



# CONTINENTAL AMERICAN INSURANCE COMPANY

P.O. Box 427 Columbia, South Carolina 29202

800.206.8826

## Group Term Life and Long Term Disability Insurance Policy Non-Dividend Paying

**POLICYHOLDER:** BMC Software, Inc.  
**POLICY NUMBER:** GLD0000113  
**POLICY EFFECTIVE DATE:** January 1, 2025  
**POLICY ANNIVERSARY DATE:** January 1, 2026, and each following January 1<sup>st</sup>.  
**POLICY SITUS:** Texas

Continental American Insurance Company (referred to as CAIC) will provide benefits under this policy. CAIC makes this promise subject to all of this policy's provisions. A Certificateholder's benefits and rights under this policy will not be less than those stated in the Certificate of Coverage.

The Policyholder should read this policy carefully and contact CAIC promptly with any questions.

This policy is issued in and governed by the laws of the state of Texas and in compliance with the Interstate Insurance Product Regulation Commission standards, and to the extent applicable by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments.

**Entire Contract** – This entire contract consists of:

- all policy provisions and any amendments and endorsements to this policy and its Exhibits;
- the Certificate of Coverage and any amendments and endorsements to the Certificate of Coverage;
- the Policyholder's Signed application; and
- for Contributory Insurance, the Insured Person's completed evidence of insurability, if any.

We will only make changes that are consistent with Interstate Insurance Product Regulation standards, and any endorsements or amendments used to effect such changes are subject to prior approval by the Interstate Insurance Product Regulation Commission and shall not affect the insurance provided until the effective date of the change, unless retroactivity is required by the Interstate Insurance Product Regulation Commission.

Signed for CAIC at its home office in Columbia, South Carolina on the Policy Effective Date.

### **CONFORMITY WITH INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION STANDARDS**

**The policy has been approved under the authority of the Interstate Insurance Product Regulation Commission and issued under the Commission standards. Any provision of this policy that on the provision's effective date is in conflict with Interstate Insurance Product Regulation Commission standards is hereby amended to conform to the Interstate Insurance Product Regulation Commission standards as of the provision's effective date.**

Virgil R. Miller, President

J. Matthew Loudermilk, Secretary

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## ELIGIBILITY AND EFFECTIVE DATES OF INSURANCE

The eligibility and effective dates of insurance provisions for each eligible class provided under this policy are set forth in the Certificate(s) issued with this policy and the appropriate records of the Policyholder and CAIC. Provisions setting forth the conditions, if any, under which we require a person to furnish evidence of insurability satisfactory to us to obtain coverage, are also set forth in the Certificate(s).

## SCHEDULE OF BENEFITS

The Schedule of Benefits which apply under this policy are set forth in the Certificate(s) attached to this policy.

## PREMIUM

### Premium Payments

This policy and the insurance provided under it, is issued in return for the payment of required Premiums by the Policyholder. Premiums are payable at the address shown on *Exhibit 1-Schedule of Initial Premium Rate(s)*. The Premium is due on and payable on or before the effective date of this policy. Later Premiums are due on each succeeding Premium due date as stated on *Exhibit 1*. These dates are the Premium due dates. All amounts are to be paid in the United States dollar.

CAIC and the Policyholder may agree upon a different frequency for the payment of Premiums. In that case, Premium due dates will be adjusted to reflect the agreed upon frequency.

If this policy, or one or more of the plans of insurance provided by this policy, ends for any reason, all Premiums due must be paid. If we accept Premium after the date this policy ends, this will not act to reinstate this policy. We will refund any unearned Premium as soon as reasonably possible, but in no event later than 30 days following receipt of the unearned Premium. Delayed refund of any unearned Premium shall subject to simple interest at the rate of 10% per year beginning with the 31<sup>st</sup> day after receipt of the unearned Premium and ending on the day the Premium refund is issued.

### Cost of Insurance

The initial premium rate(s) in effect on the Policy Effective Date are those determined by us.

The initial premium rate(s) for this policy are indicated on *Exhibit 1* attached to this policy.

The Premium due on any Premium due date is determined by the total amount of insurance provided under this policy on such date, multiplied by the appropriate premium rate(s) that are in effect on that date, subject to any premium adjustments, if applicable. We may use any reasonable method to compute Premiums due under this policy.

### Premium Contributions from Employees

Each Certificate issued with this policy describes if insurance is Contributory or Non-Contributory for each class of Insured Persons.

#### Contributory Insurance

The Policyholder determines the amount, if any, of each Employee's Contribution toward the cost of the insurance under this policy. The maximum amount that an Employee may be required to contribute to the cost of such insurance will not exceed the Premium charged for such insurance.

If this policy, or a line of coverage under this policy, terminates for any reason, the Policyholder must refund or otherwise account to each Employee all Contributions received or withheld from Employees for Premiums not actually paid to, or Premium amounts refunded to the Policyholder by us.

#### Non-Contributory Insurance

The Policyholder will not require the Employees to contribute to the cost of Non-Contributory Insurance, except:

- during periods where insurance that would otherwise be terminated, and is continued under the continuation provisions of the Certificate; or
- where necessary for the Policyholder to comply with applicable tax law.

## Initial Rate Guarantee and Rate Changes

A change in premium rate(s) will not take effect before the later of the expiration of the rate guarantee period or the Policy Anniversary Date. Refer to *Exhibit 1* for the rate guarantee period.

The rate guarantee supersedes only those provisions appearing elsewhere in this policy which give us the right to change the premium rate(s), and then, only for the period of time for which the rate(s) are guaranteed. However, we may change the premium rate(s) during the rate guarantee period in accordance with the “*Right to Change Premium Rate(s)*” provision below. The rate guarantee in no way affects, amends, or supersedes any other provision in this policy.

### Right to Change Premium Rate(s)

We will notify the Policyholder In Writing at least 31 days before a Premium rate is changed.

New premium rate(s) will apply only to Premiums that become due on or after the date the rate change takes effect.

Premium rate(s) may be changed:

1. on any date CAIC and the Policyholder mutually agree to In Writing;
2. on any date on or after the first Policy Anniversary Date, except as may be required by any rate guarantee period. We will notify the Policyholder In Writing at least 31 days prior to such change;
3. at any time, even during the rate guarantee period, we may change premium rate(s) for changes which materially affect the risk or cost assumed for the insurance provided by this policy, as follows:
  - a. on the date this policy is changed by rider, amendment, or endorsement;
  - b. on the date a division, subsidiary, associated company, affiliated company, branch, or similar entity, is added or deleted from this policy for any reason, including organizational restructuring, acquisition, spin-off or similar situations;
  - c. on the date a class of eligible persons is added or deleted from this policy for any reason, or changes for any reason, by 25% or more since the later of the Policy Effective Date and the last date premium rate(s) were changed, including organizational restructuring, acquisition, spin-off, lay-off business interruption, or similar situations;
  - d. when there is a significant change in the geographic distribution of Employees; or
  - e. there was a material misrepresentation in any experience reported to us during the pre-sale process.
4. at any time, even during the rate guarantee period, when any law, regulation or Interstate Insurance Product Regulation Commission standard is enacted, promulgated, amended, or clarified, or the administration of such laws, regulations or standards requires:
  - a. a change in the insurance provided by this policy;
  - b. a change in a class or classes of persons eligible for insurance under this policy;
  - c. a change that affects our benefit obligations under this policy; or
  - d. a change that results in additional tax(es) to be paid.
5. at any time even during the rate guarantee period, when a Premium due date coincides with or next follows:
  - a. a change greater than 25% in the number of insured Employees since the later of the Policy Effective Date and the last date premium rate(s) were changed; or
  - b. a change greater than 25% in the amount of insurance provided by this policy since the later of the Policy Effective Date and the last date premium rate(s) were changed.

### Adjustments in Premium Due

Premium increases or decreases which take effect during a Policy Month are adjusted and due on the next Premium due date following the change. Changes will not be pro-rated daily.

Premium changes for new Insured Persons or for increases in insurance amounts will begin on the Premium due date which coincides with or next follows the date of the addition or the change.

However, if evidence of insurability is required for such insurance, Premium will be charged as of the date such insurance takes effect.

For any insurance that is added, increased, or becomes effective after this policy or a plan of insurance is in force, the Premium charges will begin on the effective date of the change.

Otherwise, the Premium changes will begin on the first day of the next Policy Month.

Premium charges for terminated persons will end, and decreases for insurance amounts will begin, on the Premium due date which coincides with or next follows the termination or the change in amount.

This method of charging Premium will neither commence any insurance after the date it would otherwise begin nor extend any insurance coverage beyond the date it would otherwise terminate pursuant to the applicable effective date or termination provisions of this policy.

If insurance ends because this policy ends, or because insurance of a class of persons ends, Premium for such insurance will be charged to the date it ends. If insurance ends for any other reason, Premium will be charged to the end of the Policy Month in which such insurance ends.

For insurance, which is decreased or terminated, Premium charges will be adjusted as of the effective date of the change.

We will only adjust Premium for the current policy year and the prior policy year. Where permitted by applicable law of the governing jurisdiction, in the case of fraud, Premium adjustments will be made for all policy years.

The new Premium will apply only to Premiums due on or after the date the rate change takes effect. Each Premium due will include any adjustment in past Premiums which is caused by those changes which have not been taken into account at a prior date.

Where permitted by applicable law of the governing jurisdiction, in the case of fraud, Premium adjustments will be made for all policy years.

## **Premium Refunds and Adjustments**

### **Retroactive Adjustments**

We will notify the Policyholder In Writing of any underpayments or overpayments when confirmed by us. The Policyholder must make payment of an underpayment within 30 days of receipt of Written notice from us, unless other arrangements are agreed to by us In Writing.

We will refund an overpayment to the Policyholder within 30 days of the date the overpayment is confirmed by us. The Policyholder may only receive a maximum of 12 months credit for any correction due to the Policyholder's failure to timely notify us of changes including but not limited to, a reduction in, or cancellation of benefits. We may reduce any such credits by the amount of any Premium due or payments made on behalf of an Insured Person before the correction was requested.

Retroactive additions of eligible persons will be made solely by us and be based upon eligibility guidelines stated in the Certificate(s) and are subject to the payment of all applicable Premiums.

### **Life Insurance Waiver of Premium**

We do not require Premium payments for an Employee's life insurance if that Employee has satisfied, and continues to satisfy, the requirements of the *WAIVER OF PREMIUM WHILE YOU ARE TOTALLY DISABLED ("WAIVER OF PREMIUM BENEFIT")* provision.

### **Long Term Disability Premium Waiver**

We do not require Premium payments from the Policyholder or an Insured Person for an Employee's long term disability insurance while an Employee is receiving disability payments from us.

### **Administrative Services Reimbursement**

We may reimburse the Policyholder for a portion of the fee charged by the enrollment firm or administration platform provider to enroll their Employees.

## **Grace Period**

Each Premium due, after the initial Premium, may be paid up to 31 consecutive days after its Premium due date. This period is the grace period.

The insurance provided by this policy for which Premium has not paid will stay in effect during the grace period. We will notify the Policyholder In Writing that, if the Premium is not paid by the end of the grace period, such insurance will end at the end of the last day of the grace period. If we fail to give Written notice to the Policyholder by the end of the grace period, such insurance will continue in effect until the date notice is given.

The Policyholder may notify us In Writing of its intent to terminate this policy or a plan to insurance provided under this policy prior to the end of the grace period in accordance with this policy's terms and conditions. In this case, this policy or the plan of insurance will end on the later of:

- the date stated in the notice; or
- the date we receive the notice.

The Written notice to be given by us and required by the second paragraph of this provision will not be necessary if the Policyholder notifies us of its intent to end this policy or a plan of insurance. If the Policyholder replaces the insurance provided by this policy for which Premium has not been paid with other group insurance but does not notify us of its intent to end the insurance provided under this policy, these grace period provisions will still apply.

If more than one plan of insurance coverage is provided under this policy, having the same Premium due dates and the same length grace period, this *Grace Period* provision will apply to all such coverages. In the absence of Written notice from the Policyholder of its intent to end a specific plan of insurance, failure to pay the entire Premium due by the end of the grace period will end all insurance under this policy.

If more than one plan of insurance coverage is provided under this policy then, to the extent there are different Premium due dates, or different length grace periods for such coverages, this *Grace Period* provision will apply to each coverage independently of the others.

We may extend a grace period by giving Written notice to the Policyholder. Such notice will state the date insurance will end if the Premium remains unpaid.

We may accept a partial payment of Premium due without waiving our right to collect the entire amount due. If we expressly agree to accept late payment of a Premium without terminating this policy, the Policyholder remains liable for all Premiums during the extended period.

The Policyholder is required to pay a pro rata Premium for any period this policy was in force during the grace period. Premiums must be paid for a grace period, any extension of such period, and any period insurance was in effect for which Premium was not paid. We may recover from the Policyholder our costs of collecting any unpaid Premiums, including reasonable attorneys' fees and costs of litigation.

## **END OF INSURANCE PROVIDED BY THIS POLICY**

### **Termination by Mutual Consent**

This policy, or one or more of the plans of insurance provided under this policy, can be terminated at any time by the mutual Written consent of the Policyholder and us. In this case, termination will be effective on the date stated In Writing.

### **Termination by the Policyholder**

The Policyholder can end this policy or one or more of the plans of insurance provided by this policy by giving 31 days' advance Written notice to us. The notice must state when such termination will occur. In this case, this policy will end on the later of the date stated in the Written notice, or the date we received the notice. It will not be effective during a period for which Premium has been paid to us for the coverage.

### **Termination by Us**

We can end this policy, or one or more of the plans of insurance provided by this policy:

1. for non-payment of Premium when due, as set forth in the grace period provisions;
2. for any reason on any Policy Anniversary, except during any rate guarantee period for insurance affected by the rate guarantee period, by giving 31 days' advance Written notice to the Policyholder;
3. in the event of fraud by the Policyholder by giving 31 days' advance Written notice to the Policyholder;
4. on any Premium due date upon 31 days' Written notice, if on such date:
  - a. there are fewer than 2 Employees insured;
  - b. for Non-Contributory Insurance, fewer than 100% of those Employees eligible are insured;
  - c. for Contributory Insurance, fewer than 25% of those Employees eligible are insured;
  - d. for Contributory Insurance, fewer than 25% of those Employees with Dependents eligible are insured;
  - e. the Policyholder changes its eligibility or participation requirements without our consent; or
  - f. the Policyholder ceases to meet the requirements for an eligible group as defined under any applicable law or regulation.
5. on any Premium due date, by giving the Policyholder 31 days' advance Written notice, if the Policyholder fails to provide information or perform any obligations required by this policy, or any applicable law;
6. if we determine that there is a 25% change in the number of lives, or a significant change in the occupation or age of the eligible class(es) as a result of a corporate transaction such as a merger, divestiture, acquisition, sale, or reorganization of the Policyholder and/or its persons';

7. if we determine that there is a 25% change in the total amount of insurance under this policy as a result of a corporate transaction such as a merger, divestiture, acquisition, sale, or reorganization of the Policyholder and/or its persons; or
8. on the date on which the last Certificate in effect under this policy ends.

We reserve the right to review and terminate all class(es) covered under this policy if any class(es) cease(s) to be covered.

### **Notice of Termination**

The Policyholder must give Written notice of this policy ending to all Certificateholders as soon as reasonably possible. The Written notice will include information regarding the Certificateholder's right to conversion and other rights, if any, as provided in the Certificate(s).

### **Effect of Termination**

The termination of this policy will not relieve either party from any obligation incurred before the date of termination. If this policy or a plan of insurance provided by this policy is terminated, the cancellation will not affect a payable claim.

### **Reinstatement**

To reinstate this policy, the Policyholder must submit a Written request for reinstatement and send it to our administrative office along with the required Premium. If this request is approved, this policy will be reinstated on the date stated.

### **Continuation of Coverage and Life Insurance Conversion Rights**

The Policyholder or the Policyholder's designee is responsible to notify Insured Persons of their right to continue coverage pursuant to the continuation provisions in the Certificate(s) and applicable law, if any.

The Policyholder or the Policyholder's designee is responsible to provide notification to each Employee after termination or reductions to life insurance coverages, of their conversion right in the time frame set forth in the Certificate(s), including a description of plans available, Premium amounts, and application forms.

## **GENERAL PROVISIONS**

### **Policy Changes or Waivers**

This policy may be changed. Only the president and secretary of CAIC can approve a change. The approval must be In Writing and endorsed on or attached to this policy. No other person, including an agent, may change this policy or waive any part to it. A copy of any rider, amendment, or endorsement issued will be provided to the Policyholder for attachment to this policy and for attachment to the Certificate(s) if the change affects the Certificate(s).

The terms and provisions of this policy, a Certificate, and an Exhibit issued under this policy may be changed, at any time, without the consent of the Insured Persons or anyone else with a beneficial interest in it. We will only make changes that are consistent with Interstate Insurance Product Regulation Commission standards.

#### **Mutual Consent**

This policy may be changed by rider, amendment, or endorsement at any time by mutual Written agreement of the Policyholder and us. Such changes must be In Writing and Signed by the president and secretary of CAIC and by an authorized representative of the Policyholder. Changes must be consistent with Interstate Insurance Product Regulation Commission standards.

#### **All Other Changes**

This policy may also be changed by amendment or endorsement issued by us without the consent of the Policyholder within 30 days' Written notice to the Policyholder. This change will be made by Written endorsement and Signed by the president and secretary of CAIC. Changes must be consistent with Interstate Insurance Product Regulation Commission standards.

Changes by rider, amendment, or endorsement are limited:

- to incorporate provisions agreed upon prior to issuance of this policy;
- to correct an error in this policy, including any Certificate issued to anyone;
- to a change in Interstate Insurance Product Regulation Commission standards, or any state, local, or federal law, regulation, or ruling of a jurisdiction that affects a person covered under this policy;
- to a change in the administration of applicable Interstate Insurance Product Regulation Commission standards, or local, state, or federal law or regulation;

- to reflect a change in our administrative practices;
- to reflect policy liberalizations to the extent such changes do not result in either a reduction in or the elimination of benefits or coverage, or an increase in Premiums; and
- to reflect the exercise of a right or rights set forth under the terms of this policy.

Payment of the applicable Premium after notice of the proposed changes will be deemed to constitute the Policyholder's Written agreement of those changes on behalf of all persons covered under this policy.

Any rider, endorsement, or amendment will not affect the insurance provided under Certificate(s) until the effective date of the change, unless retroactivity is required by the Interstate Insurance Product Regulation Commission, or any state, local, or federal law, regulation, or ruling of a jurisdiction that affects a person covered under this policy. Riders, amendments, and endorsements are subject to prior approval by the Interstate Insurance Product Regulation Commission.

A copy of the rider, endorsement, or amendment will be provided to the Policyholder for attachment to this policy. Changes that affect Certificate(s) issued under this policy will be evidenced by a replacement Certificate(s), or Certificate riders, amendments, or endorsements issued to the Policyholder, or the Policyholder's designee, for delivery to each Certificateholder, as appropriate.

Any rider, endorsement, or amendment added to this policy after the date of issue that diminishes rights, benefits, or coverage in the policy will require Signed acceptance by the Policyholder.

Changes may only be made on forms approved by the Interstate Insurance Product Regulation Commission and must be consistent with Interstate Insurance Product Regulation Commission standards.

## **Certificate of Coverage**

We will furnish the Policyholder or the Policyholder's designee with a Certificate of Coverage for delivery to each Insured Person. The Certificate of Coverage describes the benefits and rights under the Certificate of Coverage. A Certificateholder's benefits and rights under this policy will not be less than those stated in the Certificateholder's Certificate of Coverage. It is the Policyholder's responsibility to deliver the Certificate of Coverage to the Certificateholder. Upon request, the Policyholder or its plan administrator will deliver a paper copy of the Certificate to the Certificateholder.

## **Time Period**

For purposes of effective dates and ending dates under this policy, all days begin and end at 12:01 A.M. standard time at the Policyholder's address.

## **Access to Records and Right to Audit**

The Policyholder must make payroll and other records directly related to an Employee's coverage under this policy available to us for inspection, at our expense, at the Policyholder's office, during regular business hours, upon reasonable advance request. This provision will survive termination of this policy.

