision, Lincoln will not require an examination more than once a year.

When Proof of Total Disability has been approved, premiums will be waived beginning the later of:

1. the date Lincoln gives approval; or
2. 6 months from the date the Covered Employee is no longer in Active Employment due to Total Disability.

Accidental Death and Dismemberment and Dependent coverage will not be continued during the Covered Employee's period of Total Disability.

The Life Insurance benefit continued under this provision will be the amount in force on the Covered Employee's life under this policy on the date the Covered Employee is no longer in Active Employment due to Total Disability, subject to any reductions provided by any part of this policy. The amount continued will not include any part of the Covered Employee's Life Insurance that he converted to an individual policy unless he was Totally Disabled when he applied to convert and he returns the converted policy to Lincoln without claim other than for a refund of the premiums.

If the Waiver of Premium provision has been denied, the Covered Employee may convert his Life Insurance benefit as provided in the Conversion Privilege.

A Covered Employee's continued Life Insurance coverage under this provision will end on the earliest of the date when:

1. he recovers and ceases to be Totally Disabled;
2. he returns to Active Employment;
3. he refuses to have an examination by a Physician chosen by Lincoln or fails to give satisfactory Proof of continuation of Total Disability;
4. 90 Days after the date Lincoln mails the Covered Employee a request for additional Proof of loss, Lincoln does not receive such Proof;

Applicable to Basic Insurance:

5. he reaches age 65;
6. the date he begins receiving a benefit from a retirement or pension plan; or
7. the date the Sponsor classifies him as retired.

Applicable to Optional Insurance:

5. he reaches age 70;
6. the date he begins receiving a benefit from a retirement or pension plan; or
7. the date the Sponsor classifies him as retired.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### WAIVER OF PREMIUM FOR TOTAL DISABILITY

If continued Life Insurance coverage under this provision ends or reduces, the Covered Employee may convert his Life Insurance benefit as provided in the Conversion Privilege. Dependent coverage may be converted as allowed within this policy.

If the Covered Employee dies within one year from the date he is no longer in Active Employment due to Total Disability, Lincoln will pay the Life Insurance benefit provided satisfactory Proof of continuous Total Disability until death is given to Lincoln within one year after death.

If this policy terminates before the Covered Employee has received approval of waiver of premium, he is eligible to convert to an individual policy until such approval has been received. If this policy terminates after approval for waiver of premium, coverage will continue as if this policy continued to be in force.

With respect to this provision, "**Total Disability**" or "**Totally Disabled**" means the complete inability, as a result of Injury or Sickness, to perform the Material and Substantial Duties of Any Occupation.

With respect to this provision, "**Material and Substantial Duties**" means responsibilities that are normally required to perform Any Occupation, and cannot be reasonably eliminated or modified.

With respect to this provision, "**Any Occupation**" means any occupation that the Covered Employee is or becomes reasonably fitted by training, education, experience, age, physical and mental capacity.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### PORTABLE GROUP TERM LIFE INSURANCE

If any of a Covered Person's coverage under this Policy ends, he may be eligible to continue all or a part of the amount that ends, less any amount converted to an individual policy as provided in the Conversion Privilege, subject to any minimum and maximum amounts specified in this provision, as portable group term life insurance. The coverage must end because the Covered Employee is no longer in an eligible class or is no longer in Active Employment.

If a Covered Employee is eligible for portable group term life insurance, he may also elect portable group term life insurance on his Covered Dependent spouse, Domestic Partner, or Dependent child whose coverage under this policy ends. A Covered Dependent is eligible to directly apply for portable group term life insurance if they no longer satisfy the definition of Dependent under the policy.

Portable group term life insurance is not available if coverage ends because this policy terminates, or if any life insurance under this policy will be continued on a waiver of premium basis.

A Covered Person is eligible to apply for portable group term life insurance if he has no Injury or Sickness that has a material effect on his life expectancy.

An Injury or Sickness that has a material effect on life expectancy means a condition that, according to generally accepted medical opinion, may contribute to or result in death within the next 5 years. Some examples include cancers and lung diseases.

Any Covered Person is eligible for portable group term Life Insurance if:

1. he is under age 65;
2. he is a citizen or legal resident of the United States or Canada; and
3. he is not a full-time member of the armed forces of any country.

To apply for portable group term life insurance, a Covered Person must, within 31 days of the date a Covered Person ceases to be eligible for coverage under this policy submit a completed portable group term life insurance application along with the first premium payment and any required application fee to Lincoln at the address shown on the application.