We reserve the right to audit the Policyholder's billing records and Premium accounting practices once a year during business hours upon 30 days' Written notice.

## **Newly Eligible Persons**

All new persons in the class(es) eligible for coverage under this policy shall be added to such class(es) for which they are eligible.

## **Incontestability**

Any statement made by the Policyholder is considered a representation and not a warranty. We will not use such statements to reduce or deny a claim or cancel insurance, unless it is in a Written application which has been made a part of this policy.

We will not use such statements to contest the insurance under this policy after this policy has been in effect for two years from its effective date of the last date of reinstatement, except in the case of fraud, where permitted by applicable law of the governing jurisdiction. For any applied for increases in coverage, a new two-year contestability period is applicable to the amount of the applied increase.

No statement will be used to contest the insurance under the policy unless the statement is material to the risk accepted by us.

## **Assignment of This Policy**

This policy is not assignable except and to the extent such assignment may be agreed to by us. Such assignment will not affect us until we receive Written notice at our home office and give our Written approval.

If we agree to the assignment, the Policyholder is required to advise all Certificateholders of any assignment In Writing, via certified mail, or electronic mail, where allowed by law. None of the Insured Persons' rights will be affected by such assignment.

The assignability of Certificate(s) attached to this policy, and of the rights and benefits arising under such Certificate(s), is described in the Certificate(s).

### **Information Needed and Policy Administration**

All information necessary to compute Premiums and carry out the terms of this policy will be provided by the Policyholder and us.

Such information:

- must be provided in a timely manner and in a format as agreed to by us and the Policyholder;
- will be provided, maintained, and administered as agreed to In Writing by the president and secretary of CAIC and the Policyholder; and
- if maintained by the Policyholder, may be examined by us or our designee at any reasonable time.

Any act undertaken by the Policyholder that relates to the insurance provided under this policy must be consistent with the terms of such insurance and with our requirements; including but not limited to the eligibility requirements of coverage as set forth in the Certificate(s) to this policy.

We will not be liable to Insured Persons for the fulfillment of any obligation prior to information being received by us In Writing in a form satisfactory to us.

The Policyholder must notify us of the date in which an Employee's employment ceases for the purpose of termination of coverage under this policy. Subject to applicable law, unless otherwise provided in the Certificate(s), we will consider an Employee's employment to continue until stopped by the Policyholder.

The provision will survive termination of this policy.

### **Clerical Error of Data**

If the Policyholder or CAIC make a clerical error in keeping or providing the data, the Premium and/or benefits will be adjusted as warranted, according to the correct data. An error will not end insurance validly in force, nor will it continue insurance validly ended, or create insurance coverage where no coverage existed.

### **Misstatement of Age**

If an Insured Person's age is misstated, the correct age will be used to determine if insurance is in effect and, as appropriate, adjust Premiums and/or benefits.

### **Electronic Transactions**

Any transaction relating to this policy may be conducted by electronic means if performance of the transaction is consistent with applicable state and federal law. Any notice required by the provisions of this policy given by electronic means will have the same force and effect as notice given as a Written document.

### **Interpretation of this Policy**

If this policy comprises a part of an employee benefits plan, we retain authority to determine eligibility under the policy's terms, make factual determinations, to interpret policy terms and to ascertain whether and to what extent the claimant and beneficiaries are entitled to benefits. We have no authority or responsibility as to any other benefit which may be provided beyond this policy, or any other plan of benefits.

We have the right to adopt reasonable policies, procedures, rules, and interpretations of this policy and the Certificate(s) in order to promote orderly and efficient administration. Our failure to implement or insist upon compliance with any provision of this policy at any given time or times does not constitute a waiver or our right to implement or insist upon compliance with that provision at any other time or times. This includes, but is not limited to, the payment of Premiums. This applies regardless, if the circumstances are the same.

### **Non-Dividend Paying**

This policy does not pay dividends.

### **Compliance with Economic Sanctions Law or Regulation**

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such coverage, payment, service, benefit, or any business or activity of an Insured Person would violate any applicable trade or economic sanctions law or regulation.

## Relationship Between the Parties

The relationship between the parties is a contractual relationship between independent contractors. Neither party is an agent or employee of the other in performing its obligations pursuant to this policy.

## Delegation and Subcontracting

The Policyholder acknowledges and agrees that we may enter into arrangements with third parties to delegate functions under this policy such as we determine appropriate in our determination and as consistent with applicable laws and regulations. The Policyholder also acknowledges that our arrangements with third party vendors are subject to change in accordance with applicable laws and regulations.

## DEFINITIONS

**Certificate** means the document which describes the Insured Person's benefits and rights under this policy, and includes any riders, endorsements, amendments, notices, or other attachments to the Certificate. The Certificate(s) is attached to this policy. An Insured Person's benefits and rights under this policy will not be less than those stated in the Certificate.

**Certificateholder** means the person who is eligible for benefits provided by the Policyholder's policy, who has received a Certificate of Coverage, and for whom Premium has been paid.

**Contribution** means any amount the Policyholder may require the Insured to pay toward the total Premium that we charge for the insurance provided by this policy.

**Dependent** means any person who qualifies as a Dependent under the Certificate(s) attached to this policy for whom Premium has been paid.

**Employee** means any person who qualifies as an Employee under the Certificate(s) attached to this policy for whom Premium has been paid.

**Employer** means the Policyholder and any subsidiary or affiliate entity listed in Exhibit 2.

**Exhibit** means any attachment to this policy referred to as an Exhibit. An Exhibit to this policy includes a *Schedule of Initial Premium Rate(s)* and other attachments as agreed to by the Policyholder and us.

**Insured Person** means a person who is eligible for coverage and is the subject of insurance under the Certificate(s) attached to this policy for which Premium is paid.

**Minimum Participation Number** means the minimum amount of Certificateholders required to keep this policy in an active status.

**Policyholder** means the entity to whom this policy is issued and who sponsored the coverage for its Employees.

**Policy Month** means the one-month period beginning on the Policy Effective Date as defined on the *Schedule of Initial Premium Rate(s)* attached to this policy. Subsequent Policy Months will begin on the same day of each subsequent calendar month.

**Premium** means the amount that must be paid to us for the insurance provided under this policy.

**Signed** means any symbol or method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper, electronic media, or other durable media and which is consistent with applicable law.

**We, Us, and Our** (with or without initial capital letters) means Continental American Insurance Company.

**Written or In Writing** means a record which is on or transmitted by paper, electronic media, or other durable media and which is consistent with applicable law.

# Exhibit 1

## SCHEDULE OF INITIAL PREMIUM RATE(S)

This schedule lists the initial premium rate(s) on the effective date of this policy. Rate(s) are subject to change in accordance with the *Premium Rate Changes* provision of this policy.

**Effective Date:** January 1, 2025

**Premium Due Date:** The Policy Effective Date and each succeeding calendar month.

**Premiums are payable at:** **Continental American Insurance Company**  
P.O. Box 740272  
Atlanta, GA  
30374-0272

**Employer:** The Policyholder which includes any division, subsidiary, or affiliated company named in this policy.

**Eligible Classes of Employees to which this Schedule applies:**

All Classes

**Minimum Participation Number:** 2

**Rate Guarantee Period:** 3 years.

### Term Life Rates:

Employee: Basic Term Life:  
\$0.1280 per \$1,000 of Volume

Supplemental Term Life:

Rates per \$1,000 of Volume	
Age	Rates
<25	\$0.0330
25-29	\$0.0330
30-34	\$0.0390
35-39	\$0.0450
40-44	\$0.0650
45-49	\$0.0950
50-54	\$0.1700
55-59	\$0.3000
60-64	\$0.3300
65-69	\$0.5000
70+	\$0.8600

Spouse: Supplemental Term Life:

Rates per \$1,000 of Volume	
Age	Rates
<25	\$0.0560
25-29	\$0.0560
30-34	\$0.0710
35-39	\$0.1060
40-44	\$0.1810
45-49	\$0.3000
50-54	\$0.4820
55-59	\$0.6670
60-64	\$0.9500
65-69	\$1.4180
70-74	\$2.3630
75+	\$5.7700

Child: Supplemental Term Life:  
\$0.2400 per \$1,000 of Volume

**Accidental Death and Dismemberment Rates (AD&D):**

Employee: Supplemental AD&D:  
\$0.0300 per \$1,000 of Volume

Employee &  
Family: Supplemental AD&D:  
\$0.0500 per \$1,000 of Volume

**Employee Long Term Disability Rates:**

Core Long Term Disability:  
\$0.2020 per \$100 Monthly Covered Payroll

Buy-Up Long Term Disability:  
\$0.3780 per \$100 Monthly Covered Payroll

## Exhibit 2

### **LIST OF POLICYHOLDER SUBSIDIARIES, AFFILIATES, DIVISIONS, BRANCHES AND OTHER SIMILAR ENTITIES COVERED UNDER THE POLICY**

The subsidiaries, affiliates, divisions, branches, and other similar entities listed below are included for insurance under this policy as of the effective dates shown below. The Policyholder acts for all listed subsidiaries, affiliates, divisions, branches, and other similar entities in all matters of this policy. Such actions bind all listed subsidiaries, affiliates, divisions, branches, and other similar entities.

CAIC and the Policyholder may, from time to time, agree to change this list. If a change is needed, a policy amendment will be issued and attached to this policy to reflect the change to this Exhibit.

#### **Name of Subsidiary, Affiliate, Division Branch and Other Similar Entity**

BMC Software Federal, LLC  
2103 Citywest Blvd  
Houston, TX 77042  
FEIN: 46-3887048



## CONTINENTAL AMERICAN INSURANCE COMPANY

Home Office: P.O. Box 427 Columbia, South Carolina 29202

Administrative Office: P.O. Box 84069 Columbus, Georgia 31908-4069

Toll Free Telephone Number: 1-800-206-8826

### CERTIFICATE OF COVERAGE

**Policyholder:** BMC Software, Inc.  
**Policy Number:** GLD0000113  
**Policy Effective Date:** January 1, 2025  
**Policy Situs:** Texas  
**Type of Insurance:** Group Term Life Insurance with Accidental Death and Dismemberment Coverage

Coverage under this Certificate of Coverage (Certificate) is underwritten by Continental American Insurance Company ("CAIC") a stock company. This Certificate is issued to you under the Policy, and it includes the terms and provisions of the Policy that describe your insurance. If there is any conflict between the information in this Certificate and the Policy, the Policy will control in all respects.

We certify that each Certificateholder is insured for the benefits described in this Certificate, subject to the provisions of this Certificate. This Certificate is part of the Policy. The Policy is a contract between CAIC and the Policyholder. The terms and provisions of the Policy and the Certificate may be changed or ended without notice to or the consent from you or anyone else with a beneficial interest in it. You have a right to inspect a copy of the Policy. The benefits under the Policy will not be less than as stated in this Certificate. Unless otherwise specified, you are entitled to exercise the rights and benefits granted under this Certificate.

**WE PROVIDE A CERTIFICATE FOR DELIVERY TO EACH CERTIFICATEHOLDER. PLEASE READ YOUR CERTIFICATE CAREFULLY. INSURANCE BENEFITS MAY BE SUBJECT TO CERTAIN REQUIREMENTS, REDUCTIONS, LIMITATIONS, AND EXCLUSIONS.**

**THE POLICY HAS BEEN ISSUED UNDER THE AUTHORITY OF AND IN COMPLIANCE WITH THE INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION STANDARDS FOR DELIVERY IN THE POLICY SITUS STATED ABOVE. THE INSURANCE DEPARTMENT FOR THE SITUS STATE MAY BE REACHED BY CALLING THE NUMBER ON THE STATE INSURANCE DEPARTMENT CONTACT INFORMATION LIST ON THE FOLLOWING PAGES. INSURANCE UNDER THE POLICY IS NON-DIVIDEND PAYING.**

Your coverage may be terminated or changed under the terms and provisions of the Policy. You may inspect a copy of the Policy by contacting the Policyholder. We will only make changes that are consistent with Interstate Insurance Product Regulation Commission ("the Commission") standards and any endorsements or amendments used to effect such changes are subject to prior approval by the Commission and will not affect the Insurance provided until the effective date of the change, unless retroactivity is required by the Interstate Insurance Product Regulation Commission.

**THIS CERTIFICATE INCLUDES AN ACCELERATED BENEFIT OPTION. DEATH BENEFITS WILL BE REDUCED IF AN ACCELERATED BENEFIT IS PAID. THE RECEIPT OF THIS BENEFIT MAY BE TAXABLE AND MAY AFFECT YOUR ELIGIBILITY FOR MEDICAID OR OTHER GOVERNMENT BENEFITS OR ENTITLEMENTS. YOU SHOULD CONSULT YOUR PERSONAL TAX ADVISOR BEFORE YOU APPLY FOR AN ACCELERATED BENEFIT.**

**NON-PARTICIPATING**

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## STATE INSURANCE DEPARTMENT CONTACT INFORMATION

State	Insurance Department	Main Phone
Alabama	Alabama Department of Insurance	(334) 269-3550
Alaska	Alaska Division of Insurance	(907) 269-7900
Arizona	Arizona Department of Insurance	(602) 364-2499
Arkansas	Arkansas Insurance Department	(501) 371-2600
California	California Department of Insurance	(800) 927-4357
Colorado	Colorado Division of Insurance	(303) 894-7499
Connecticut	Connecticut Insurance Department	(860) 297-3800
Delaware	Delaware Department of Insurance	(302) 674-3700
District of Columbia	District of Columbia Department of Insurance, Securities and Banking	(202) 727-8000
Florida	Florida Office of Insurance Regulation	(850) 413-3140
Georgia	Georgia Department of Insurance	(404) 656-2056
Hawaii	Hawaii Insurance Division	(808) 586-2790
Idaho	Idaho Department of Insurance	(208) 334-4250
Illinois	Illinois Department of Insurance	(217) 782-4515
Indiana	Indiana Department of Insurance	(317) 232-2385
Iowa	Iowa Insurance Division	(515) 654-6600
Kansas	Kansas Department of Insurance	(785) 296-3071
Kentucky	Kentucky Office of Insurance	(502) 564-3630
Louisiana	Louisiana Department of Insurance	(800) 259-5300
Maine	Maine Bureau of Insurance	(207) 624-8475
Maryland	Maryland Insurance Administration	(410) 468-2090
Massachusetts	Division of Insurance	(617) 521-7794
Michigan	Michigan Department of Insurance and Financial Services	(877) 999-6442
Minnesota	Minnesota Department of Commerce	(651) 539-1500
Mississippi	Mississippi Insurance Department	(800) 562-2957
Missouri	Missouri Department of Commerce and Insurance	(573) 751-3365
Montana	Montana Office of the Commissioner of Securities and	(406) 444-2040
Nebraska	Nebraska Department of Insurance	(402) 471-2201
Nevada	Nevada Division of Insurance	(775) 687-0700
New	New Hampshire Department of Insurance	(603) 271-2261
New Jersey	New Jersey Department of Banking and Insurance	(609) 292-7272
New York	New York Department of Financial Services	(800) 342-3736
New Mexico	Office of Superintendent of Insurance	(505) 827-4601
North Carolina	North Carolina Department of Insurance	(855) 408-1212
North Dakota	North Dakota Insurance Department	(701) 328-2440
Ohio	Ohio Department of Insurance	(614) 644-2658
Oklahoma	Oklahoma Department of Insurance	(405) 521-2828
Oregon	Oregon Insurance Division Consumer Advocacy Unit	(503) 947-7984
Pennsylvania	Pennsylvania Department of Insurance	(717) 787-2317
Puerto Rico	Puerto Rico Department of Insurance	(787) 304-8686
Rhode Island	Rhode Island Insurance Division	(401) 462-9520
South Carolina	South Carolina Department of Insurance	(803) 737-6180

## STATE INSURANCE DEPARTMENT CONTACT INFORMATION

<b>State</b>	<b>Insurance Department</b>	<b>Main Phone</b>
South Dakota	South Dakota Department of Labor & Regulation	(605) 773-3101
Tennessee	Tennessee Department of Commerce & Insurance	(615) 741-2241
Texas	Texas Department of Insurance	(800) 252-3439
Utah	Utah Department of Insurance	(801) 538-3800
Vermont	Vermont Division of Insurance	(802) 828-3301
Virginia	Virginia Bureau of Insurance	(804) 371-9741
Washington	Washington State Office of Insurance	(360) 725-7000
West Virginia	Offices of the Insurance Commission	(304) 558-3354
Wisconsin	Office of the Commissioner of Insurance	(608) 266-3585
Wyoming	Wyoming Department of Insurance	(307) 777-7401

## SPECIAL NOTICES

### NOTICE FOR RESIDENTS OF ALL STATES

#### Continental American Insurance Company

**Toll Free Number:** 1-800-206-8826 TTY/RTT 711  
**Claim Information Toll Free Number:** 1-800-206-8826 TTY/RTT 711

#### FRAUD NOTICE

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

#### LIFE INSURANCE BENEFITS WILL BE REDUCED IF AN ACCELERATED BENEFIT IS PAID

**DISCLOSURE:** The Accelerated Benefit Option offered under this Certificate is intended to qualify for favorable tax treatment under the Internal Revenue Code of 1986. If this benefit qualifies for such favorable tax treatment, the benefit will be excludable from your income and not subject to federal taxation. Tax laws relating to accelerated benefits are complex. You are advised to consult with a qualified tax advisor about circumstances under which you could receive an accelerated benefit excludable from income under federal law.

**DISCLOSURE:** Receipt of an accelerated benefit may affect your, your Spouse's, or your family's eligibility for public assistance programs such as Medical Assistance (Medicaid), Temporary Assistance for Needy Families (TANF), Supplementary Social Security Income (SSI), and drug assistance programs. You are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such payment will affect your, your Spouse's, and your family's eligibility for public assistance.

#### Notices for residents of the following states:

#### **ARKANSAS**

#### **QUESTIONS OR PROBLEMS WITH YOUR POLICY?**

**If you have any questions or problems with your Policy, you may contact us at the address below or one of the other organizations listed:**

Continental American Insurance Company  
1932 Wynnton Road  
Columbus, GA 31999  
Telephone: 800.206.8826  
Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904  
Telephone: (501) 371-2640 or (800) 852-5494

#### **ARIZONA**

**Notice: This certificate of insurance may not provide all benefits and protections provided by law in Arizona. Please read this certificate carefully**

**GEORGIA**  
**NOTICE**

The laws of the State of Georgia prohibit insurers from unfairly discriminating against any person based upon his or her status as a victim of family violence.

**FLORIDA**

**The benefits of the policy providing your coverage are governed by the law of a state other than Florida.**

**IDAHO**

**If you need the assistance of the governmental agency that regulates the business of insurance, you can contact the Idaho Department of Insurance by contacting:**

**Idaho Department of Insurance**  
**Consumer Affairs**  
**700 W State Street, 3<sup>rd</sup> Floor**  
**P.O. Box 83720-0043**  
**1-800-721-3727 or 208-334-4250 or [www.DOI.Idaho.gov](http://www.DOI.Idaho.gov)**

**INDIANA**

**NOTICE TO EMPLOYEES**

Questions regarding your Policy or coverage should be directed to:

**Continental American Insurance Company**  
**1932 Wynnton Road, Columbus, GA 31999**  
**800.206.8826**

If you (a) need the assistance of the governmental agency that regulates insurance; or (b) have a complaint you have been unable to resolve with your insurer you may contact the Department of Insurance by mail, telephone, or email:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street  
Suite 300  
Indianapolis, IN 46204

Consumer Hotline:

1-800-622-4461

In the Indianapolis Area:

1-317-232-2395

Complaints can be filed electronically at [www.in.gov/idoi](http://www.in.gov/idoi)

**ILLINOIS**

**NOTICE TO EMPLOYEES - ILLINOIS**

**This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following:**

Continental American Insurance Company  
1932 Wynnton Road, Columbus, GA 31999  
800.206.8826

For your information, the following is your state's Department of Insurance contact information:

Illinois Department of Insurance  
Consumer Division  
320 W Washington St  
Springfield, IL 62767  
(217) 782-4515

**MARYLAND**

**For Maryland Residents:**

**The Group Insurance Contract providing coverage under this certificate was issued in a jurisdiction other than Maryland and may not provide all of the benefits required by Maryland law.**

**NORTH CAROLINA**

**For North Carolina Residents**

**Notice: This Certificate of Insurance provides all of the benefits mandated by the North Carolina Insurance Code, but it issued under a group master policy located in another state and may be governed by that state's laws.**

**OKLAHOMA**

**For Oklahoma Residents**

**Notice: Certificates issued for delivery in Oklahoma are governed by the certificate and Oklahoma laws not the state where the master policy is issued**

**TEXAS**

**FOR TEXAS RESIDENTS**

**THE INSURANCE POLICY UNDER WHICH THE CERTIFICATE IS ISSUED IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. YOU SHOULD CONSULT YOUR EMPLOYER TO DETERMINE WHETHER YOUR EMPLOYER IS A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM**

**WISCONSIN**

**NOTICE TO EMPLOYEES – WISCONSIN**  
**KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS**

**PROBLEMS WITH YOUR INSURANCE? – If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.**

Continental American Insurance Company  
1932 Wynnton Road, Columbus, GA 31999  
800.206.8826

**You can also contact the OFFICE OF THE COMMISSIONER OF INSURANCE, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the OFFICE OF THE COMMISSIONER OF INSURANCE by contacting:**

Office of the Commissioner of Insurance  
Complaints Department  
P.O. Box 7873  
Madison, WI 53707-7873  
Toll-Free: (800) 236-8517  
Telephone: (608) 266-0103

**MINNESOTA RESIDENTS**

**CONTINUATION OF COVERAGE OPTION FOR MINNESOTA RESIDENTS**

If you are a Minnesota resident and your life insurance ends because you are voluntarily or involuntarily terminated or laid off from your employment, you may elect to continue coverage for yourself and your covered Dependents, if any, if the Policy remains in force for active Employees. "Laid off from employment" means your working hours are reduced to the point you are no longer eligible for life insurance under the Policy.

If you elect to continue life insurance coverage, you must pay the Policyholder or its designee for the cost of the insurance. In no event will the amount of premium charged exceed 102 percent of the cost of insurance for such period of coverage

for other similarly situated Employees covered under the Policy with respect to whom neither termination nor layoff has occurred, without respect to whether such cost is paid by the Policyholder or the Employee.

### **Notice**

The Policyholder or its designee will inform you within 14 days of the date of your termination of, or layoff from, employment, of:

- your right to elect to continue your current life insurance up to 18 months from the date of termination of your employment or layoff;
- the monthly premium charge to retain the coverage;
- the manner in which and where payments are to be made; and
- the time period in which the payments must be made to retain the continuation coverage.

You will have a 31 day grace period following the premium due date to pay any premium due.

### **Election Period**

You must elect this continuation of coverage on an enrollment form provided by the Policyholder or its designee. You must pay the first premium in full within 60 days from the later of:

- the date your coverage was terminated; or
- the date on which the notice of the right to continue coverage is received.

Written notice of your right to continue coverage will be sent by first class mail to your last known address which you provided to your Employer.

### **When Continuation of Coverage Ends**

Continued coverage will end for you on the earliest of:

- the date you return to employment with the Employer and become eligible for Employee life insurance under the Policy;
- the date you obtain coverage under another group policy;
- the date the continuation period ends;
- the date you terminate coverage for yourself;
- the date the premium grace period ends and you fail to pay the premium due; or
- the date the Policy terminates for any reason.

Continuation coverage under the Policy will end for your Dependent the earliest of:

- the date your coverage ends for any reason;
- the date your Dependent obtains coverage under another group policy;
- the date coverage is reinstated for a Dependent under this Policy;
- the date the continuation period ends;
- the date you terminate coverage for a Dependent;
- the date the premium grace period ends and you fail to pay the premium due for a Dependent; or
- the date Policy terminates for any reason.

**Once continued coverage terminates for an Insured Person, coverage will not be reinstated under the Policy.**

### **Life Insurance Conversion Option**

When continued coverage ends, except for non-payment of Premium, an Insured Person may elect to apply for conversion insurance. Refer to your life insurance Certificate of Coverage for information on your conversion rights.

### **Payable Life Insurance Benefit During the Continuation Election Period**

A life insurance benefit is payable for an Insured Person who dies during the election period:

- within 60 days after group coverage under the Policy ends; and
- while entitled to continue coverage under this endorsement.

The amount of the benefit is equal to the amount of life insurance benefit that the Insured Person was entitled to continue, less any unpaid Premium owing as of the date of death. It is payable even if you did not apply for continuation. It is payable when we receive Written Proof of death, and we approve the claim.

## THIS NOTICE IS FOR TEXAS RESIDENTS ONLY

### IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax (512) 490-1007

Web: <http://eee.tdi.texas.gov>

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

### PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Aflac first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

### ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part of or condition of the attached document.

### AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

**1-800-252-3439**

Pueda escribir al Departamento de Seguros de Texas:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax (512) 490-1007

Web: <http://eee.tdi.texas.gov>

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

### DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concierne a su prima o a un reclamo, debe comunicarse con Aflac primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI)

### UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion de documento adjunto.

## SCHEDULE OF BENEFITS

**POLICYHOLDER:** BMC Software, Inc.  
**POLICY NUMBER:** GLD0000113  
**POLICY EFFECTIVE DATE:** January 1, 2025  
**POLICY ANNIVERSARY DATE:** January 1, 2026, and each following January 1<sup>st</sup>.  
**POLICY SITUS:** Texas

**Eligible Class(es):**

All persons in the following class(es) are eligible for Employee coverage:

**Class 1:** All Actively at Work Employees, excluding CA employees VDI employees.

**Minimum Hours Requirement:** 20 hours per week.

**Waiting Period:** None

<b>EMPLOYEE TERM LIFE INSURANCE</b>	
<b>BASIC LIFE INSURANCE (Non-Contributory Insurance)</b>	<b>BENEFIT AMOUNTS</b>
Life Insurance Benefit Amount	2 x's Annual Earnings
Maximum Amount	\$2,000,000
Minimum Amount	\$1,000
Guarantee Issue Amount	Lesser of 2 x's Annual Earnings or \$2,000,000
Rounding Method: All amounts are rounded to the next higher multiple of \$1,000, if not already an exact multiple thereof.	
<b>SUPPLEMENTAL LIFE INSURANCE (Contributory Insurance)</b>	<b>BENEFIT AMOUNTS</b>
Life Insurance Benefit Amount	1 x's to 5 x's Annual Earnings
Combined Maximum Amount Basic and Supplemental Plans	\$2,000,000
Minimum Amount	\$1,000
Combined Guarantee Issue Amount Basic and Supplemental Plans	Lesser of 3 x's Annual Earnings or \$500,000
Rounding Method: All amounts are rounded to the next higher multiple of \$1,000, if not already an exact multiple thereof.	
<b>ACCELERATED BENEFIT OPTION</b>	
ABO Benefit Maximum	For Basic Insurance Plan: 80% of your Basic Life Amount to a maximum of \$500,000.  For Supplemental Insurance Plan: 80% of your Supplemental Life Amount to a maximum of \$500,000.
ABO Benefit Minimum	\$5,000
<b>PORTABLE ELIGIBLE LIFE INSURANCE</b>	
Supplemental Life Insurance Amount	The lesser of the amount of Supplemental Life Insurance terminated or \$500,000.

<b>DEPENDENT TERM LIFE INSURANCE</b>	
<b>ELIGIBLE DEPENDENT</b>	<b>BENEFIT AMOUNTS</b>
<b>SPOUSE:</b>	
<b>SUPPLEMENTAL LIFE INSURANCE* (Contributory Insurance)</b>	
Life Insurance Benefit Amount	Units of \$25,000
Maximum Amount	\$250,000
Minimum Amount	\$1,000
Guaranteed Issue Amount	\$25,000
*A Spouse's Supplemental Life Insurance amount is limited to a maximum of 100% of the amount you elect for Basic and Supplemental Life Insurance.	
<b>ACCELERATED BENEFIT OPTION</b>	
ABO Benefit Maximum	For Supplemental Insurance Plan: 80% of the Spouse Supplemental Life Amount to a maximum benefit of \$250,000.
ABO Benefit Minimum	\$5,000
<b>SPOUSE PORTABLE ELIGIBLE LIFE INSURANCE</b>	
Supplemental Life Insurance Amount	The lesser of the amount of Supplemental Life Insurance terminated or \$250,000.
<b>CHILD:</b> <b>Eligible Age: Live Birth to age 26</b>	<b>BENEFIT AMOUNTS</b>
<b>SUPPLEMENTAL LIFE INSURANCE* (Contributory Insurance)</b>	
Life Insurance Benefit Amount	Units of \$5,000
Live Birth to 6 months	\$1,000
Maximum Amount	\$15,000
Minimum Amount	\$1,000
*A Child's Supplemental Life Insurance amount is limited to a maximum of 100% of the amount you elect for Basic and Supplemental Life Insurance.	
<b>CHILD PORTABLE ELIGIBLE LIFE INSURANCE</b>	
Supplemental Life Insurance	The lesser of the amount of Supplemental Life Insurance terminated or \$10,000.

## ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) INSURANCE

EMPLOYEE BENEFITS	BENEFIT AMOUNT
<b>SUPPLEMENTAL PLAN (Contributory Insurance)</b>	
<b>AD&amp;D PRINCIPAL SUM</b>	Units of \$10,000
Maximum Amount	\$500,000
Minimum Amount	\$10,000
<b>DEPENDENT BENEFITS</b>	
<b>SPOUSE AD&amp;D PRINCIPAL SUM</b>	Units of \$25,000
Maximum Amount	\$250,000, not to exceed 100% of Employee amount
Minimum Amount	\$1,000
<b>CHILD AD&amp;D PRINCIPAL SUM</b>	Units of \$5,000
Live Birth to 6 months	\$1,000
Maximum Amount	\$15,000, not to exceed 100% of Employee amount
Minimum Amount	\$1,000
<b>ADDITIONAL AD&amp;D BENEFITS</b>	
<b>BENEFIT AMOUNT</b>	
Seat Belt Use Benefit	The lesser of 10% of your Principal Sum or \$25,000.
Air Bag Benefit	The lesser of 5% of your Principal Sum or \$10,000.
Supplemental- Employee, Spouse, Child	
Child Care Program Benefit	For each Child that qualifies: The annual maximum amount payable per eligible Child will be the lesser of: <ul style="list-style-type: none"> <li>• the actual cost of the Child Care Program;</li> <li>• 5% of the Insured Person's Principal Sum; or</li> <li>• \$5,000.</li> </ul>
Supplemental- Employee, Spouse	Overall maximum amount payable under this benefit is the lesser of: <ul style="list-style-type: none"> <li>• 100% of the Insured Person's Principal Sum; or</li> <li>• \$25,000.</li> </ul> Maximum benefit period: 4 years.
Child Tuition Program Benefit	The annual maximum amount payable for an academic year per eligible Child will be the lesser of: <ul style="list-style-type: none"> <li>• the actual cost of the higher education;</li> <li>• 5% of the Insured Person's Principal Sum; or</li> <li>• \$5,000.</li> </ul>
Supplemental- Employee, Spouse	Overall maximum benefit: The lesser of: <ul style="list-style-type: none"> <li>• 10% of the deceased person's Principal Sum; or</li> <li>• \$20,000.</li> </ul> Maximum benefit period: 4 years.
Common Carrier Benefit	An additional 100% of the amount payable for your Covered Loss to \$500,000.
Supplemental- Employee, Spouse, Child	

<p>Repatriation of Remains Benefit</p> <p>Supplemental- Employee, Spouse, Child</p>	<p>The Repatriation Benefit payable is the lesser of:</p> <ul style="list-style-type: none"> <li>• the expense incurred for preparation of the body for burial or cremation and transportation of the body to the place of burial or cremation; or</li> <li>• \$2,000.</li> </ul>
<p>Spouse Tuition Benefit</p> <p>Supplemental- Employee Only</p>	<p>The annual maximum amount payable for an academic year will be the lesser of:</p> <ul style="list-style-type: none"> <li>• the actual cost of the higher education; or</li> <li>• \$5,000.</li> </ul> <p>Maximum benefit period: 4 years.</p>

<b>AGE BENEFIT REDUCTION TABLE</b>	
<p>The age reduction rule will reduce Life and AD&amp;D Insurance in effect if you become insured at certain ages or have reached certain ages while insured under this plan. The age reduction will apply to any payable benefit if not already reduced.</p>	
<p>Employee Basic and Supplemental Life</p>	<p><b>Benefits will reduce to:</b> 65% at age 70-74 50% at age 75 and up</p>
<p>Spouse Supplemental Life</p>	<p><b>Benefits will reduce to:</b> 65% at age 70-74 50% at age 75 and up</p>

**EXCEPTIONS TO THE END OF INSURANCE**

<b>CONTINUATION LEAVE</b>	<b>CONTINUATION PERIOD</b>
Sickness or Injury	6 months from the start of your absence or at long term disability of elimination period.
Family and Medical Leave	Per FMLA guidelines.
Military Leave	Per USERRA guidelines.

## DEFINITIONS

As used in this Certificate, the terms listed below will have the meanings set forth below.

Unless defined differently within a particular provision, the terms “you” and “your” mean the insured Employee. The terms “we”, “our”, and “us”, mean Continental American Insurance Company. Other defined terms will appear in the Certificate with their initial letters capitalized. The plural use of a term defined in the singular will share the same meaning.

**Actively at Work, Active Work, or Active Employment** means you are currently performing in the usual manner all of the usual and customary duties of your job on a full-time basis on a day that is one of your scheduled work days for wage or profit. This performance of duties must be done at:

- your usual place of employment;
- the Policyholder’s place of business;
- an alternate place approved by the Policyholder; or
- a place to which the Policyholder’s business requires you to travel.

You will be deemed to be actively at work during weekends or Policyholder approved vacations, holidays, or business closures if you were actively at work on the last scheduled work day preceding such time off.

**AD&D Insurance** means Basic and Supplemental Accidental Death and Dismemberment Insurance, if any, included under the Policy.

**Annual Earnings** means your regular hourly wages (but not for more than 40 hours a week), not including: commissions; bonuses, overtime pay, or any other pay or fringe benefits.

We will determine your annual earnings based on the terms above for your compensation in effect on your last full day of Active Work.

**Basic Insurance** means any insurance for which you are not required to pay except and to the extent as may be necessary for the Policyholder to comply with applicable tax law.

**Beneficiary** means the person(s) or entity to whom we will pay the insurance proceeds in accordance with the provisions of this Certificate.

**CAIC** means Continental American Insurance Company.

**Certificateholder** means an Employee who is eligible for benefits provided by the Policy, who has received a Certificate, and for whom Premium has been paid. Unless otherwise specified, the certificateholder is entitled to exercise the rights and benefits granted under the Certificates attached to the Policy.

**Child** and **Children** mean the following:

- your biological/natural child;
- your adopted child, or a child from the date of placement in your home pending adoption;
- your stepchild (this includes a child of your Domestic Partner or marriage);
- a child for whom you are the court appointed legal guardian; and
- a child who is continuously incapable of self-sustaining employment because of mental or physical handicap; and chiefly dependent upon you for support and maintenance or institutionalized because of mental or physical handicap.

And such child is:

- born alive and under age 26;
- unmarried and not in a legally sanctioned Domestic Partner relationship as recognized by applicable state law in the state where the Policy is delivered or issued for delivery.

The term child does not include any person who:

- is on active duty in the military of any country or international authority; however, active duty for this purpose does not include weekend or summer training for the reserve forces of the United States, including the National Guard;
- is insured under the Policy in any other capacity such as an Employee;
- is insured pursuant to the exercise of any conversion right; or
- has established his or her legal residence outside the United States, its territories or possessions, or Canada.

**Contribution** means any amount the Policyholder may require you to pay toward the total Premium that we charge for the insurance provided by the Policy.

**Contributory/Contributory Insurance** means any insurance for which the Policyholder requires a Certificateholder to pay any part of the Premium. The maximum amount that a Certificateholder may be required to contribute to the cost of his or her insurance may not exceed the Premium charged for such insurance.

**Death Benefit** - The life insurance amount payable upon an Insured Person's death.

**Dependent** means your Insured Spouse or your Child(ren).

**Domestic Partner** means each of two people, one who is an Employee of the Policyholder who:

- have registered as each other's domestic partner or reciprocal Beneficiary with a government agency where such registration is available; or
- are the same or an opposite sex; and
- have a mutually dependent relationship so that each person has an insurable interest in the life of the other, and all of the following requirements have been met:
  - have shared a primary residence and shared financial assets and obligations with each other for at least 12 consecutive months immediately preceding the effective date of coverage;
  - are not related by blood in a manner that would prohibit a legal marriage in the jurisdiction where you both reside;
  - are both at least 18 years of age; and
  - are not married to anyone else, or has any other domestic partner.

**Earnings** means your regular hourly wages (but not for more than 40 hours a week), not including: commissions, bonuses, overtime pay, or any other pay or fringe benefits.

We will determine your earnings based on the terms above for your compensation in effect on your last full day of Active Work.

**Eligibility Date** means the date a person becomes eligible for insurance under the Policy.

**Employee** means a person defined as such by the Policyholder. Employee includes the employees of one or more subsidiary corporations named in the Policy.

Employee excludes in any case, part-time employees, temporary employees, and employees who work for the Employer less than the number of hours per week indicated in the *Schedule of Benefits*.

This term does not include employees who normally work less than 20 hours a week for the Employer.

**Employer** means the entity that has been approved by CAIC for coverage under the Policy issued to the Policyholder, which includes any division, subsidiary, or affiliated company named in the Policy.

**Evidence of Insurability** is information about a person's medical history and any other information about an applicant's insurability that we may reasonably require. We will use this information to determine if your requests for coverage or increases in coverage will become effective. Information may include questionnaires, physical exams, or Written documentation as required by us. Evidence of insurability will be provided at our expense. Evidence of insurability is not required for Non-Contributory Insurance.

**Guaranteed Issue Amount** means the amount of insurance that will be issued to an Insured Person without Evidence of Insurability. The guaranteed issue amount for an Insured Person's life insurance is shown in the *Schedule of Benefits*.

**Hospitalized** means:

- admission for inpatient care in a Hospital;
- receipt of care in the following:
  - a hospice facility;
  - an intermediate care facility; or
  - a long term care facility; or
- receipt of the following treatment, wherever performed:
  - chemotherapy;
  - radiation therapy; or
  - dialysis.

**Immediate Family Member** means a person who is related to the Insured Person in any of the following ways: Spouse, Domestic Partner, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, parent (includes stepparent), grandparent, brother or sister (includes stepbrother or stepsister), Child (includes legally adopted, stepchild, foster Child, or Domestic Partner's Child, aunt, uncle, niece, nephew, or grandchild.

**Insured Person** means you and an insured Dependent whose life or person is the subject of insurance under this Certificate.

**Insured Spouse** means your Spouse or Domestic Partner, as defined in this section and for whom Premium is paid while covered under the Policy.

**Non-Contributory/Non-Contributory Insurance** means any insurance for which you are not required to pay except and to the extent as may be necessary for the Policyholder to comply with applicable tax law.

**Physician** means a licensed M.D. or D.O who is:

- a person performing tasks that are within the limits of his or her medical license; and a person who is licensed to practice medicine and prescribe and administer drugs or to perform surgery in the jurisdiction where such services are performed; or
- a person with a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients; or
- a person who is a legally qualified medical practitioner according to the laws and regulations of the Policy Situs state; and
- any other person whose services, according to applicable law, must be treated as Physician's services for purposes of the Policy. Each such person must be licensed in the jurisdiction where the service is performed and must act within the scope of that license. Such person must also be certified and/or registered if required by such jurisdiction.

We will not recognize you, or your Immediate Family Member as a Physician for a claim that you send to us.

**Policy** means the group insurance policy issued by us to the Policyholder and identified by the Policy Number.

**Policy Anniversary** means the specified period of time (such as one year) following the effective date of the Policy and each subsequent period.

**Policyholder** means the entity to whom the Policy is issued.

**Premium** means the amount that must be paid to us for the insurance provided under the Policy.

**Prior Plan** means the plan of insurance providing similar benefits sponsored by the Policyholder in effect directly prior to the Policy Effective Date with CAIC.