If a Covered Person is applying for coverage his portable group term life insurance will be effective at 12:01 A.M. Standard Time on the day after coverage under this policy ends as long as any required Evidence of Insurability is approved. A Covered Person is responsible for the expense of securing supporting information to satisfy Evidence of Insurability.

The policy available will be one then being offered by Lincoln as portable group term life insurance. The premium due will be based on Lincoln's then current rate for such policies that apply to the Covered Employee, Covered Dependent spouse or Domestic Partner, and Covered Dependent child's class of risk and age at birthday nearest to the effective date of portable group term life insurance.

The amount of portable group term life insurance may be decreased at any time. Once elected, the amount of portable group term life insurance may be increased annually, subject to Evidence of Insurability and Policy maximums.

## SECTION 4 - INSURANCE BENEFITS

(Continued)

### PORTABLE GROUP TERM LIFE INSURANCE (Continued)

#### COVERED EMPLOYEE PORTABLE GROUP TERM LIFE INSURANCE

The amount of portable group term life insurance a Covered Employee may apply for is subject to the following limits:

1. the maximum amount is equal to the lesser of:
  - a. the amount of insurance that terminated under this policy; or
  - b. \$500,000.00.
2. the minimum amount is \$10,000.00.

This amount is subject to any reductions due to age that may be contained in the portable group term life insurance policy.

#### COVERED DEPENDENT SPOUSE OR COVERED DOMESTIC PARTNER PORTABLE GROUP TERM LIFE INSURANCE

The amount of portable group term life insurance a Covered Dependent spouse or Covered Domestic Partner may apply for is subject to the following limits:

1. the maximum amount is equal to the lesser of:
  - a. the amount of insurance that terminated under this policy; or
  - b. \$500,000.00.
2. the minimum amount is \$5,000.00.

This amount is subject to any reductions due to age that may be contained in the portable group term life insurance policy.

#### DEPENDENT CHILD PORTABLE GROUP TERM LIFE INSURANCE

An eligible person may apply for portable group term life insurance for their Covered Dependent child, subject to the following limits:

1. the maximum amount is equal to the lesser of:
  - a. the amount of insurance that terminated under this policy; or
  - b. \$100,000.00.
2. the minimum amount is \$2,500.00.

This amount is subject to any reductions due to age that may be contained in the portable group term life insurance policy.

## SECTION 5 - EXCLUSIONS

### LIFE INSURANCE EXCLUSIONS

Applicable to Optional Insurance:

No benefits are payable for any loss for death that results from, is contributed to or caused by:

1. suicide, committed while sane or insane, occurring within 24 months after the Covered Person's initial effective date of insurance with the Sponsor; and
2. suicide, committed while sane or insane, occurring within 24 months after the date any additional insurance elected by the Covered Person becomes effective under this Policy.

The suicide exclusion will apply to any amounts of insurance for which the Covered Person pays all or part of the premium.

The suicide exclusion will also apply to any amount that is subject to Evidence of Insurability Lincoln approved.

## SECTION 5 - EXCLUSIONS (Continued)

### ACCIDENTAL DEATH AND DISMEMBERMENT EXCLUSIONS

No benefits are payable for any loss that is contributed to or caused by:

1. war, declared or undeclared, or any act of war;
2. intentionally self-inflicted injuries, while sane or insane;
3. suicide, or suicide attempt, while sane or insane;
4. active Participation in a Riot;
5. committing or attempting to commit a felony or misdemeanor;
6. disease, bodily or mental illness (or medical or surgical treatment thereof);
7. infections, except septic infections of and through a visible wound;
8. controlled substances (as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and all amendments) that are voluntarily taken, ingested or injected, unless as prescribed or administered by a Physician;
9. serving full-time active duty in the Armed Forces of any country or international authority;
10. boarding, leaving or being in or on any kind of aircraft. However, this exclusion will not apply if the Covered Person is a fare paying passenger on a commercial aircraft or traveling as a passenger or working as a pilot or a crew member in any aircraft that is owned or leased by or on behalf of the Sponsor; or
11. the presence of alcohol in the Covered Person's blood which raises a presumption that the Covered Person was under the influence of alcohol and contributed to the cause of the accident. The blood alcohol level is governed by the jurisdiction of the state in which the accident occurred; or
12. hazardous sports, including but not limited to, motor sports (land or water), mountain climbing, skydiving, parachuting, bungee jumping, hang gliding and scuba diving

No benefit will be payable for any loss suffered as a result of Accidental Injury during any period of incarceration.

With respect to this provision, "**Participation**" shall include promoting, inciting, conspiring to promote or incite, aiding, abetting, and all forms of taking part in, but shall not include actions taken in defense of public or private property, or actions taken in defense of the Covered Person, if such actions of defense are not taken against persons seeking to maintain or restore law and order including, but not limited to police officers and fire fighters.

With respect to this provision, "**Riot**" shall include all forms of public violence, disorder or disturbance of the public peace, by three or more persons assembled together, whether or not acting with a common intent and whether or not damage to persons or property or unlawful act or acts is the intent or the consequence of such disorder.

## SECTION 6 - TERMINATION PROVISIONS

### Termination of a Covered Person's Insurance

A Covered Person will cease to be insured on the earliest of the following dates:

1. the date this policy terminates, but without prejudice to any claim originating prior to the time of termination;
2. the date the Covered Employee is no longer in an eligible class;
3. the date the Covered Employee's class is no longer included for insurance;
4. the last day for which any required Employee contribution has been made;
5. the date employment (status as an active Employee) or eligibility ends for any reason; or
6. the date the Covered Employee ceases to be in Active Employment due to a labor dispute, including any strike, work slowdown, or lockout.

Lincoln reserves the right to review and terminate all classes insured under this policy if any class(es) cease(s) to be covered.

## SECTION 6 - TERMINATION PROVISIONS

(Continued)

### Policy Termination

1. Termination of this policy under any conditions will not prejudice any claim which occurs while this policy is in force.
2. If the Sponsor fails to pay any premium within the grace period, this policy will terminate at 12:00 midnight Standard Time on the last day of the grace period. The Sponsor may terminate this policy by advance written notice delivered to Lincoln at least 31 days prior to the termination date. This policy will not terminate during any period for which premium has been paid. The Sponsor will be liable to Lincoln for all premiums due and unpaid for the full period for which this policy is in force.
3. Lincoln may terminate this policy on any premium due date by giving written notice to the Sponsor at least 31 days in advance if:
  - a. the number of Employees insured is fewer than 10; or
  - b. less than 100% of the Employees eligible for any non-contributory insurance are insured for it; or
  - c. less than 25.00% of the Employees eligible for any contributory optional insurance are insured for it; or
  - d. the Sponsor fails:
    - i. to furnish promptly any information which Lincoln may reasonably require; or
    - ii. to perform any other obligations pertaining to this policy.
4. Lincoln may terminate this policy or any coverage(s) afforded hereunder and for any class of Covered Employees on any premium due date after it has been in force for 12 months. Lincoln will provide written notice of such termination to the Sponsor at least 31 days before the termination is effective.
5. Termination may take effect on an earlier date if agreed to by the Sponsor and Lincoln.

## SECTION 7 - GENERAL PROVISIONS

### Appeal Process

Lincoln will notify in writing any Covered Person or beneficiary whose claim is denied in whole or part. That written notice will explain the reasons for denial. If the claimant does not agree with the reasons given, he may request an appeal of the claim. To do so, the claimant should write to Lincoln within 60 days after the notice of denial was received. The claimant should state why he believes the claim was improperly denied. Any data, questions or comments that the claimant thinks are appropriate should be included. Unless Lincoln requests additional material in a timely fashion, the claimant will be advised of Lincoln's decision within 60 days after his or her letter is received.

### Assignment

The coverage under this policy is not assignable by the Sponsor without Lincoln's written consent. A Covered Employee may assign all of his present and future right, title, interest, and incidents of ownership of:

1. any Life Insurance;
2. any disability provision of Life Insurance; and
3. any Accidental Death and Dismemberment Insurance under this policy.

Such assignment will include, but is not limited to, the rights:

1. to make any contribution required to keep the coverage in force;
2. to exercise any conversion privilege; and
3. to change the beneficiary.

### Beneficiary

Each Covered Employee must name a beneficiary to whom the insurance benefits under this policy are payable. If more than one beneficiary is named and if their interests are not specified, any surviving Beneficiaries will share equally. For any Dependent Life Insurance, the Covered Employee is automatically designated as the beneficiary.

If, at the death of a Covered Employee, there is no named or surviving beneficiary, Lincoln will pay the benefits to the executor or administrator of the Covered Employee's estate. Lincoln may, at its option, pay the benefits to a surviving relative in the following order: spouse, child, parent, sibling. Such payment will release Lincoln of all further liability to the extent of payment.

A Covered Employee may change his beneficiary at any time by written request. Lincoln or the Sponsor will provide a form for that purpose. Any change of beneficiary will take effect when the Sponsor receives the written request whether or not the Covered Employee is alive at that time. Such change will relate back to the date of the request. Any change of beneficiary will not apply to any payment made before the request was received by the Sponsor.