**Proof** means Written evidence satisfactory to us that a person has satisfied the conditions and requirements for eligibility for any benefit described in this Certificate. When a claim is made for any benefit described in this Certificate. Proof must establish:

- the nature and extent of the loss or condition;
- our obligation to pay the claim; and
- the claimant's right to receive payment.

**Sickness** means an illness, disease, or physical condition. Total Disability resulting from a sickness must begin while you are covered under the Policy.

**Signed or Signature** means any symbol or method executed or adopted by a person with the present intention to authenticate a record, which is on or transmitted by paper or electronic media which is acceptable to us and consistent with applicable law.

**Spouse** means a person to whom you are legally married. The term spouse also includes any other person who is required to be treated as your spouse for purposes of insurance under the Domestic Partnership, marriage or other family or domestic relations laws, including case law of the Policy's situs state or the state in which you resided on the day this Certificate was issued.

For the purposes of determining whether a spouse is an Insured Person, the term spouse does not include any person who:

- is on active duty in the military of any country or international authority; however, active duty for this purpose does not include weekend or summer training for the reserve forces of the United States, including the National Guard;
- you have divorced, or from whom you have terminated a Domestic Partner relationship; or
- is insured under the Policy as an Employee.

**Supplemental Insurance** means any insurance for which the Policyholder requires a Certificateholder to pay any part of the Premium. The maximum amount that a Certificateholder may be required to contribute to the cost of his or her insurance may not exceed the Premium charged for such insurance.

**We, Us, and Our** (with or without initial capital letters), means Continental American Insurance Company, and in connection with the making of all benefit determinations under the plan means Continental American Insurance Company, acting directly or through their agents and delegates.

**Written or In Writing** means a record which is on or transmitted by paper, electronic or telephonic media, and which is consistent with applicable law.

**You, Your** (with or without initial capital letters) means the Certificateholder:

- who is a member of an Eligible Class;
- who is eligible for benefits;
- for whom Premium has been paid while covered under the Policy; and
- who has received a Certificate.

## ELIGIBILITY AND ENROLLMENT

### Insurance on You

#### Eligible Class

You may only become eligible for the insurance available if you are a member of an Eligible Class shown in the *Schedule of Benefits*. Refer to the *Schedule of Benefits* or contact your Employer to determine if you are in an Eligible Class.

#### Date You Are Eligible For Insurance

You will be eligible for such insurance on the later of:

- the Policy Effective Date;
- your date of hire; or
- the date you enter an Eligible Class.

#### Enrollment

Newly eligible persons may be enrolled for insurance under the Policy up to 31 days following a person's Eligibility Date, or during an enrollment period. This is your eligibility period. If you are required to enroll for insurance, you will need to enroll within this eligibility period.

In addition, you must give evidence of your insurability to us if you are required to do so under the section entitled *Evidence Of Insurability*. If you enroll for Contributory Insurance, you must also give Written permission to deduct Premiums from your pay for such insurance.

Eligible persons may enroll as follows:

#### Basic Life Insurance

You do not contribute toward the cost. The Policyholder will automatically enroll you for the amount of Basic Insurance for which you are eligible shown on the *Schedule of Benefits*.

#### Supplemental Life Insurance

You must contribute toward the cost. You may enroll by completing the enrollment process as instructed by the Policyholder. The Policyholder will provide the forms needed to enroll.

If you do not enroll for Supplemental Life Insurance or you declined coverage during your eligibility period, you may apply for coverage at the next enrollment period or a Life Status Change.

You must give evidence of your insurability satisfactory to us if you are required to do so under the section entitled *Evidence Of Insurability*.

#### Effective Date of Your Insurance

Your insurance will become effective as determined in this section if you are Actively at Work on the date coverage would take effect. If you are not Actively at Work on the date coverage is to take effect, your effective date of coverage will be determined in the section below entitled *Deferred Effective Date*.

Coverage for eligible persons insured under the Prior Plan will be effective on the Policy's Effective Date.

For persons who were not insured under the Prior Plan, and all new or newly eligible persons, coverage under the Policy will become effective on the latest of the following dates:

**Basic Plan Insurance will become effective the later of:**

- the Policy Effective Date; or
- the date you become eligible for insurance.

**Supplemental Plan Insurance will become effective the later of:**

- the Policy Effective Date;
- the date you become eligible for insurance for any amount of insurance that does not require Evidence of Insurability, if you apply on or before that date;
- the date you apply for insurance for any amount of insurance that does not require Evidence of Insurability, if you apply within 31 days after your Eligibility Date;
- the date for which the first Premium for your coverage is paid;
- the date we state In Writing that your Evidence of Insurability been approved for any amount of insurance that requires you to give us Evidence of Insurability; or
- the date the next plan year begins following the date you apply, if you apply during the enrollment period as defined by the Policyholder.

**Insurance For Dependents**

**Date You Are Eligible For Dependent Insurance**

You may only become eligible for the Dependent insurance shown as available to your Eligible Class in the *Schedule of Benefits*.

You will be eligible for Dependent insurance on the latest of:

- the date your coverage under the Policy begins;
- the date you enter a class eligible for Dependent insurance; or
- the date you first obtain a Dependent.

In order for your Dependent's coverage to begin, you must be Actively at Work.

Your Dependent's coverage is subject to payment of full Premium when due.

The following rules apply to Dependent coverage:

- you are not required to be covered for Supplemental Insurance to be eligible to elect Supplemental Dependent Insurance;
- you may cover your Spouse as a Dependent if your Spouse is enrolled for coverage as an Employee;
- no person may be insured as a Dependent of more than one Employee of the Policyholder;
- no Child may be insured as an Employee and as a Dependent of an Employee;
- your Dependent is not eligible for coverage while on active military duty in the armed forces of any country or subdivision thereof.

**Dependent Enrollment**

If you become eligible for Dependent insurance, you may enroll for such insurance by providing the Policyholder with the information required for each Dependent to be insured.

Newly eligible Dependents may be enrolled for insurance under the Policy up to 31 days following a Dependent's Eligibility Date. This is your Dependent's eligibility period. If your Dependent is required to enroll for insurance, you will need to enroll the Dependent within this eligibility period.

In addition, your Spouse must give Evidence of Insurability to us if required to do so under the section entitled *Evidence Of Insurability*. To enroll for Supplemental Insurance, you must also give Written permission to deduct Premiums from your pay for such insurance.

If you do not enroll your Dependent, or you declined Dependent coverage during your or your Dependent's eligibility period, you may apply for coverage :

- at the next enrollment period; or
- after a Life Status Change.

## Effective Date of Dependent Insurance

Subject to the requirements of the section below entitled *Deferred Effective Date For A Dependent*, your Dependent's insurance will become effective as determined in this section if you are Actively at Work on the date coverage would take effect. If you are not Actively at Work on the date coverage is to take effect, your Dependent's effective date of coverage will be determined in the section below entitled *Deferred Effective Date For A Dependent*.

Insurance will become effective for a Dependent the later of:

- your effective date of insurance;
- the date your Dependent is eligible for coverage, if you apply for insurance on or before that date;
- the date you apply for Dependent insurance, if you apply within 31 days after your Dependent's Eligibility Date; or
- the date we approve your Dependent's Evidence of Insurability, if Evidence of Insurability is required.

## Adding Coverage for A New Child

In the event Dependent life insurance is not in effect at the time you acquire a newborn or adopted Child, that Child is automatically insured for 31 days from the Child's Eligibility Date for the amount shown in the *Child Life Insurance Benefit* section of the *Schedule of Benefits*.

However, you must enroll the Child and remit Premium back to Eligibility Date within 31 days for the Child's life insurance to continue. If the new Child is not enrolled within this period, coverage for the new Child will terminate at midnight on the 31<sup>st</sup> day. Evidence of Insurability will not be required.

## Deferred Effective Date for A Dependent

### Active at Work Provision

If you do not meet the Active Work requirement on your Dependent's effective date, or on the effective date of a benefit increase, the effective date of your Dependent's insurance or an increase will be deferred. Deferred insurance will take effect on the day after you complete 1 full day of return to Active Work.

### Deferred Effective Date if a Dependent is Disabled or Confined

Newly elected insurance scheduled to take effect, or an increase scheduled to take effect, will not become effective if on the day before the scheduled effective date, the Dependent is:

- Confined at home under a Physician's care;
- receiving or applying to receive disability benefits from any source; or
- Hospitalized.

Newly elected Dependent insurance or an increase in such insurance will take effect on the date the Dependent is no longer:

- Confined at home under a Physician's or other health care provider's care;
- receiving or applying to receive disability benefits; or
- Hospitalized.

**Confined** means the individual is unable to perform, unaided, two or more activities of daily living, or leave home or other place of residence without assistance.

This section will not apply to a newborn or newly adopted Child while Dependent coverage is in effect, or a disabled Child.

## EVIDENCE OF INSURABILITY

We will pay the cost of providing the Evidence of Insurability.

Evidence of Insurability is not required for a Child.

We require Evidence of Insurability satisfactory to us as follows:

1. If you are electing Supplemental Life Insurance when newly eligible for an amount greater than the Guaranteed Issue Amount as shown in the *Schedule of Benefits*.  
If you do not give us Evidence of Insurability, or if such Evidence of Insurability is not approved by us, the amount of your Supplemental Life Insurance will be limited to the Guaranteed Issue Amount.
2. In order to become covered for an amount of Supplemental Life Insurance greater than the Guaranteed Issue Amount as shown in the *Schedule of Benefits*.  
If you do not give us Evidence of Insurability, or if such Evidence of Insurability is not approved by us, the amount of your Supplemental Life Insurance will be limited to the Guaranteed Issue Amount.
3. If you make a request to increase the amount of your Supplemental Life Insurance above the Guaranteed Issue Amount.  
If you do not give us Evidence of Insurability or the Evidence of Insurability is not approved by us, the amount of your life insurance will not be increased.
4. If you make a late request for Supplemental Life Insurance. A late request is one made more than 31 days after you become eligible.  
If you do not give us evidence of your insurability, or if such Evidence of Insurability is not approved by us, you will not be covered under the plan.
5. If you are electing Supplemental Life Insurance for your Spouse when newly eligible for an amount greater than the Guaranteed Issue Amount as shown in the *Schedule of Benefits*.  
If your Spouse does not give us Evidence of Insurability, or if such Evidence of Insurability is not approved by us, the amount of your Spouse's Supplemental Life Insurance will be limited to the Guaranteed Issue Amount.
6. In order to become covered for an amount of Supplemental Life Insurance for your Spouse greater than the Guaranteed Issue Amount for your Spouse as shown in the *Schedule of Benefits*.  
If you do not give us Evidence of Insurability for your Spouse, or if such Evidence of Insurability is not approved by us, the amount of life insurance for your Spouse will be limited to the Guaranteed Issue Amount for your Spouse.
7. If you make a late request for your Spouse. A late request is one made more than 31 days after you become eligible.  
If your Spouse does not give us Evidence of Insurability or the Evidence of Insurability is not accepted by us as satisfactory, your Spouse will not be covered under the plan.
8. If you voluntarily terminated your coverage and are reapplying.  
If you do not give us Evidence of Insurability or the Evidence of Insurability is not approved by us, your Supplemental Life Insurance will not be reinstated.
9. If your Supplemental Life Insurance was terminated because you did not make the required Contributions and are reapplying.  
If you do not give us Evidence of Insurability or the Evidence of Insurability is not accepted approved by us as satisfactory, your Supplemental Life Insurance will not be reinstated.
10. If you were previously declined coverage to become insured under any plan the Policyholder has with us based on your Evidence of Insurability.  
If you do not give us Evidence of Insurability or the Evidence of Insurability is not approved by us, your request for coverage will be denied.
11. You elect to increase the amount of your life insurance or your Spouse's life insurance that was in force under the Prior Plan in excess of the Guaranteed Issue Amount.  
If you do not give us Evidence of Insurability or the Evidence of Insurability is not approved by us, the amount of your life insurance or your Spouse's life insurance will not be increased.

## LIMITS ON LIFE INSURANCE INCREASES

1. After the initial enrollment period, if you elect to make changes to your Supplemental Insurance, during a subsequent enrollment period, you may increase your coverage, 1 increment, subject to the Guarantee Issue Amount as shown in the *Schedule of Benefits*. Evidence of Insurability is not required. Evidence of Insurability is required for all amounts applied for which are in excess of 1 increment or the Guaranteed Issue Amount.
2. If you did not enroll for Supplemental Insurance during your initial eligibility period you may enroll during a subsequent enrollment period for any amount up to the Guarantee Issue Amount without Evidence of Insurability. Elections in excess of 1 increment or the Guarantee Issue, new coverage or employees who were previously declined will require Evidence of Insurability.
3. Marriage: Up to the Guaranteed Issue limit can be elected during initial eligibility without Evidence of Insurability. Elections in excess of the Guarantee Issue will require Evidence of Insurability.

All other: Electing or increasing coverage requires Evidence of Insurability.

If you are not approved for the increase in your coverage, you will automatically remain at the same level you had prior to applying for the increase.

## EFFECTIVE DATE OF CHANGES

If a change results in a decrease in the amount of your insurance, the decrease will take effect on the date of the change.

If a change results in an increase in the amount of your insurance and you are required to give evidence of your insurability satisfactory to us for such increase as stated in the section entitled *Evidence Of Insurability*, you must give us such evidence. If we approve the increase, it will take effect on the date we state In Writing, if you are Actively at Work in an Eligible Class on such date. If you are not Actively at Work in an Eligible Class on such date, the increase will take effect on the date you resume Active Work.

If a change results in an increase in the amount of your insurance and you are not required to give evidence of your insurability satisfactory to us for such increase, you must be Actively at Work in an Eligible Class on the date the increase is to take effect. If you are not Actively at Work in an Eligible Class on such date, the increase will take effect on the date you resume Active Work.

Changes you make during an annual enrollment period will become effective on the later of:

- the next Policy Anniversary Date for any amount of insurance that is not subject to Evidence of Insurability requirements; or
- the date we approve Evidence of Insurability for any amount of insurance that is subject to Evidence of Insurability.

For increases based on salary the effective date will be the effective date of the salary increase.

## LIFE STATUS CHANGES

You may elect to enroll for Supplemental Insurance or change insurance within 31 days after you have a Life Status Change. A Life Status Change is an event that qualifies you to make changes in benefit selections at a time other than an enrollment period. Life Status Changes include:

- marriage, or Domestic Partnership;
- divorce, annulment, or legal separation;
- dissolution of a Domestic Partnership agreement;
- birth or adoption of a Child, or becoming a legal guardian of a Child;
- death of a Spouse;
- the death or emancipation of a Child;
- a change in the benefit plan available to your Spouse;
- a change in your or a Spouse's employment status that affects either person's eligibility for benefits; or
- a change in classification from part-time to full-time, or from full-time to part-time.

A change in insurance due to a Life Status Change will be effective the latest of:

- the date of the change in status, if you apply on or before that date;
- the date you apply, if you apply within the eligibility period; or
- the date we state In Writing that we approved any required Evidence of Insurability.

You must be Actively at Work on the date a Life Status Change becomes effective. If you are not Actively at Work

on the date insurance would become effective, the *Deferred Effective Date* provisions will apply.

If you reside in a state different from the Policy Situs state, the Certificate, if required, will comply with the applicable Domestic Partnership, marriage or other family or domestic relations law of the state in which you reside.

## CONTINUITY OF COVERAGE

### Transferred Coverage from a Prior Plan

This provision provides continuity of coverage when you are not Actively at Work when the Policyholder transfers prior group insurance to our plan, or by an Employer which has merged with or otherwise combined with the Policyholder. If your coverage under our plan replaces any prior coverage that you had, the following rules apply.

**Prior Plan** means the group life insurance policy provided to you by the Policyholder on the day before the Policy Effective Date of this plan as shown on the *Schedule of Benefits*.

#### Actively at Work on the Policy's Effective Date

You and your eligible Dependents will be covered under our plan on the Policy's Effective Date for an amount of life insurance and Accidental Death and Dismemberment Insurance as described in the *Schedule of Benefits* for your Eligible Class if:

- you and your Dependents were insured under the Prior Plan on the day before the Policy's Effective Date; and
- you are Actively at Work in an Eligible Class on the Policy's Effective Date.

#### Not Actively at Work on the Policy's Effective Date

If you and your Dependents were insured under the Prior Plan on the day before our Policy Effective Date and you and your Dependents would be eligible for coverage on the Policy's Effective Date, except that you are not Actively at Work due to Sickness or Injury, you and any eligible Dependents will be considered to be insured under our plan on the Policy's Effective Date for the amount of insurance called Transfer Coverage.

**Transfer Coverage** means you and any eligible Dependent will be covered for the lesser of:

- the amount of life insurance and AD&D Insurance in effect under the Prior Plan; or
- the amount of life insurance and AD&D Insurance you elect or the Policyholder provides under our Policy for your Eligible Class, reduced by:
  - a) any coverage amount remaining in effect, or any benefit paid or payable under the Prior Plan; or
  - b) any coverage that would have been in effect, or benefit that would have been payable, under the terms of the Prior Plan had the Prior Plan remained in force.

#### Disabled Dependent on the Policy Effective Date

If your Dependent is insured under the Prior Plan on the day before the Policy Effective Date, and a Dependent would be subject to the *Deferred Effective Date For A Dependent* provision, a Dependent's benefits under our plan will be limited to the benefits that would have been payable under the terms of the Prior Plan if it had not terminated, reduced by any benefits paid or payable under the Prior Plan.

While Transfer Coverage is in effect, the amount of coverage will be determined in accordance with the provisions of the plan providing the lesser amount of insurance.

### Duplication of Coverage

If you qualify for benefits under the Prior Plan such that a duplication of coverage situation exists after coverage begins under our plan, you must exercise your rights under the Prior Plan and duplicate benefits will not be payable under our plan.

Coverage under our plan will not take effect if your coverage under the Prior Plan is continued under any disability provision or you have enrolled in a conversion plan option with the Prior Plan.

During a period, you are covered under Transfer Coverage, you are not eligible to enroll for portability coverage.

### Premium Payments

Premium payments are required for all Insured Persons during the period Transfer Coverage under this provision is in effect. We will not waive Premium during the period Transfer Coverage is continued.

## When Transfer Coverage Ends

An Insured Person will remain covered under Transfer Coverage until the first to occur:

- the date you return to Active Work at which time insurance in effect under our plan will not be subject to Prior Plan provisions or benefit limitations;
- the last day of a period of 12 consecutive months which begins on the Policy Effective Date, at which time coverage under our plan will also end;
- the date insurance would otherwise end for an Insured Person in accordance with the terms and conditions of this Certificate, at which time coverage under our plan will also end;
- the date on which life insurance would have ended under the Prior Plan, had the Prior Plan not terminated at which time coverage under our plan will also end; or
- if the Prior Plan provided for extension of life insurance without premium payment during a period of disability, on the earliest of:
  - (a) the date you are approved for such benefit under the terms of the Prior Plan; and
  - (b) the last day of the 12-month period following this Policy's Effective Date, and coverage under our plan will also end.

## DATE INSURANCE ENDS

### DATE INSURANCE ENDS FOR YOU

Your insurance under this Certificate will end on the earliest of:

- the date the Policy ends;
- the date insurance ends for your class;
- the date you cease to be a member of an Eligible Class;
- the date you request to end Supplemental Insurance unless prohibited by federal or state law, or the Policyholder's plan;
- the end of the period for which the last Premium has been paid for you;
- the date you cease Active Work in an Eligible Class, unless insurance is continued under the section entitled *Exceptions To End Of Insurance Or Insurance Continuation When You Are Totally Disabled*;
- the date your employment ends;
- the date you retire;
- the date you begin active duty in the armed forces of any country; or
- the date the maximum life insurance benefit has been paid.

When insurance ends, you will be given notice of your conversion rights and any other rights provided under this Certificate by the Policyholder or the Policyholder's designee. Life insurance benefits may be converted in accordance with the section entitled *Life Insurance Conversion Option*.

In lieu of the conversion option, you may be able to transfer your coverage as provided in the *Portability* provision. Refer to the section entitled *Life Insurance Portability Option*.

If insurance ends for you, insurance will also end for any insured Dependents.

The ending of coverage will not prejudice any claim for benefits arising from a loss occurring while such coverage was in effect.

### DATE INSURANCE ENDS FOR A DEPENDENT

All Dependent insurance will end on the earliest of:

- the date your life insurance ends;
- the date you die;
- the date the Policy ends;
- the date insurance for your Dependent ends under the Policy;
- the date you retire in accordance with the Policyholder's retirement plan; or
- the date you request to discontinue Dependent's insurance.

Insurance on a Dependent will end on the earliest of:

- the date a person ceases to be a Dependent;
- the end of the period for which the last Premium has been paid for a Dependent;
- the date a Dependent begins active duty in the armed forces of any country; or
- for a Child, the date the Child attains age 26.

The ending of coverage will not prejudice any claim for benefits arising from a loss occurring while such coverage was in effect.

Dependent life insurance may be converted as described in the section entitled *Life Insurance Conversion Option For Dependents*.

In lieu of the conversion option, you or your Dependents may be able to transfer Dependent coverage as provided in the *Portability* provision. Refer to the section entitled *Life Insurance Portability Option*.

## **REINSTATEMENT OF LIFE INSURANCE**

If your life insurance ends, you may become eligible to reinstate insurance; however, the following will apply.

If insurance ends because you cease to be eligible for coverage as defined in this Certificate, coverage may be reinstated and no additional Waiting Period will apply if, within 6 months after the date the insurance ends, you become a member of an Eligible Class.

If your life insurance ends because you fail to make a required Premium Contribution, you must provide Evidence of Insurability to become insured again.

## **EXCEPTIONS TO END OF INSURANCE**

### **CONTINUATION OF INSURANCE BY THE POLICYHOLDER**

The Policyholder has elected to continue your insurance for any of the reasons specified below. You are required to pay Premiums when due for continued insurance when you cease Active Work in an Eligible Class. Premium for the continuation period must be paid on the same basis as Premium was paid on the day before your leave period began. Premium is to be paid to the Policyholder.

If your insurance is continued, life insurance on your Dependents may also be continued.

Insurance may be continued for the following leaves up to periods shown in the *SCHEDULE OF BENEFITS*:

1. For the period you cease Active Work in an Eligible Class due to Injury or Sickness, your coverage under the Policy may be continued. Premium for the continuation period must be paid on the same basis as Premium was paid on the day before your Sickness or Injury began.

### **Continuation Of Coverage While On Leave Under The Family And Medical Leave Act**

The Policyholder has established a family and medical leave policy in compliance with the federal Family and Medical Leave Act of 1993 (FMLA) and other legally mandated leave of absence or similar laws. You should contact the Policyholder to determine eligibility and the terms, conditions, and cost for continuation of insurance during a leave.

If you are eligible for, and the Policyholder approves a leave of absence under the federal Family and Medical Leave Act of 1993 (FMLA) or any similar federal, state, or local law, your insurance may continue for the periods described in the act or law.

You may also qualify for continued coverage under this section if your Spouse, Child, or parent is on active duty status in the military or called to active duty status in the military. Premium payment is required by the Policyholder for any periods of continuation in accordance with the provisions of the Policy. Contact the Policyholder to determine eligibility and the terms, conditions, and cost for continuation of insurance during a leave.

If insurance is continued under this provision and at the end of the leave continuation period you do not resume Active Work in an Eligible Class, your employment will be considered to end, and your insurance will end in accordance with the section entitled *Date Insurance Ends*. You and any insured Dependents may be entitled to convert life insurance benefits pursuant with the section entitled *Life Insurance Conversion Option*.

If you do not continue your insurance during the FMLA leave, insurance will be reinstated upon your return to Active Work. No new limitations will be applied, and no Evidence of Insurability will be required to reinstate the insurance in effect before the leave began.

### **Continuation of Coverage for Mentally or Physically Handicapped Children**

Insurance for a Child may be continued past the age limit if that Child is incapable of self-sustaining employment because of a mental or physical incapacity or disability. Proof of such handicap must be sent to us within 31 days after the date the Child attains the age limit and at reasonable intervals after such date. Premium must continue to be paid for insurance remain in force.

Subject to the *Date Insurance Ends For A Dependent* provision, insurance will continue while such Child:

- remains incapable of self-sustaining employment because of a mental or physical disability; and
- continues to qualify as a Child, except for the age limit.

If life insurance on a mentally or physically disabled Child continued under this provision ends, the Child may convert his /her/their coverage to an individual insurance policy, pursuant to the *Conversion* section of this Certificate. Such Child must have become disabled prior to reaching age 26.

### **Continuation of Coverage While on Leave During Military Service**

We may continue your insurance, and that of any Dependents, if applicable, in accordance with the Policyholder's policies regarding leave of absence for military service under the Uniformed Services Employment and Reemployment Rights Act (USERRA). Premiums must be paid for continued coverage for you and your Dependents, if applicable. Coverage may be continued until the end of the period required by USERRA.

### **END OF A CONTINUATION PERIOD**

Continuation insurance will end on the earliest of the following:

- the date your continuation leave ends;
- the date the Policyholder ceases to pay your Premiums, or otherwise terminates your insurance;
- the date you cease to pay your Premiums, or you terminate your insurance;
- the maximum continuation period has been reached; or
- the date the Employer ceases to be an affiliated Employer under the Policy; or
- the date the Policy terminates.

At the end of any of a continuation period if you resume Active Work in an Eligible Class you will continue to be covered under the Policy.

If you do not resume Active Work in an Eligible Class at this time, your employment will be considered to end, and all insurance will end in accordance with the provision *Date Insurance Ends For You*.

If your insurance ends, your Dependents' insurance will also end in accordance with the provision *Date Insurance Ends For A Dependent*.

If you or your Dependent die during the continuation period, we will pay the Death Benefit to the Beneficiary upon receipt of Proof establishing that you or your Dependent died during the continuation period.

In no event will your and your Dependent's coverage under the Policy be continued beyond the date your and your Dependent's coverage would otherwise end according to the terms of the *When Coverage Ends* provision.

While covered under this provision, coverage will reduce according to the age reduction schedule as shown in the *Schedule of Benefits*.

In addition to the continuation of coverage options described above, you may have the right to convert to a policy of individual life insurance. Refer to the section entitled *Life Insurance Conversion*.

## WAIVER OF PREMIUM BENEFIT WHILE TOTALLY DISABLED OPTION

If you cease Active Work while insured under the Policy because you are Totally Disabled, you may qualify to extend Eligible Insurance under this section. We will determine if you qualify to continue certain insurance after we receive Proof that you have satisfied the conditions of this section. We will determine if you qualify to have your insurance extended after you send us Proof that you have satisfied all the requirements of this section. If you qualify to extend Eligible Insurance, Premiums will not be required.

### DEFINITIONS

For the purpose of this section the following terms have the meanings stated below:

**Eligible Insurance** means all your life insurance in effect under the Policy on the date your Total Disability began. Eligible Insurance does not include:

- your Accidental Death and Dismemberment Insurance;
- any amounts of life insurance paid under the Accelerated Benefit Option;
- Dependent life insurance and Accidental Death and Dismemberment Insurance;
- insurance which has been extended under the section entitled *Extending Your Insurance While Totally Disabled*;
- any amount of life insurance that has been converted to an individual policy, unless you return the Policy to us.

**Regular Occupation** means the occupation you are routinely performing when your disability begins. We will look at your occupation as it is normally performed in the national economy, and how the work tasks are performed for a specific employer or at a specific location.

**Total Disability** and **Totally Disabled** mean for purposes of this section:

Due to Sickness or Injury:

- you are unable to perform the material duties of your Regular Occupation; and
- you are unable to perform any type of work for wage or profit for which you are fit by education, training, or experience.

**Waiting Period** means the period which starts on the date you become Totally Disabled and ends 6 consecutive months later. Your Total Disability must continue without interruption throughout the Waiting Period. If during the Waiting Period you die, reach age 60, retire, or your Total Disability ends, you will not qualify for Waiver of Premium.

### ELIGIBILITY FOR WAIVER OF PREMIUM BENEFIT

Eligible Insurance may be extended without payment of Premiums while you are Totally Disabled if:

- you become Totally Disabled while insured under the Policy and prior to age 60;
- you are insured for this Waiver of Premium benefit on the date you become Totally Disabled;
- you complete your Waiting Period; and
- you give us Proof satisfactory to us.

### PREMIUM PAYMENT

Premium payments are required on the same basis as Premium was paid on the day before your Total Disability began until the later of:

- the date you complete your Waiting Period; or
- the date we approve your claim for Waiver of Premium benefit.

### AMOUNT OF INSURANCE

The amount of Eligible Insurance for the Waiver of Premium benefit is the amount in effect on the day before you become Totally Disabled. However, the following will apply:

- Eligible Insurance will be reduced or terminated according to the Policy provisions in effect on the day before you become Totally Disabled.
- If you become insured under a group life insurance policy that replaces the Policy while you are eligible for Waiver of Premium, any Death Benefit payable under the Policy will be reduced by the amount payable under the replacement group life insurance policy.
- If you receive an accelerated benefit, Eligible Insurance will be reduced according to the *Accelerated Benefit Option* provision.

Your life insurance amount will not increase while your life insurance Premiums are being waived. Your life insurance amount will reduce or cease at any time it would reduce or cease if you had not been Totally Disabled.

## **PROOF AND CLAIM REQUIREMENTS**

You should contact the Policyholder and us as soon as reasonably possible to notify us that you ceased Active Work due to a Total Disability. After the Waiting Period ends, you must send us Proof showing that you were Totally Disabled with no interruption throughout the Waiting Period. You must do this within the time frame specified in the section entitled *Claim Information*.

For information on how to obtain and file a claim form, and the Proof required for your claim, refer to the section entitled *Claim Information*.

As part of Proof, we may choose a Physician to examine you to verify that you are Totally Disabled. We will pay for the exam. In the case of conflicting medical opinions with regard to whether you are Totally Disabled, eligibility for this benefit will be determined by a third medical opinion provided by a Physician mutually acceptable to you and us. If a third medical opinion is required, we will pay for the exam.

After we receive and review your Proof and the claim, we will determine if you qualify. We will notify you In Writing of our decision and if approved, the amount of Premium being waived. Upon approval of your claim, Premium payment will not be required while Eligible Insurance is extended while you remain Totally Disabled and do not return to work for any employer. Premiums waived by us will not be deducted from the life insurance proceeds.

If we determine that you do not qualify for premium waiver, you will be given the opportunity to convert or port your life insurance at that time. Refer to the sections entitled *Life Insurance Conversion Option*, and *Life Insurance Portability Option* for more information regarding these options.

### **Continued Proof of Disability**

During a claim, you must furnish evidence of your Total Disability when requested by us. We may have you examined at our expense at reasonable intervals, but not more frequently than once every six months. Any such examination will be conducted by specialists of our choice at our expense. In the case of conflicting medical opinions with regard to whether you are permanently and Totally Disabled, we may require a third medical opinion provided by a Physician mutually acceptable to you and to us. If a third medical opinion is required, we will pay for the exam.

### **Proof Requirements if You Die**

Proof should be submitted to us if you die for which benefits may be payable during:

- the Waiting Period;
- the period we are evaluating your claim; or
- the period insurance is extended.

If the death occurs during the Waiting Period and prior to our approval of your claim, in addition to the Proof which is otherwise required for the insurance, the Proof must include supporting documentation that your Total Disability continued without interruption from the date you become Totally Disabled until the date of death.

If the death occurs during on or after the date we approved your claim, in addition to the Proof which is otherwise required for a claim, the Proof must include supporting documentation that your Total Disability continued without interruption from the date the claim was approved by us until the date of death.

If extended insurance was converted to an individual life insurance policy, we will pay the extended life insurance under this plan if the individual policy is returned to us. If it is returned to us, we will refund the Premiums paid without interest, less any debt incurred, under such insurance. If it is not returned to us, we will pay the life insurance in effect under such other individual policy.

Under no circumstances will we pay a Death Benefit under this plan and the converted individual policy.

## **TERMINATION OR AMENDMENT OF THE POLICY**

Eligible Insurance will not be affected by termination or amendment of the Policy after you become and remain Totally Disabled.

## **WHEN WAIVER OF PREMIUM ENDS**

Waiver of Premium benefit for you ends on the earliest of:

- the date you cease to be Totally Disabled;
- the date you die;
- the date your life insurance would otherwise terminate as indicated in this Certificate;
- failure to provide Proof as requested;
- the date you fail to attend a required examination or cooperate with the examiner;
- the date any required Premium, if any, is not paid;
- with respect to the amount of life insurance which you have converted, the effective date of the individual life insurance policy issued to you; or

- the date you reach age 70.

If at the end of the Waiver of Premium benefit period you are no longer eligible for insurance under this Certificate, you will be given the opportunity to convert your life insurance at that time. Refer to the section entitled *Life Insurance Conversion Option* for more information regarding this option.

## LIFE INSURANCE BENEFITS

### LIFE INSURANCE FOR YOU

If you die, Proof of your death must be sent to us.

Upon receipt of Proof with the claim, we will review the claim. If we approve the claim, we will pay the Beneficiary the Death Benefit in effect on the date of your death, subject to the terms and conditions of this Certificate.

Payment will be made in one lump sum.

Refer to the *Claim Information* section in this Certificate for information on how to file a claim.

### LIFE INSURANCE ON YOUR DEPENDENTS

If a Dependent dies, Proof of the Dependent's death must be sent to us. Upon receipt of Proof with the claim, we will review the claim. If we approve the claim, we will pay the Death Benefit in effect on the life of the Dependent on the date of death subject to the terms and conditions of this Certificate.

The Dependent's Death Benefit will be paid to you, if living, unless another Beneficiary has been elected In Writing. Otherwise, we may at our option pay the benefit to your surviving Spouse or to your estate.

Payment will be made in one lump sum.

### BENEFIT REDUCTIONS

#### **Benefit Reductions When You Retire**

Life insurance and Accidental Death and Dismemberment Insurance coverage ends when you retire.

#### **Benefit Reductions Due To Age**

All benefit amounts are subject to age reductions as described in the *Schedule of Benefits*. Insurance benefit amount(s) payable with respect to an Insured Person will be reduced when the Insured Person attains the age shown in the *Schedule of Benefits*. An age reduction that reduces a life insurance benefit below the minimum amount shown on the *Schedule of Benefits* will be applied, and your benefit will be reduced below the minimum amount. The reduction will not affect your eligibility for coverage or end insurance under the Policy.

If you are the minimum age stated in the age reduction table, or older on your effective date of insurance, your life insurance benefit will be reduced by the percentage shown in the age reduction table for your age.

Once a benefit has been reduced, you cannot elect further increases in your insurance amount.

Any decrease in the amount of insurance due to age will take place on the date of the Insured Person's birthday.

Spouse's life insurance benefit will reduce at the ages shown for a Spouse shown on the *Schedule of Benefits*.

The Accidental Death and Dismemberment Insurance benefits payable with respect to an Insured Person will be reduced as described in the *Schedule of Benefits* if the Insured Person has attained the age shown in the *Schedule of Benefits*.

These reductions will also apply to any insurance that is extended in accordance with a continuation provision in the Policy.

#### **Premiums**

Premium for an Insured Person after a benefit reduction is based on the new amount after the reduction has been taken.

## LIFE INSURANCE ACCELERATED BENEFIT OPTION (ABO)

For purposes of this section, the term “ABO Eligible Life Insurance” refers to each of your life insurance benefits for which the Accelerated Benefit Option is shown as available in the *Schedule of Benefits*.

If you or your Spouse become Terminally Ill, you or your legal representative have the option to request us to pay the ABO Eligible Life Insurance benefits in force and payable under this Certificate before the Insured Person’s death. This is called an accelerated benefit. The request must be made while ABO Eligible Life Insurance is in effect. This request is subject to CAIC approval.

We will pay an accelerated benefit for each ABO Eligible Life Insurance benefit to you or to your legal representative subject to the requirements and conditions stated below. You may only request an accelerated benefit one time.

***The receipt of this accelerated benefit may be taxable. You should seek assistance from a personal tax advisor with respect to receipt of this benefit. No representations as to any issue of taxation of this benefit are made by us.***

***Receipt of the accelerated benefit may affect eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children and Supplemental Security Income.***

***Upon payment of the accelerated benefit, Premium payments must continue to be paid on the amount of your and your Dependent’s life insurance remaining.***

### ELIGIBILITY REQUIREMENTS FOR PAYMENT OF AN ACCELERATED BENEFIT

#### Your Eligibility

To be eligible for an accelerated benefit you:

- must be diagnosed with a Terminal Illness; and
- must be insured under this Certificate for ABO Eligible Insurance.

#### Spouse Eligibility

To be eligible for an accelerated benefit your Spouse:

- must be diagnosed with a Terminal Illness; and
- must be insured under this Certificate for ABO Eligible Insurance.

***Terminally Ill/ Terminal Illness*** means a medical condition certified by one or more licensed Physicians that is reasonably expected to result in death within 12 months or less.

### ELECTION AND PROOF OF TERMINAL ILLNESS

An accelerated benefit may be elected by you or by your legal representative, on behalf of:

- you; or
- a Spouse.

The request to receive Accelerated Death benefits must be In Writing on a form acceptable to us. You or your legal representative should contact us to obtain a claim form and information regarding the accelerated benefit. You must send us the following Proof satisfactory to us:

- a completed and Signed accelerated benefit claim form;
- a Signed Physician’s certification that you, or your Spouse, are Terminally Ill;
- a copy of:
  - (i) all medical records, lab and test results relating to the medical condition; and
  - (ii) all supporting documentation on which the Physician’s certification is based; and
- an examination by a Physician of our choice, at our expense, if we request it.

In the case of conflicting medical opinions, eligibility for an accelerated benefit will be determined by a third medical opinion provided at our expense and conducted by a Physician mutually acceptable to you and us.

Upon receipt of your request, and again upon CAIC’s payment of an accelerated benefit, we will send the Certificateholder and any assignee of record, or irrevocable Beneficiary of record a letter. Our letter will describe:

- the amount of the accelerated benefit payable;
- the amount of life insurance remaining after the accelerated benefit is paid; and
- how the payment of the accelerated benefit impacts future Premium.

Upon our receipt of a claim and Proof satisfactory to us, we will review it. We will notify you of our decision.

## **ACCELERATED BENEFIT AMOUNT**

We will pay an accelerated benefit for each ABO Eligible Life Insurance benefit in effect at the time of claim, subject to the following:

The amount we will pay will not be more than the ABO maximum or less than the ABO minimum as shown in the *Schedule of Benefits* for each ABO Eligible Life Insurance benefit.

Any amount of insurance under this Certificate which you or a Spouse previously converted to an individual policy is not eligible for the ABO. The amount available to accelerate will be reduced by the amount of insurance converted.

The amount available to accelerate may also be reduced as described below:

### **Scheduled Age Reduction of An ABO Eligible Life Insurance Benefit**

If an ABO Eligible Life Insurance benefit is scheduled to reduce because of your age within the 12 month period after the date you or your legal representative request an accelerated benefit, we will calculate the accelerated benefit using the amount of such ABO Eligible Life Insurance that will be in effect immediately after the reduction(s) scheduled for such period.

### **Scheduled End of An ABO Eligible Life Insurance Benefit**

If an ABO Eligible Life Insurance benefit is scheduled to end due to age within 12 months after the date you or your legal representative request an accelerated benefit, we will not pay an accelerated benefit for such ABO Eligible Life Insurance benefit.

## **BENEFIT PAYMENT**

We will pay the accelerated benefit immediately upon receipt of due Proof that all the requirements of eligibility for the accelerated benefit have been met. We will pay the accelerated benefit in a lump sum to you or your legal representative.

We will only pay an accelerated benefit once on your behalf, and once on behalf of your Insured Spouse.

## **LIMITATIONS:**

We will not provide benefits under this provision if:

1. you or your Spouse would be required by law to use the benefit to meet the claims of creditors, whether in bankruptcy or otherwise;
2. you or your Spouse is required by a government agency to use this benefit in lieu of applying for, obtaining, or otherwise keeping a government benefit or entitlement;
3. the Insured Person's life insurance under the Policy has terminated;
4. any irrevocable Beneficiary or assignee has not provided Written approval of payment of this benefit to us.

If, with respect to your, or your Spouse's, life insurance under the Policy, you have executed an assignment of rights and interest, or you have designated an irrevocable Beneficiary, in order to receive the accelerated benefit, we must receive a Written release from the assignee or the irrevocable Beneficiary before any benefits are payable.