### Conformity with State Statutes

Any provision of this policy which, on its effective date, is in conflict with the statutes of the governing jurisdiction of this policy is hereby amended to conform to the minimum requirements of such statute.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### Employee's Certificate

Lincoln will provide a Certificate to the Sponsor for delivery to Covered Employees. It will state:

1. the name of the insurance company and the policy number;
2. a description of the insurance provided;
3. the method used to determine the amount of benefits;
4. to whom benefits are payable;
5. limitations or reductions that may apply;
6. the circumstances under which insurance terminates; and
7. the rights of the Covered Person upon termination of this policy.

If the terms of a Certificate and this policy differ, this policy will govern.

### Entire Contract - Policy Changes

1. This policy is the entire contract. It consists of:
  - a. all of the pages;
  - b. the attached signed Application of the Sponsor; and
  - c. if contributory each Employee's signed application for insurance.
2. This policy may be changed in whole or in part. Only an officer of Lincoln can approve a change to the policy. The approval must be in writing and endorsed on or attached to this policy.
3. No other person, including an agent, may change this policy or waive any part of it.

### Examination

Lincoln, at its own expense, has the right and opportunity to have a Covered Person, whose Injury or Sickness is the basis of a claim, examined or evaluated at reasonable intervals deemed necessary by Lincoln. This right may be used as often as reasonably required. Lincoln may also require an autopsy unless prohibited by law.

### Facility of Payment

If a beneficiary or Covered Person is a minor or is physically or mentally incapable of giving a valid release for payment, Lincoln, at its option, may make payment not to exceed \$250.00 to a party who appears to have assumed responsibility for the care and support of such person. Lincoln will only make such payment until claim is made by a guardian of the estate of the beneficiary or the Covered Person. Such payment will release Lincoln of all further liability to the extent of payment.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### Furnishing of Information - Access to Records

1. The Sponsor will furnish at regular intervals to Lincoln:
  - a. information relative to Employees:
    - i. who qualify to become insured;
    - ii. whose amounts of insurance change; and/or
    - iii. whose insurance terminates.
  - b. any other information about this policy that may be reasonably required.

The Sponsor's records which, in the opinion of Lincoln, have a bearing on the insurance will be opened for inspection at any reasonable time.

2. Clerical error or omission will not deprive an Employee of insurance.

### Incontestability

This policy will not be contested, except for nonpayment of premium, after it has been in force for two years from the date of issue. The coverage of any Covered Person shall not be contested, except for nonpayment of premium, on the basis of a statement made relating to insurability of the Covered Person after such coverage has been in force for two years during the Covered Person's lifetime.

Any statements in any application will be deemed representations and not warranties. No representation made by:

1. the Sponsor in applying for this policy will make it void unless the representation is contained in the Sponsor's signed Application; or
2. any Covered Person in enrolling for insurance under this policy will be used to reduce or deny a claim unless the representation is contained in an application signed by him and such application is given to him or his beneficiary.

### Interpretation of the Policy

Lincoln shall possess the authority to construe the terms of this policy and to determine benefit eligibility hereunder. Lincoln's decisions regarding construction of the terms of this policy and benefit eligibility shall be conclusive and binding.

### Legal Proceedings

A claimant or the claimant's authorized representative cannot start any legal action:

1. until 60 days after Proof of claim has been given; or
2. more than three year after the time Proof of claim is required.

Legal actions are contingent upon first having followed the Claims and Appeals procedure outlined in this policy.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### **Misstatement of Age**

If a Covered Person's age has been misstated, an equitable adjustment will be made in the premium, benefits, or both. If the amount of the benefit is dependent upon the Covered Person's age, the amount of the benefit will be the amount the Covered Person would have been entitled to if his correct age were known.

A refund of premium will not be made for a period more than 12 months before the date Lincoln is advised of the error.

### **Notice and Proof of Claim**

#### **1. Notice**

- a. Notice of claim must be given to Lincoln within 30 days of the date of the loss on which the claim is based. If that is not possible, Lincoln must be notified as soon as it is reasonably possible to do so. Such notice of claim must be received in a form or format satisfactory to Lincoln.
- b. When written notice of claim is applicable and has been received by Lincoln, the Covered Person will be sent claim forms. If the forms are not received within 15 days after written notice of claim is sent, the Covered Person can send to Lincoln written Proof of claim without waiting for the forms.