If you or your Spouse die after we receive the Proof, but before the Accelerated payment has been made, we will pay the life insurance benefit under the terms of this Certificate as if no request for the payment of an accelerated benefit had been made.

## **EFFECT OF AN ACCELERATED BENEFIT PAYMENT ON PREMIUM**

### **Insurance on You**

After we pay the accelerated benefit for you:

- Premium payments must continue to be paid on the amount of your life insurance remaining, unless you qualify to have your life Premium waived.
- Premium for insurance on your Spouse must continue to be paid on the full amount of Spouse insurance in effect.

### **Insurance on Your Spouse**

After we pay the accelerated benefit for a Spouse, Premium payments must continue to be paid on the amount of your Spouse's life insurance remaining.

## **EFFECT OF AN ACCELERATED BENEFIT PAYMENT ON YOUR BENEFITS**

### **Effect of an Accelerated Benefit Payment on a Death Benefit**

The amount of life insurance that we will pay upon an Insured Person's death, including any amount continued under a disability provision, will be decreased by the amount of the accelerated benefit paid by us on behalf of such person and by the interest charged.

The reduced amount of life insurance after the accelerated benefit has been paid, if any, will remain in force and be paid in accordance with the terms of the Policy.

### **Effect of an Accelerated Benefit Payment on the Amount of Life Insurance Available to Convert**

The amount of life insurance to which an Insured Person is entitled to convert under the Policy, will be decreased by the entire amount of the accelerated benefit paid by us for such person.

### **Effect of an Accelerated Benefit Payment on Accidental Death and Dismemberment Insurance**

Payment of an ABO will not affect the amount of AD&D Insurance in effect for an Insured Person if a portion of your Death Benefit remains in effect after payment of the ABO.

## **DATE THE OPTION TO ACCELERATE BENEFITS ENDS**

The ABO option will end for you on the earliest of:

- the date your life insurance ends;
- the date you die;
- the end of the period for which the last Premium has been paid in accordance with the provisions of the Certificate;
- the date ABO Eligible Life Insurance ends;
- the date the accelerated benefit has been paid by us;
- the date the Policy is terminated; or
- the date of your Written request.

The ABO option will end for your Spouse on the earliest of:

- the date your life insurance ends;
- the date Spouse life insurance ends;
- the date your Spouse dies;
- the end of the period for which the last Premium has been paid for the Spouse in accordance with the provisions of the Certificate;
- the date Spouse ABO Eligible Life Insurance ends;
- the date the Spouse's accelerated benefit has been paid; or
- the date of your Written request.

If this benefit ends, this will not prejudice a request for the payment of an accelerated benefit made while this benefit was in effect.

If coverage terminates, the conversion provisions set forth in this Certificate may apply for any remaining life insurance in effect. Refer to the section entitled *Life Insurance Conversion Option*.

If your insurance is terminated as a result of the ABO payment, coverage for your Dependents, if any, will also be terminated on the same date.

## **RULES IF YOUR MEDICAL CONDITION IMPROVES AFTER RECEIPT OF AN ACCELERATED BENEFIT**

The following rules apply if you have a reduced life insurance benefit in effect after an ABO has been paid and your medical condition improves:

- If you return to Active Work in an Eligible Class, coverage for the reduced amount will remain in force, provided Premium is paid, if any.
- If you do not return to Active Work in an Eligible Class, but you continue to meet the definition of Totally Disabled, the reduced amount of coverage will remain in force, subject to the *Waiver of Premium* provision.
- If you do not return to Active Work and you do not continue to meet the definition of Totally Disabled, coverage will end.

## ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) BENEFITS

This section describes your coverage for Accidental Death and Dismemberment benefits (“AD&D”). The provisions set forth in this section apply to all Accidental Death and Dismemberment Insurance, including the *AD&D Additional Benefits* section, unless otherwise stated. A person is only eligible for AD&D benefits if AD&D Insurance is in effect for such person at the time of the Accident that caused the Covered Loss. Termination of these benefits will not prejudice the payment of benefits for any Accident that occurred while the benefit was in force.

Accidental Death and Dismemberment Insurance provides financial protection for your Beneficiary by paying a benefit in the event of your accidental death or for you in the event of any other Covered Loss. You must elect Supplemental Plan coverage and pay the Premiums required by the Policyholder to become insured for Supplemental Plan benefits. You must elect coverage for a Dependent and pay the Premiums to become insured for Dependent Supplemental Plan benefits.

No benefit will be paid for a Loss that is the result of, or contributed to by, any AD&D exclusions included in the section entitled *Exclusions: Accidental Losses Not Covered By The Policy*.

### 24 HOUR COVERAGE

Coverage under the Policy will pay a benefit for a Covered Loss sustained by an Insured Person subject to the requirements and conditions of this section.

### BENEFIT PAYMENTS

The amount payable to you or your Beneficiary is based on the amount of coverage in effect just prior to the date of your accidental death or other Covered Loss according to the terms and provisions of the Policy.

If due to an Accident, an Insured Person sustains a Covered Loss described below. Proof of the Injury and Covered Loss must be sent to us. When we receive such Proof, we will review the claim and if we approve it, will pay the insurance in effect on the date of the Accident. Refer to the *Claim Information* section for information on how to file a claim.

For loss of your life, we will pay benefits to your Beneficiary unless otherwise stated below.

Unless otherwise stated in the Covered Losses below, for any other loss sustained by you, or for any loss sustained by a Dependent, we will pay benefits to you unless another Beneficiary has been elected In Writing.

Covered Losses are described as a percentage of the Principal Sum. The Principal Sum is the full benefit payable by the Policy. The Principal Sum amount is shown in the *Schedule of Benefits*. The *AD&D Covered Loss Schedule* below defines the Covered Losses and the benefit payable for each type of Loss.

### LIMITATION ON MULTIPLE COVERED LOSSES

If you or a Dependent sustain more than one Covered Loss due to an Injury, the amount we will pay, on behalf of any Insured Person will not exceed the Principal Sum.

### ACCIDENTAL DEATH BENEFIT

If Injury to the Insured Person results in death within 365 days of the date of the Accident that caused the Injury, we will pay the accidental death benefit in effect on the date of the Accident. We must receive Proof that loss of life was caused directly by the Injury, and apart from any other cause. We will pay this benefit upon approval of the claim provided certain conditions are met. The accidental death benefit is shown on the *AD&D Covered Loss Schedule* below.

The amount you or your Beneficiary receives is based on the amount of coverage in effect just prior to the date of your accidental death, or other Covered Loss according to the terms and provisions of the Policy.

#### Exposure Coverage

We will deem an Insured Person’s death to be an accidental death, and we will pay the accidental death benefit if death results from unavoidable exposure to the elements and such exposure was a direct result of an Accident if:

- this benefit is in effect for the Insured Person on the date of the Injury;
- we receive Proof that death was a result of an Injury sustained from unavoidable exposure to the elements; and
- the Insured Person’s death occurs within 365 days of the Accident.

For Covered Losses other than death, we will deem a Covered Loss to be the direct result of an Injury if it results from unavoidable exposure to the elements, and such exposure was a direct result of an Accident. Benefits will be payable according to the *AD&D Covered Loss Schedule* if:

- this benefit is in effect for the Insured Person on the date of the Injury;

- we receive Proof that the Injury resulting in a Covered Loss is due to unavoidable exposure to the elements; and
- the Covered Loss occurs within 365 days of the Accident.

### Disappearance Coverage

We will presume an Insured Person to have died from an Injury, and we will pay the accidental death benefit if:

- this benefit is in effect for the Insured Person on the date of the Accident;
- an aircraft or other public passenger carrier vehicle in which the Insured Person was traveling disappears, sinks, or is wrecked; and
- the body of the person who has disappeared is not found within 1 year of:
  - a) the date the aircraft or other public passenger carrier vehicle was scheduled to have arrived at its destination, if traveling in an aircraft or other vehicle operated by a common carrier; or
  - b) the date the person is reported missing to the authorities, if traveling in any other aircraft or vehicle; and
  - c) no contrary evidence about the circumstance of the Insured Person's disappearance arises.

No benefit will be paid if the disappearance is the result of or contributed to by, any AD&D exclusion included in this Certificate. We have the right to recover the benefit if we find that the Insured Person survived the event.

### ACCIDENTAL DISMEMBERMENT BENEFITS

If Injury to the Insured Person results in any one of the Losses shown in the *AD&D Covered Loss Schedule*, within 365 days of the date of the Accident that caused the Injury, we will pay the benefit amount as shown on the *AD&D Covered Loss Schedule* below for that Loss.

If more than one Covered Loss is sustained by an Insured Person as a result of the same Accident, only one amount, the largest, will be paid.

## AD&D COVERED LOSS SCHEDULE

Employee, Spouse, Child

Covered Losses	BENEFIT AMOUNT
Accidental Death	The Principal Sum
Loss of Both Hands or Both Feet	The Principal Sum
Loss of Sight of Both Eyes	The Principal Sum
Loss of One Hand and One Foot	The Principal Sum
Loss of One Hand or One Foot and Sight of One Eye	The Principal Sum
Loss of Speech and Hearing (Both Ears)	The Principal Sum
Loss of One Hand or One Foot or Sight of One Eye	50% of the Principal Sum
Loss of Speech	50% of the Principal Sum
Loss of Hearing in Both Ears	50% of the Principal Sum
Loss of One Hand or One Foot	50% of the Principal Sum
Loss of Thumb and Index Finger of Same Hand	25% of the Principal Sum
<b>PARALYSIS</b>	
Hemiplegia	50% of the Principal Sum
Paraplegia	50% of the Principal Sum
Quadriplegia	The Principal Sum
Triplegia	75% of the Principal Sum
Uniplegia	25% of the Principal Sum

## AD&D DEFINED TERMS

For the purpose of this section the following terms have the meanings stated below:

**Accident** means a sudden external trauma that is unexpected and unforeseen and is an identifiable occurrence or event producing, at the time, objective symptoms of an external bodily Injury. The occurrence or event must be definite as to time and place.

**Covered Loss** means a loss which meets the requisites of one or more accidental death or accidental dismemberment benefits, or additional benefits. The term covered loss does include loss of life.

**Hemiplegia** means the complete and irreversible Paralysis of the upper and lower Limbs of the same side of the body.

**Hospital, Health Facility, or Institution** means an accredited facility licensed to provide care and treatment for the Covered Loss.

**Injury** means an accidental bodily injury sustained by an Insured Person that is a direct result of an Accident, independent of disease, or bodily or mental illness, or Sickness, or any other cause, and that occurs while the AD&D Insurance benefit is in force.

**Limb** means entire arm or entire leg.

**Loss(es)** means an accidental death or dismemberment.

**Loss of Finger(s)** means that all of the finger(s) is cut off at or above the joints closest to the hand.

**Loss of a Foot** means a foot permanently severed at or above the ankle but below the knee.

**Loss of a Hand** means a hand permanently severed at or above the wrist, but below the elbow, or Loss of Thumb and Index Finger of the same hand where the thumb and index finger are permanently severed through or above the third joint from the tip of the index finger and the second joint from the tip of the thumb.

**Loss of Hearing** means the entire and irrecoverable loss of hearing in one or both ears that continues for 180 consecutive days following the Injury.

**Loss of Sight** means permanent and uncorrectable loss of sight in the eye that continues for 180 consecutive days following the Injury. The visual acuity shall be 20/200 or worse in the eye or the field of vision must be less than 20 degrees.

**Loss of Speech** means the entire and irrecoverable loss of speech that continues for 180 consecutive days following the Injury.

**Loss of Thumb and Index Finger** means that all of the thumb and index finger are cut off at or above the joints closest to the wrist.

**Paralysis** means total and permanent impairment of voluntary movement and sensory function of a Limb without severance that is expected to last for a continuous period of 12 months or more from the earlier of the date of the Accident causing paralysis or the date of the diagnosis. A Physician must determine the paralysis to be permanent, complete, and irreversible.

**Paraplegia** means the complete and irreversible Paralysis of either lower Limbs or both upper Limbs.

**Principal Sum.** As applicable to each Insured Person, the AD&D principal sum means the amount(s) of insurance in force under the Policy on the date of the Accident, as described in the *Schedule of Benefits*. In no event will the total amount of AD&D Insurance in force for an Insured Person exceed the AD&D Insurance maximum shown in the *Schedule of Benefits*. As applicable to an insured Dependent, the AD&D principal sum means the amount of insurance in force under the Policy for each eligible Dependent as shown in the *Schedule of Benefits*.

**Quadriplegia** means the complete and irreversible Paralysis of both upper and lower Limbs.

**Triplesia** means total and irreversible Paralysis of three Limbs.

**Uniplegia** means the complete and irreversible Paralysis of one Limb.

## Exclusions – Accidental Losses Not Covered by the Policy

The Policy does not cover any death or Injury caused directly or indirectly, or contributed to by any of the following:

1. suicide;
2. any attempt at suicide;
3. any intentionally self-inflicted Injury;
4. an infection of any kind, not occurring as a direct result or consequence of an Injury;
5. infections, except septic infections of and through a visible wound;
6. active participation in a riot, insurrection, or terrorist activity;
7. loss or death occurring while an Insured Person is incarcerated;
8. riding or driving an air, land or water vehicle in a race, speed or endurance contest;
9. war, declared or undeclared, or any act of war;
10. committing or attempting to commit a felony;
11. if the Insured Person is intoxicated at the time of the Accident as defined by the jurisdiction where the Accident occurred;
12. operating a motor vehicle while under the influence of alcohol as evidenced by a blood alcohol level in excess of the state legal intoxication limit;
13. voluntary intake or use by any means of:
  - a) any drug, medication, sedative, or other chemical substance or controlled substance, unless:
    - prescribed or administered by a Physician and taken in accordance with the Physician's instructions; or
    - an over the counter drug, medication, or sedative taken as directed;
  - b) alcohol in combination with any drug, medication, or sedative; or
  - c) poison, gas, or fumes, unless the direct result of an occupational Accident.
14. service in the armed forces, National Guard, or organized reserve forces of any country or international authority;

however, service in reserve forces does not constitute service in the armed forces, unless in connection with such reserve service an individual is on active military duty as determined by the applicable military authority other than weekend or summer training;

for purposes of this provision reserve forces are defined as reserve forces of any branch of the military of the United States or of any other country or international authority, including but not limited to the National Guard of the United States or the national guard of any other country.
15. travel or descent in an aircraft, including boarding or alighting from it, if the Insured Person acted in a capacity other than as a passenger.

## ADDITIONAL AD&D BENEFITS

### Applicability of Provisions

This section describes additional benefits for Covered Losses that may be covered by this Accidental Death and Dismemberment (AD&D) coverage if the Injury or death is a direct result of an Accident while coverage is in effect. You or your Dependent must be covered by the AD&D Insurance at the time of the Accident that causes the Covered Loss. Death or Injury must occur within 365 days of the Accident unless otherwise stated below.

All the exclusions and limitations of your Accidental Death And Dismemberment Coverage listed in the Certificate section entitled *Exclusions - Accidental Losses Not Covered Under The Policy* apply to any additional benefits in this section. No benefit is payable for any loss subject to an exclusion under this Certificate.

### CHILD CARE PROGRAM BENEFIT

#### Supplemental Coverage - Employee, Spouse

If you or your Spouse die or suffer a Covered Loss as defined below as a result of an Accident, we will pay an additional Child Care Program benefit if:

- an accidental death benefit is payable under the Policy for the deceased person; or
- a Covered Loss benefit as defined in this provision, is payable under the Policy; and
- this benefit is in effect for the deceased person on the date of the Accident; and
- Proof is furnished to us that on the date of death a Child was:
  - a) under age 13;
  - b) enrolled in a Child Care Program; or
  - c) within 12 months enrolled in a Child Care Program.

**Child** means your natural child, adopted child (including a child from the date of placement with the adopting parents until the legal adoption), or stepchild and who, in each case, is under age 13.

**Child Care Program** means a program of child care which:

- is operated in a private home, school, or other facility;
- provides and charges a fee for the care of Children; and
- is duly licensed, certified, or accredited to provide child care, or is operated by a licensed child care provider, if such licensing is required by the state or jurisdiction in which it is located; or
- if licensing is not required, provides child care on a daily basis for 12 months a year in accordance with the applicable laws and regulations of the jurisdiction where it is located.

A Child Care Program will not mean a program of child care which is provided by an immediate relative of the Child receiving the care. An immediate relative is a sibling, parent, stepparent, grandparent, aunt, or uncle.

**Covered Loss** for this benefit means Paralysis or Loss of Both Legs or Both Arms, or Loss of Both Hands or Both Feet, or Loss of Sight in Both Eyes.

### Benefit Payment and Limitations

The amount payable for this additional benefit is as shown in the *Schedule of Benefits*.

For each Child who qualifies for this benefit, we will pay an amount equal to the Child Care Program charges incurred for a period of up to 4 consecutive years, not to exceed:

- an annual maximum of \$5,000; and
- an overall maximum of 100% Employee Principal Sum or \$25,000.

We will pay this benefit annually when we receive Proof that eligible Child Care Program charges have been paid. Payment will be made to the person who pays such charges on behalf of the Child.

If you and your Spouse die as a result of a Covered Loss in the same Accident the maximum benefit payable will be your benefit.

We will require Proof of the Child's continued enrollment in a Child Care Program during the period for which a benefit is claimed. In no event will the amount paid under all Child Care Program benefit exceed the amount of child care charges incurred.

The benefit is not payable for any period of enrollment in a Child Care Program before the date of the Accident that caused your or your Spouse's death.

The benefit is not payable for any period of enrollment after the earlier of:

- the date the Child reaches 13 years of age; or
- the date 4 years after the later of:
  - 1) the date of your or your Spouse's death; or
  - 2) the date the Child first enrolls in a Child Care Program.

The Child Care Benefit will not be extended to any of your Children born after the date of your or your Spouse's death unless pregnancy commenced prior to the date of death.

## CHILD TUITION BENEFIT

### Supplemental Coverage - Employee, Spouse

If you or your Insured Spouse die as a result of an Injury, we will pay this additional Child Tuition benefit if:

- we pay an accidental death benefit for the deceased person under this Certificate; and
- this benefit is in effect on the date of the Accident causing your or your Insured Spouse's death; and
- we receive Proof that on the date of the death a Child was:
  - a) enrolled as a Full-Time student in an Institution of Higher Learning; or
  - b) at the 12<sup>th</sup> grade level and, within one year after that date, enrolls as a Full-Time student in an accredited college, university or vocational school.

**Child** means your natural child, adopted child (including a child from the date of placement with the adopting parents until the legal adoption) or stepchild (including the child of a Domestic Partner); and who, in each case, is under age 26.

**Institution of Higher Learning** means any accredited institution that provides education or training beyond the 12th grade level, including, but not limited to, any state university, private college, community college, or trade school.

**Full-Time as used with the tuition benefit** means a full course load as defined by the Institute of Higher Learning.

### BENEFIT AMOUNT

This additional benefit is payable for each Child that qualifies as a Full-Time student. The amount payable for this additional benefit is as shown in the *Schedule of Benefits*. The benefit will be paid for each year of the Child's continuous enrollment as a Full-Time student in an Institution of Higher Learning, to a maximum benefit period of 4 consecutive years.

The applicable portion of the yearly benefit for each term of enrollment is payable upon receipt of Proof of enrollment for that term. If the Child is a minor, we will pay benefits to the Child's legal representative.

A Child who ceases to be enrolled as a Full-Time student becomes permanently ineligible for the benefit, even if the Child re-enrolls at a later date. The benefit is not payable for any term of enrollment as a Full-Time student that begins before the date of your or your Insured Spouse's death.

No benefit is payable to any Child who has not furnished Proof to us of enrollment. We will pay this benefit when we receive Proof that Tuition Charges have been paid.

### When payments terminate

The Child Tuition benefit will no longer be payable on the first to occur of:

- the date on which the maximum benefit period is reached;
- the date the overall maximum benefit is reached;
- the end of the 12<sup>th</sup> consecutive month during which the Child has not furnished Proof to a tuition expense to us.

## COMMON CARRIER BENEFIT

### Supplemental Coverage - Employee, Spouse, Child

We will pay this additional benefit if an Insured Person dies as a result of an Injury if:

- an Accidental Death Benefit is payable under the Policy for the deceased person; and
- this benefit is in effect for the deceased person on the date of the Accident;
- we receive Proof that the Injury resulting in the death occurred while traveling in a Common Carrier; and
- the death occurred within 365 days as a result of an Injury sustained in the Accident.

**Common Carrier** means a government regulated entity that is in the business of transporting fare paying passengers.

**Covered Loss** for this benefit means Paralysis or Loss of Both Arms or Both Legs, or Loss of Both Hands or Both Feet, or Loss of Sight in Both Eyes.

**BENEFIT AMOUNT**

The amount payable for this additional benefit is as shown in the *Schedule of Benefits*.

**REPATRIATION OF REMAINS BENEFIT**

**Supplemental Coverage** - Employee, Spouse, Child

We will pay an additional benefit for the preparation and transportation of an Insured Person's body who dies as a result of to an Injury, if:

- an Accidental Death Benefit is payable under the Policy for loss of that person's life;
- this benefit is in effect for the decedent on the date of the Accident causing the Injury; and
- we receive Proof that death occurred at least 500 miles from the decedent's principal place of residence.

**BENEFIT AMOUNT**

The amount payable for this additional benefit is as shown in the *Schedule of Benefits*.

**Seat Belt Use and Air Bag Benefits**

**Seat Belt Use**

**Supplemental Coverage** - Employee, Spouse, Child

If an Insured Person dies as a result of an Injury, such that an accidental death benefit is payable for the deceased person under the Policy, we will pay this additional Seat Belt benefit if:

- 1) this benefit is in effect for the decedent on the date of the Automobile Accident; and
- 2) we receive Proof that person:
  - a) was driving or riding as a private passenger in an Automobile; and
  - b) was wearing a properly fastened, original, factory-installed Seat Belt; or if the Insured Person is a Child, a properly installed and fastened child restraint device as defined by state law; and
  - c) died as a result of an Injury sustained in the Automobile Accident.

Verification of the actual use of the Seat Belt, at the time of the Accident, upon impact, must be a part of an official police report of the Accident or be certified, In Writing, by the investigating officer(s). A copy of such certification must be submitted to us with the claim for benefits.

**Seat Belt** means a fastened, original, factory-installed seat belt (or child restraint if the Insured Person is a Child) lap and shoulder restraint and is not altered after the installation.

**Automobile** means a self-propelled private passenger motor vehicle with four or more wheels which is of a type both designed and required to be licensed for use on the highways of any state or country. Automobile includes, but is not limited to, a sedan, station wagon, or jeep-type vehicle and, if not used primarily for occupational, professional, or business purposes, a motor vehicle of the pickup, panel, van, camper, or motor home type. Automobile does not include a mobile home or any motor vehicle that is used in mass or public transit.

**Benefit Amount**

The amount payable is as shown in the *Schedule of Benefits*. If it is unclear whether the Seat Belt was properly fastened, the Seat Belt Use benefit payable is \$1,000. No benefit is payable if the Insured Person is intoxicated at the time of the Accident as defined by the jurisdiction where the Accident occurred and is the operator of a vehicle involved in the Accident.

**Air Bag Benefit**

**Supplemental Coverage** - Employee, Spouse, Child

If an Insured Person dies as a result of an Injury while driving or riding as a passenger in an Automobile, we will pay an additional Air Bag benefit if:

- 1) a Seat Belt Use benefit is payable under the Policy for the Insured Person;
- 2) the Automobile is equipped with an Air Bag(s); and
- 3) if the person is positioned in a seat protected by a properly functioning, original, factory-installed Air Bag that inflates on impact.

Verification of the actual use of the Seat Belt, at the time of the Accident, and that the Air Bag inflated properly upon impact, must be a part of an official police report of the Accident or be certified, In Writing, by the investigating officer(s). A copy of such certification must be submitted to us with the claim for benefits.

If it is unclear whether the Seat Belt was properly fastened or that the seat in which the deceased was traveling was protected by Air Bags, the Air Bag benefit is \$1,000.

**Air Bag** means an inflatable restraint device that:

- meets published United States government safety standards;
- is properly installed by the car manufacturer; and
- is not altered after the installation.

## Benefit Amount

The amount payable is as shown in the *Schedule of Benefits*.

## SPOUSE TUITION BENEFIT

### Supplemental Coverage- Employee Only

If you die as a result of an Injury, we will pay this additional tuition benefit if:

- we pay an accidental death benefit for you; and
- this benefit is in effect on the date of the Accident causing your death; and
- we receive Proof that on the date of death your Spouse was:
  - a) enrolled as a Full-Time student in an Institution of Higher Learning; or
  - b) subsequently enrolls as a Full-Time student in an Institution of Higher Learning, or professional or trade training program, within 12 months after the date of your death.

The benefit will be paid for each year of continuous enrollment in an Institution of Higher Learning or professional or trade training program, to a maximum of 4 consecutive years. The total amount of the benefit for all institutions and programs combined each year is equal to the least of the amounts shown in the *Schedule of Benefits*.

**Institution of Higher Learning** means any accredited institution that provides education or training beyond the 12th grade level, including, but not limited to, any state university, private college, community college, or trade school.

**Full-Time as used with the tuition benefit** means a full course load as defined by the accredited Institute of Higher Learning.

## BENEFIT AMOUNT

The amount payable for this additional benefit is as shown in the *Schedule of Benefits*.

The tuition benefit will be the lesser of:

- the Tuition Charges incurred;
- a percentage of your Principal Sum; or
- the maximum amount.

**Tuition Charges** means the actual tuition charged, including the actual cost of the materials needed. Tuition charges do not include room and board.

We will pay this benefit annually when we receive Proof that Tuition Charges have been paid. Payment will be made to the Spouse.

A Spouse who ceases to be enrolled as described above becomes permanently ineligible for the benefit, even if he or she re-enrolls at a later date. The benefit is not payable for any term of enrollment that begins before the date of your death.

We may require Proof of the Spouse's continued enrollment as a Full-Time student during the period for which a benefit is claimed.

### When Will Payments Terminate?

The Spouse Tuition benefit will no longer be payable on the first to occur of:

- the date on which the maximum benefit period is reached;
- the date the overall maximum benefit is reached; or
- the end of the 12th consecutive month during which the Spouse has not furnished Proof of Tuition Charges to us.

# LIFE INSURANCE CONVERSION OPTION

## Conversion Option For Your Life Insurance

If group life insurance on you ends, or is reduced, for any of the reasons stated in the *Entitled To Convert* provision, and the amount lost is not replaced by the Policyholder with new group life insurance, you may have the option to buy an individual policy of life insurance (“new policy”) during the Conversion Period.

The conversion option does not apply to Accidental Death and Dismemberment benefits.

Your right to convert is subject to the conditions and requirements of this section. Evidence of your insurability will not be required.

### Eligibility

You are eligible to convert if:

- you reside in a state or territory of the USA where a conversion policy is authorized to be issued on the date your group life insurance ends or is reduced; or
- you establish residency in a state or territory of the USA where a conversion policy is authorized to be issued within your conversion eligibility period; and
- your life insurance ends for any of the reasons stated in the *Entitled To Convert* provision.

### Entitled to Convert

You are entitled to convert only if:

1. Your life insurance ends because:
  - you cease to be in an Eligible Class;
  - your employment ends;
  - the Policy ends;
  - the Policy is amended to end all life insurance for your Eligible Class;
  - any period of continued insurance has expired; or
  - your portability coverage, if any, ends.
2. Your life insurance is reduced:
  - on or after you attain an age specified in the *Schedule of Benefits*;
  - because you change from one Eligible Class to another; or
  - due to a change to the Policy.

If the Policy is cancelled and the Policyholder replaces it with another group life insurance policy for which you are eligible to enroll, you may only convert the maximum amount of group life insurance that was not replaced, if any.

A reduction in the amount of life insurance as a result of the payment of an accelerated benefit will not give rise to a right to convert under this section.

In no event will you be entitled to convert if your coverage under the Policy ceased due to non-payment of the required premium. Additional benefits or riders provided under the Policy will not be converted to the new policy.

If you have ported insurance as described in the *Portability* section, the new certificate will include a conversion provision that allows for the conversion of ported insurance if and when the ported insurance ends.

### Maximum Benefit

The maximum amount of insurance that you may elect to convert to the new policy is the amount of life insurance that ends under this certificate, minus any other group life insurance for which you become eligible during the Conversion Period.

### Conversion Period and Enrollment

If life insurance on you ends or is reduced, Written notice of your right to convert will be given to you by the Policyholder or by an administrator designated by the Policyholder. If you choose to convert your life insurance, we must receive a completed conversion application from you within the Conversion Period.

The Conversion Period is 31 days following the date life insurance ends or is reduced. During the Conversion Period, life insurance on you will continue under the terms of this Certificate.

If you elect not to convert the full amount of life insurance available during the Conversion Period, you will not have the right to convert that amount at a later date.

If you are given Written notice of the right to convert within 15 days of the date life insurance on you ends or is reduced, the Conversion Period will begin on the date life insurance ends or is reduced the right to convert will expire on the later of 16 days after notice is given or the end of the Conversion Period.

If you are given Written notice of the right to convert more than 15 days after the date life insurance on you ends or is reduced, the Conversion Period will begin on the date such life insurance ends or is reduced will expire the later of 15 days from the date of such notice or the end of the Conversion Period. In no event will the right to convert exceed 91 days from the date life insurance ends or is reduced.

Notice will be given to you or mailed to your last known address by the Policyholder or the Policyholder's designee and shall constitute notice of the right to convert.

The right to convert is subject to our receipt within the Conversion Period of:

- a completed Written application form; and
- the first premium due for the new policy.

In the event evidence of your insurability is required for the portability option, and it is not approved, we will give you a new Written notice of your right to convert your insurance without providing Evidence of Insurability and that right will expire 31 days after the date such notice was given.

### **Conditions and Limitations of the New Policy**

1. The new policy:

- may be on any form then customarily offered excluding term life insurance;
- will take effect on the 32<sup>nd</sup> day after the date your life Insurance ends or is reduced, provided you are alive on that date; this will be the case regardless of the duration of the Conversion Period;
- will be issued without any additional benefits that may be provided in this plan disability benefits, an Accidental Death and Dismemberment benefit, an Accelerated Death benefit option, Waiver of Premium benefit or any other rider or additional benefit.

2. Premium rates for the new policy will be based on:

- our customary rates then in use;
- the type and amount of insurance for which you enroll;
- the class of risk to which you belong; and
- your age on the effective date of the new policy.

3. If the new policy contains a provision which restricts the time within which benefits would be payable as a result of suicide or restricts the time within which coverage under the new policy can be contested, such time periods will be deemed to have begun at the time you were first covered under this certificate.

4. To continue insurance under the new policy, the premium must continue to be paid as required under the terms of the new policy. Premium may be paid in any mode of payment customarily offered.

### **Death Benefit Payable During the Conversion Period**

If you die during the Conversion Period, Proof of your death must be sent to us. When we receive such Proof with the claim, we will review the claim and, if we approve the claim, we will pay the Beneficiary the amount you were entitled to convert.

The amount of the benefit is equal to the amount of life insurance benefit under the Policy that you were entitled to convert exclusive of additional benefits. It is payable even if you did not apply for conversion. It is payable even if you did not pay the premium for conversion.

If application has been made for a conversion policy and premium was submitted, the submitted premium will be refunded to your Beneficiary as determined under the provisions of this certificate. It is payable when we receive Proof of your death and we approve the claim.

In no event will we be liable to pay a Death Benefit under the conversion policy and this plan.

In no event will we be liable to pay a Death Benefit for both the coverage that you were entitled to convert and the coverage you were entitled to port, if any.

If you die during the Conversion Period and an application has been made for a portability coverage and premium was paid, we will pay the amount of life insurance, exclusive of additional benefits, that you were entitled to convert under the terms of this certificate. Any premiums paid for the portability coverage shall be refunded to your Beneficiary as determined under the provisions of this certificate. It is payable when we receive Proof of your death and we approve the claim.

In no event will we be liable to pay a Death Benefit under the new portability policy and this plan.

If you die during the Conversion Period and an application has been made for a portability coverage in an amount greater than the amount you were entitled to convert under the Certificate, premium was paid and your application was approved by us, we shall pay the amount of insurance for which you were approved under the terms of the portability policy, exclusive of additional benefits. In no event will we be liable to pay a Death Benefit for the amount you were entitled to convert and the amount you ported to the new portability policy.

If the portability application is not approved, we will pay the amount you were entitled to convert under this Certificate, exclusive of additional benefits. Any premiums paid for portability coverage will be refunded. In no event will we be liable to pay a Death Benefit for both the coverage that you were entitled to convert and the coverage that you were entitled to port, if any.

## **Conversion Option for Dependent Life Insurance**

If life insurance on a Dependent ends or is reduced for any of the reasons stated in the *Entitled To Convert* provision, you, or your Dependent may have the right to buy an individual policy of life insurance ("new policy") on the Dependent on whose life insurance ended or was reduced. A person's right to convert is subject to the conditions and requirements of this section. Evidence of the Dependent's insurability will not be required. The conversion option does not apply to Accidental Death and Dismemberment benefits.

### **Eligibility**

A Dependent is eligible to convert if:

- the Dependent resides in a state or territory of the USA where a conversion policy is authorized to be issued on the date your group life insurance ends or is reduced; or
- the Dependent establishes residency in a state or territory of the USA where a conversion policy is authorized to be issued within the Dependent's conversion eligibility period; and
- the Dependent qualifies under the *Entitled To Convert* provision.

### **Entitled to Convert**

1. You will have the right to convert life insurance on a Dependent that ends for any reason other than:
  - nonpayment of Premium;
  - a Spouse ceasing to be a Spouse as defined in this Certificate; or
  - a Child attaining the limiting age for coverage under this Certificate.
2. You may convert a Dependent's life insurance if it is reduced:
  - on or after the Dependent attains a specified age shown in the *Schedule of Benefits*;
  - because you changed from one Eligible Class to another; or
  - due to a Policy change.
3. A Dependent will have the right to convert when life insurance on such Dependent ends because:
  - with respect to life insurance on a Spouse, you die, or such Spouse ceases to be a Spouse as defined in this Certificate; or
  - with respect to life insurance on a Child, you die, or such Child attains the limiting age for coverage under this Certificate.

A reduction in the amount of Dependent life insurance as a result of the payment of an accelerated benefit will not give rise to a right to convert under this section.

Additional Dependent benefits or riders provided under the Policy will not be converted to the new policy.

If you have ported Dependent life insurance as described in the *Portability* section, the new certificate will include a conversion provision that allows for the conversion of ported Dependent life insurance if and when the ported insurance ends.

### **Maximum Benefit**

The maximum amount of insurance that may be elected to convert to the new policy is the amount of life insurance on that Dependent that ends under this Certificate, minus the amount of any other group life insurance for which you become eligible for during the Conversion Period.

If any portion of a Dependent's life insurance is not converted during the Conversion Period, you or the Dependent will not have the right to convert additional insurance at a later date.

### **Conversion Period and Enrollment**

If life insurance on a Dependent ends or is reduced, Written notice of the right to convert will be given by the Policyholder or by an administrator designated by the Policyholder. If you or a Dependent choose to convert as stated above, we must receive a completed conversion application form within the Conversion Period.

The Conversion Period is 31 days following the date life insurance for a Dependent ends or is reduced. During the Conversion Period, life insurance on the Dependent will continue under the terms of this Certificate.

If you or your Dependent are given Written notice of the right to convert Dependent insurance within 15 days of the date life insurance on you or your Dependent ends or is reduced, the right to convert will expire on the later of 16 days after notice is given or the end of the Conversion Period.

If you or your Dependent are given Written notice of the right to convert Dependent insurance more than 15 days after the date life insurance on you or your Dependent ends or is reduced, the Conversion Period begins on the date such life insurance ends or is reduced and expires the later of 15 days from the date of such notice or the end of the Conversion Period. In no event will the right to convert exceed 91 days from the date life insurance ends or is reduced.

Notice will be given to you or mailed to your last known address by the Policyholder or the Policyholder's designee and shall constitute notice of the right to convert.

If you elect not to convert your Dependents reduced amount of life insurance during the Conversion Period, you will not have the option to convert the reduced amount at a later date.

Evidence of Insurability is not required during the Conversion Period.

The right to convert is subject to our receipt within the Conversion Period of:

- a completed Written application form; and
- the first premium due for the new policy.

### **Conditions and Limitations of the New Policy**

1. The new policy:
  - may be on any form then customarily offered excluding term life insurance;
  - will take effect on the 32<sup>nd</sup> day after the date Dependent life Insurance ends or is reduced, provided the Dependent is alive on that date; this will be the case regardless of the duration of the Conversion Period;
  - will be issued without any additional benefits that may be provided in this plan, disability benefits, an Accidental Death and Dismemberment benefit, an Accelerated Death benefit option, Waiver of Premium benefit or any other rider or additional benefit.
2. Premium rates for the new policy will be based on:
  - our customary rates then in use;
  - the type and amount of insurance elected;
  - the Dependents class of risk; and
  - the Dependent's age on the effective date of the new policy.
3. If the new policy contains a provision which restricts the time within which benefits would be payable as a result of suicide or restricts the time within which coverage under the new policy can be contested, such time periods will be deemed to have begun at the time you were first covered under this Certificate.
4. To continue insurance under the new policy, the premium must continue to be paid as required under the terms of the new policy. Premium may be paid in any mode of payment customarily offered.

### **Dependent Death Benefit Payable During the Conversion Period**

If a Dependent dies within the Conversion Period, Proof of the Dependent's death must be sent to us. When we receive such Proof with the claim, we will review the claim and, if we approve it will pay the Beneficiary the amount that could have been converted.

The amount of the benefit is equal to the amount of life insurance benefit under this plan that you were entitled to convert exclusive of additional benefits. It is payable even if you did not apply for conversion. It is payable even if you did not pay the premium for conversion.

If application has been made for a conversion policy and premium was submitted, the submitted premium will be refunded to the Beneficiary as determined under the provisions of this Certificate. It is payable when we receive Proof of your Dependent's death and we approve the claim.

If your Dependent dies during the Conversion Period and an application has been made for a portability coverage and premium was paid we will pay the amount of life insurance, exclusive of additional benefits, that your Dependent was entitled to convert under the terms of this Certificate. Any premiums paid for the portability coverage shall be

refunded to you as determined under the provisions of this Certificate. It is payable when we receive Proof of your Dependent's death and we approve the claim. In no event will we be liable to pay a Death Benefit under the new portability policy and this plan.

If your Dependent dies during the Conversion Period and an application has been made for a portability coverage in an amount greater than the amount your Dependent was entitled to convert under the Certificate, premium was paid and your application was approved by us, we shall pay the amount of insurance for which you Dependent was approved under the terms of the portability policy, exclusive of additional benefits. In no event will we be liable to pay a Death Benefit for the amount your Dependent was entitled to convert and the amount you ported to the new portability policy.

If the portability application is not approved, we will pay the amount your Dependent was entitled to convert under this Certificate, exclusive of additional benefits. Any premiums paid for portability coverage will be refunded. In no event will we be liable to pay a Death Benefit for both the coverage that your Dependent was entitled to convert and the coverage that you were entitled to port, if any.

## LIFE INSURANCE PORTABILITY OPTION

This section describes when and how you may continue Portable Eligible Insurance under a Portability Plan when all or part of your coverage under This Plan ends. Enrollment in the Portability Plan is voluntary. When discussing the act of continuing insurance under your insurance under This Plan, the terms "Port", "Portable", "Ported", or "Porting" may be used.

Any reference made herein to a Dependent coverage will only apply if Dependent coverage was in force under this Certificate on the date they become eligible to Port.

The Portability Plan will be issued under a new group insurance policy ("Portability Policy"). You will be issued a new certificate that will describe the benefits of the Portability Plan.

The terms and condition of the Portability Plan will **Not** be the same as those under This Plan. The amount of insurance available under the Portability Plan may **Not** be the same as the amount under This Plan. The new certificate will include a conversion option that allows you and your Dependents to convert if portability coverage ends at any time.