#### **2. Proof**

- a. Satisfactory Proof of loss must be given to Lincoln no later than 30 days after the date of loss.
- b. Failure to furnish such Proof within such time shall not invalidate or reduce any claim if it was not reasonably possible to furnish such Proof within such time. Such Proof must be furnished as soon as reasonably possible, and in no event, except in the absence of legal capacity of the claimant, later than one year from the time Proof is otherwise required.

Lincoln reserves the right to determine if the Covered Person's Proof of loss is satisfactory.

### **Optional Methods of Settlement**

Benefits are usually payable in one sum. However, the Covered Person may elect in writing to have the proceeds paid through an installment program offered by Lincoln. If the Covered Person makes no such election, his beneficiary may do so at the Covered Person's death.

Any installments remaining after the death of the payee will be paid as directed in the election of this option. Such direction is subject to the approval of Lincoln.

### **Lincoln Security Account**

If the benefits to be paid total more than \$10,000, a beneficiary may elect to have the proceeds deposited into a Lincoln Security Account. The Lincoln Security Account is an interest-bearing checking account, that is fully guaranteed by Lincoln, and the beneficiary may draw on the entire sum of the proceeds at any time. If the Lincoln Security Account is not elected, benefits may be paid in one sum.

### **Payment of Benefits**

All benefits are payable when Lincoln receives written satisfactory Proof of loss. Benefits for loss of life of the Covered Employee are paid to the beneficiary. Benefits for loss of life of the Covered Dependent are paid to the Covered Employee. Benefits for other losses are paid to the Covered Employee.

## SECTION 7 - GENERAL PROVISIONS

(Continued)

### **Right of Recovery**

Lincoln has the right to recover any overpayment of benefits caused by, but not limited to, the following:

1. fraud;
2. any error made by Lincoln in processing a claim; or
3. any error made in the eligibility or administration of this policy by the Sponsor.

Lincoln may recover an overpayment by, but not limited to, the following:

1. requesting a lump sum payment of the overpaid amount;
2. reducing any benefits payable under this policy; or
3. taking any appropriate collection activity available including any legal action needed.

It is required that full reimbursement be made to Lincoln.

### **Workers' Compensation**

This Policy and the coverages provided are not in lieu of, nor will they affect any requirements for coverage under any Workers' Compensation Law or other similar law.

## SECTION 8 - PREMIUMS

### Premium Rates

Lincoln has set the premiums that apply to the coverage(s) provided under this policy. Those premiums are shown in a notice given to the Sponsor with or prior to delivery of this policy.

A change in the initial premium rate(s) will not take effect within the first 48 months except that Lincoln may change premium rates at any time for reasons which affect the risk assumed, including those reasons shown below:

1. a change occurs in the policy design;
2. a division, subsidiary or Associated Company is added to or deleted from this policy;
3. when the number of Covered Persons changes by 15.00% or more from the number insured on this policy's effective date; or
4. a change in existing law which affects this policy.

Lincoln may, upon notice to the Sponsor, set new premium rates to become effective on or at any time after the first anniversary date of this policy. However, no premium may be changed unless Lincoln notifies the Sponsor at least 31 days in advance. Premium changes may take effect on an earlier date when both Lincoln and the Sponsor agree.

### Payment of Premiums

1. All premiums due under this policy, including adjustments, if any, are payable by the Sponsor on or before their due dates at Lincoln's Administrative Office, or to Lincoln's agent. The due dates are specified on the first page of this policy.
2. All payments made to or by Lincoln shall be in United States dollars.
3. If premiums are payable on a monthly basis, premiums for additional or increased insurance becoming effective during a policy month will be charged from the next premium due date.
4. The premium charge for insurance terminated during a policy month will cease at the end of the policy month in which such insurance terminates. This manner of charging premium is for accounting purposes only. It will not extend insurance coverage beyond a date it would have otherwise terminated as shown in the "Termination of a Covered Person's Insurance" provision of this policy.
5. If premiums are payable on other than a monthly basis, premiums for additional, increased, reduced or terminated insurance will cause a prorated adjustment on the next premium due date.
6. Except for fraud and premium adjustments, refunds of premiums or charges will be made only for:
  - a. the current policy year; and
  - b. the immediately preceding policy year.

## **SECTION 8 - PREMIUMS**

(Continued)

### **Grace Period**

A grace period of 31 days will be allowed for the payment of premium after a premium due date other than the first. No interest will be charged. During this period this policy will continue in force. But, if the Sponsor gives Lincoln written notice to terminate the policy on an earlier date, then this policy will end on such earlier date. The Sponsor must pay the pro rata premium for the time the policy was in force during the grace period.