### BENEFITS AVAILABLE FOR CONTINUATION UNDER THE PORTABILITY PLAN

For purposes of this section the term "Portable Eligible Insurance" means:

- Insurance shown as "Portable Eligible Insurance" in the *Schedule of Benefits*; and
- Insurance shown as "Dependent Portable Eligible Insurance" in the *Schedule of Benefits*.

### BENEFITS NOT AVAILABLE UNDER THE PORTABILITY PLAN

The following benefits, even if included in This Plan, are **Not** available under the Portability Plan:

- your Basic term life insurance;
- Accelerated Benefit Option;
- Waiver of Premium;
- any Total Disability provisions;
- benefits provided by Riders;
- your AD&D benefits; and
- Dependent AD&D benefits.

### PORTABLE ELIGIBLE INSURANCE AMOUNTS

1. The maximum amount of insurance available to Port is shown on the *Schedule of Benefits*.
2. At the time of election, a person can elect a lesser amount of insurance, as long as the amount is:
  - not less than the minimum amount available under This Plan for your eligible class; or
  - more than the amount for your Spouse or Child; and
  - permitted by any applicable law.

### RIGHT TO APPLY FOR COVERAGE UNDER THE PORTABILITY PLAN

A right under this section is subject to the rest of this provision. You will have the right to elect Portable Eligible Insurance if you meet the Eligibility Criteria and:

1. Your Portable Eligible Life Insurance ends because:

- your employment ends for any reason other than retirement;
  - you cease to be in an eligible class for such insurance; or
  - This Plan is terminated, unless it is replaced by similar insurance under another policy issued to the Policyholder, or its successor, for which you are, or become eligible.
2. You may choose to Port the amount of insurance lost under This Plan if your Portable Eligible Insurance is reduced due to:
- your age; or
  - an amendment to the This Plan which reduced the amount of insurance for your eligible class.
3. You may elect to Port insurance for your Dependents under this provision only if you elect to Port your own Portable Eligible Insurance; except:
- a. your Spouse may choose to Port his or her own insurance if Portable Eligible Spouse Insurance ends because:
    - you die;
    - your marriage ends in divorce or annulment; or
    - your Domestic Partnership relationship ends.
  - b. a Child may request Portability Eligible Child Insurance on his or her own life if that insurance ends because your Child no longer meets the definition of Child because of his or her age.

## **ELIGIBILITY CRITERIA**

### **ELIGIBILITY CRITERIA FOR YOU**

1. You may be eligible to Port if This Plan is in effect and on the date you qualify to Port, you meet all of the following conditions:
  - be Actively-At-Work;
  - be less than age 70;
  - the amount of your life insurance in effect is at least \$10,000;
  - reside in a jurisdiction that permits this portability feature; and
  - be covered under This Plan.

You may **NOT** elect to continue any insurance under this provision if on the date you would qualify to Port insurance under This Plan ended because:

- you retired;
- the Policy for This Plan is terminated;
- the Policyholder has gone out of business;
- your life insurance has been converted to an individual life policy in accordance with This Plan's conversion privilege;
- you are in active military service;
- your life coverage is being continued in This Plan, or you have applied to have your coverage continued under This Plan for any reason;
- you have applied for or been approved for Waiver of Premium;
- you failed to pay any premium due under This Plan;
- you have applied for or been approved for an Accelerated Benefit Option; or
- you are ill or injured and away from work on the date your coverage ends under This Plan.

### **DEPENDENT ELIGIBILITY CRITERIA**

1. Your Dependent must meet the following condition(s):
  - be covered under This Plan;
  - reside in a jurisdiction that permits this portability feature; and
  - (a) For a Spouse:
    - the amount of life insurance in effect under This Plan is at least \$25,000.
  - (b) For a Child:
    - the amount of your Child's life insurance in effect under This Plan is at least \$1,000.

2. A Dependent is **NOT** eligible to Port if:

- this Plan is terminated by the Policyholder prior to his or her enrollment in the Portability Plan;
- coverage under This Plan is terminated and replaced by like coverage under another group insurance policy for which your Dependent is eligible;
- coverage has been converted to an individual life policy in accordance with This Plan's conversion privilege;
- coverage ended because you failed to pay the required Dependent premium under the terms of This Plan; or
- you have applied for, or been approved for a Dependent Accelerated Benefit Option;
- your Dependent is in active military service; or
- if a Child has less than 12 months to reach the age where he or she will not meet This Plan's definition of a Child, you cannot Port the Child's insurance with your life insurance. See item #3 below for how a Child can Port on his or her own life.

3. A Child whose coverage is terminated because he or she no longer meets the definition of a Child under This Plan, due to his or her age, may request Portable Eligible Child Insurance on his or her own life if on the date coverage ends if:

- the Child has been covered under This Plan;
- the amount of insurance in effect in This Plan for the Child is at least \$1,000; and
- the Child resides in a jurisdiction that permits this portability feature.

## **ELECTING PORTABILITY**

An eligible person may elect coverage within 31 days after Portable Eligible Insurance under This Plan ends. This timeframe is the Portability Election Period. Evidence of Insurability is not required.

To elect coverage, a person must submit to us:

- a completed a portability election form obtained from the Policyholder or us;
- the first premiums due as shown in the enrollment form.

## **PORTABILITY EFFECTIVE DATE**

Insurance will become effective on the day immediately following the end of the Portability Election Period, if you apply within this period and pay the first premium.

The effective date of coverage under the portability feature is called the portability date.

## **DEATH DURING THE PORTABILITY ELECTION PERIOD**

The right to elect coverage under the Portability Plan does not affect your coverage under the *"Death Benefit Payable During the Conversion Period"* provision of This Plan.

If you or a Dependent die within the first 31 days of the Portability Election Period and:

- we have not received a portability election form, we will pay the insurance benefit in accordance with the *"Death Benefit Payable During the Conversion Period"* under This Plan;
- a portability election form is received by us during the first 31 days of the Portability Election Period, we will determine if the insurance qualifies for payment under the section entitled *"Death Benefit Payable During the Conversion Period"*. If it qualifies, the amount we will pay will be limited to the amount the deceased person was entitled to convert.

If a Death Benefit is not payable under the Portability Plan, any premiums paid for portability on behalf of the deceased person will be refunded. In no event will we be required to pay the Death Benefit under the conversion, portability, and the continuation provisions under both a new Ported certificate and This Plan.

## **EFFECT OF PORTABILITY ON OTHER PROVISIONS OF THIS CERTIFICATE**

The portability option is not available for any amount of life insurance which was continued, enrolled, or is being applied for under provisions of This Plan in accordance with the:

- Conversion Privilege;
- Waiver of Premium Provision;
- 
- Continuation Provisions; or
- Accelerated Benefit Option.

**Coverage amounts NOT eligible to Port, or that you elect NOT to Port, may be converted to an individual policy in accordance with This Plan's conversion privilege.**

## **PREMIUMS FOR THE PORTABILITY CERTIFICATE**

All premium payments must be made directly to us. When we issue the new certificate, we will also provide a schedule of premiums and payment instructions.

The first premiums must be paid in accordance with the instructions on the portability election form. Coverage will not become effective until the first full premium due is received by us.

## **DEFINITIONS**

**Terms used throughout this section have the following meanings:**

**Former Dependent** means your prior Spouse, Domestic Partner or Civil Union partner, or adult Child who is Porting coverage as the Certificateholder.

**Portability Election Period:** Is the timeframe permitted for an eligible person to enroll in Port without Evidence of Insurability.

**Portable Eligible Insurance** means the amount of Life Insurance in effect under This Plan an Insured Person is eligible to Port as shown on the *Schedule of Benefits*.

**Portability Plan** means the group term life plan that you may be eligible to enroll when coverage ends under This Plan.

**Portability Policy** means the group insurance policy under which you may elect to continue This Plan's group term life insurance.

**This Plan** means the insurance provided under this certificate by the Policyholder.

# GENERAL PROVISIONS

## Entire Contract

Insurance is provided for Insured Persons under a contract of group insurance with the Policyholder. The entire contract with the Policyholder is made up of the following:

- the Policy and its Exhibits;
- the Certificate(s) attached to the Policy;
- the Policyholder's application; and
- any amendments and/or endorsements to the Policy.

For purposes of effective dates and ending dates under the Policy, all days begin at 12:01 a.m. Standard Time at the Policyholder's address and end at 12:00 midnight Standard Time at the Policyholder's address where the Policy was issued.

No document may be incorporated by reference.

## Policy Changes or Waivers

The terms and provisions of this Policy, a Certificate, and an Exhibit issued under this Policy may be changed, at any time, without the consent of the Insured Persons or anyone else with a beneficial interest in it.

Only the president and secretary of CAIC can approve a change. We will only make changes that are consistent with Interstate Insurance Product Regulation Commission standards. The waiver or change must be In Writing and Signed by one of our Officers. No other person, including an agent, may change this Policy or waive any part of the Policy. We may issue riders, endorsements, or amendments Signed by one of our officers to affect such changes. and these forms are subject to prior approval by the Interstate Insurance Product Regulation Commission. No rider, endorsement, or amendment will affect the insurance provided under Certificates until the effective date of the change, unless retroactivity is required by the Interstate Insurance Product Regulation Commission. Any rider, endorsement, or amendment added to the Policy after the date of issue that diminishes rights, benefits, or coverage in the Policy shall require Signed acceptance by the Policyholder. A copy of any rider, amendment, or endorsement issued will be provided to the Policyholder for attachment to the Policy and provided to the Certificateholder if the change affects the Certificate.

## Beneficiary Designation and Changes

### Choosing a Beneficiary

It is important that you name your Beneficiary and keep your designation current. You may name a person or entity as your Beneficiary. A primary Beneficiary is the person(s) or entity you designate In Writing to receive insurance benefits if you should die while you are insured under the Policy.

You may name more than one primary Beneficiary. If you name more than one primary Beneficiary, benefits will be paid out equally unless you stipulate otherwise In Writing.

You may also name a contingent Beneficiary. A contingent Beneficiary will receive the life insurance benefit if there is no living primary Beneficiary at the time of your death.

If no Beneficiary is named, or if no named Beneficiary survives you, we may, at our option, pay:

- up to \$500 of your life insurance to any party that we deem is entitled because of their payment of your burial;
- expenses;
- the executors or administrators of your estate; or
- your surviving relatives in the following order:
  - a) all to your surviving spouse; or
  - b) if no spouse, or if your spouse does not survive you, in equal shares to your surviving children; or
  - c) if no child survives you, in equal shares to your surviving parents; or
  - d) your sibling(s).

We will be released from further liability for any amount so paid.

### If Your Beneficiary Is A Minor Or Lacks Legal Capacity

The method of payment will differ if your Beneficiary is a minor or a person who lacks legal capacity to give us a valid release for payment of any Death Benefit. We will issue the payment, as permitted by applicable state law as follows:

- to the guardian of your Beneficiary's estate; or
- the custodian of the Beneficiary's estate under the Uniform Transfer to Minors Act; or
- an adult caretaker/legal guardian.

We will be fully discharged of its duties once we have paid your benefit. We are not responsible for how the payment is used.

### **Changing A Beneficiary**

You may change a Beneficiary at any time while you are living. The change must be made by Written request using a form satisfactory to us. Your Written request to change the Beneficiary must be on file with the Policyholder. When the Policyholder receives the change, it will take effect as of the date you Signed it whether you are living or not, unless otherwise specified by you. The change will be subject to any payments CAIC made, or actions taken by us prior to receipt of this notice.

You are the only person who can name or change your Beneficiary. No other person may change your Beneficiary on your behalf, including, but not limited to, any agent under power of attorney, whether durable or non-durable, or other power of appointment unless the appointment specifically states that the agent may change the Beneficiary under this Certificate. You do not need a Beneficiary's consent to make a change unless an irrevocable designation (one that cannot be changed without the consent of the irrevocable Beneficiary) has been made.

CAIC will pay Death Benefits in accordance with the Beneficiary designation on record. Any payment made before the Policyholder receives a request for a Beneficiary change will be made to the previously designated Beneficiary. The change will not apply to any payment made in good faith by us before the change request was recorded by the Policyholder.

### **Beneficiary For Dependent Insurance**

CAIC will pay you as the Beneficiary for Dependent insurance for Life and/or Accidental Death and Dismemberment Insurance, if you are alive. If you are not alive, at our option, we may pay your surviving Spouse if living, or your estate. Any payment made in good faith will discharge our liability to the extent of such payment.

### **Simultaneous Death**

If a Beneficiary dies on the same day you die, or within 24 hours of your time of death, the claim will be paid as if that Beneficiary had died before you.

If you and your Dependent die within a 24 hour period, we will pay all payable benefits under the Policy to your Beneficiary or, we may pay your estate.

We will be fully discharged of our duties once we have paid a benefit. We are not responsible for how the payment is used.

### **Assignment**

You may assign all of your rights, privileges, and benefits under the Policy without the consent of a Beneficiary, unless an irrevocable Beneficiary has been named. The right of any Beneficiary to receive the Death Benefit under the Policy shall be subject and subordinate to the rights of any assignees.

We will recognize the assignee(s) under such assignment as owner(s) of your right, title, and interest in the Policy if:

- a Written form satisfactory to us, affirming this assignment, has been completed;
- the Written form has been Signed by you and the assignee(s);
- the Policyholder acknowledges that the insurance being assigned is in force on the life of the assignor;
- the assignment is not prohibited by applicable law; and
- the Written form is received and registered by us at our home office.

The assignment will take effect as of the date the Written form has been Signed by you, unless otherwise specified by you. CAIC will not be bound by an assignment until we receive and file a Signed copy. The assignee only takes such rights as the assignor possessed and such rights are subject to state and federal laws and the terms of the Policy.

We will not be responsible for the legal, tax or other effects of any assignment, or for any action taken under the Policy's provisions before receiving and registering an assignment. We will also not be responsible for the validity of any assignment.

If you have made an irrevocable Beneficiary designation, the irrevocable Beneficiary must consent In Writing to the assignment.

### **Conformity with Interstate Insurance Product Regulation Commission Standards**

This Certificate was approved under the authority of the Interstate Insurance Product Regulation Commission and issued under the Commission standards. Any provision of the Certificate that on the provision's effective date is in conflict with Interstate Insurance Product Regulation Commission standards is hereby amended to conform to the Interstate Insurance Product Regulation Commission standards as of the provision's effective date.

If the terms and provisions of this Certificate do not conform to any applicable Federal law or regulation, this Certificate will be interpreted to so conform.

## **Time Limit on Legal Actions**

No action at law or in equity shall be brought to recover on the Policy prior to the expiration of 60 days after Proof has been furnished in accordance with the requirements of the Policy. No such action shall be brought after the expiration of the time period provided by the state or jurisdiction in which the Policy was delivered.

## **Insurance Fraud**

We have the right to and will use all means available to us to detect, investigate, deter, and prosecute those who commit insurance fraud. We also have the right to pursue all legal remedies if you and/or the Policyholder perpetrate insurance fraud.

Insurance fraud occurs when you or the Policyholder knowingly and with intent to defraud or deceive us, provide us with false information or file a claim for benefits that contains any false, incomplete, or misleading information, or conceals for the purpose of misleading, information concerning any material fact concerning the coverage sought or payment of benefits.

It is a crime if you or the Policyholder commit insurance fraud and you or the Policyholder may be guilty of a criminal offense and subject to penalties under state law.

## **Noncompliance With Policy Requirements**

Any express waiver by us of any requirements of the Policy will not constitute a continuing waiver of such requirements. Any failure by us to insist upon compliance with any Policy provision will not operate as a waiver or amendment of that provision.

## **Clerical Error**

A purely clerical error, which arises from other than a failure to perform administrative duties hereunder, whether by the Policyholder or us, will not void the insurance of any Insured Person if that insurance would otherwise have been in effect; nor will it extend insurance of such person if that insurance would otherwise have ended or been reduced as provided in the Policy. Clerical error may be, by illustration but not limitation, errors in transcription or computation, but is not, by illustration but not limitation, a failure to advise Insured Persons of procedural requirements.

## **Misstatement of Facts or Age**

If the material facts, including age, of the Insured Person were not accurate in the application to the Policy:

- a fair adjustment of Premium will be made; and
- the true facts, including true age, will decide whether and in what amount of insurance is in force under the Policy.

## **Incontestability**

Any statement made by an Insured Person, will be considered a representation and not a warranty.

No statement made by an Insured Person will be used to reduce or deny any claim or to cancel an Insured Person's coverage unless:

- the statement is In Writing on an enrollment form or Evidence of Insurability form that is Signed by the Insured Person; and
- a copy of that statement is given to the Insured Person, the Beneficiary or legally authorized representative.

No statement made by an Insured Person relating to his or her insurability will be used to contest the insurance for which the statement was made after the coverage has been in force for two years. For any applied for increases in coverage or reinstatement of coverage, a new two-year contestability period is applicable to the amount of the applied for increase or reinstated coverage. Fraudulent statements will be used to contest the insurance for which the fraudulent statement was made if the state where the Certificate was delivered or issued for delivery permits such contests.

No statement will be used to contest the insurance under the Policy unless the statement is material to the risk accepted by us.

## **Agency**

For the purposes of the Policy, the Policyholder acts on its own behalf or as the agent of the Insured Person. Under no circumstances will the Policyholder be deemed the agent of ours without Written authorization.

## **Non-Participation Policy**

The Policy is not entitled to share in surplus distribution.

## **Electronic Transactions**

Any transaction relating to the Policy may be conducted by electronic means if performance of the transaction is consistent with applicable state and federal law. Any notice required by the provisions of the Policy given by electronic means will have

the same force and effect as notice given In Writing.

## **Compliance With Economic Sanctions Law or Regulation**

Notwithstanding any other terms under the Policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, Beneficiary, or third party who may have any rights under the Policy to the extent that such coverage, payment, service, benefit, or any business or activity of an Insured Person would violate any applicable trade or economic sanctions law or regulation.

## **CLAIM INFORMATION**

### **Notice of Claim**

Notice should be given as soon as is reasonably possible after a death. For all other claims, notice of claim must be given to us within 90 days after the date of loss, or as soon thereafter as reasonably possible. Notice must be given to us at our administration office shown on the cover page of this Certificate. Notice given by or on behalf of the claimant to us with information sufficient to identify the Insured Person, is deemed notice of claim.

A claimant may give such notice by:

- Writing to us;

by calling us at the telephone number shown on the cover page of this Certificate. Upon notice, a claim form will be sent to the claimant.

### **Submit a Claim**

The claimant should complete the claim form and return it to us with the required Proof as instructed in the claim form. No benefits will be paid until we receive Proof satisfactory to us. Proof must be provided at the claimant's expense.

### **Proof of Claim**

Proof includes a completed and Signed claim form and Written evidence satisfactory to us that a claimant has satisfied the conditions and requirements for any benefit described in this Certificate. When a claim is made for any benefit described in this Certificate, Proof must establish:

- the nature and extent of the loss or condition;
- our obligation to pay the claim; and
- the claimant's right to receive payment.

Proof for a death claim must include a certified copy of the death certificate, or other lawful evidence providing equivalent information and Proof of the Beneficiary's interest in the proceeds. The document provided must show the cause of death.

### **Proof of Total Disability must also include**

- a Signed Physician's certification that you are Totally Disabled;
- a copy of:
  - (i) all medical records, lab and test results relating to your Total Disability; and
  - (ii) all supporting documentation on which the Physician's certification is based.

### **Time Limits for Proof**

Proof should be sent to us after a loss occurs. The time period Proof must be provided is stated below. Failure to give such Proof within this timeframe will not invalidate or reduce any payable claim if it can be shown that it was not reasonably possible to give Proof within that time, and the Proof was given as soon as reasonably possible. You must provide Proof no later than 1 year after the time Proof is otherwise required, except in the absence of legal capacity.

#### **1. Death Benefit Claim**

1 year from date of death.

#### **2. Total Disability – Waiver of Premium Benefit Claims**

Proof should be sent to us as soon as reasonably possible, but in any event must be received by us within 12 months of the date you satisfied the Waiting Period, except in the case of legal incapacity of the claimant.

#### **3. All Other Claims**

Notice of claim and Proof, satisfactory to us, must be provided within 90 days of the date of loss. If that is not possible, it must be provided as soon as reasonably possible, but not later than one year after that 90-day period.

If the loss is one for which the Policy requires continuing eligibility for periodic benefit payments, subsequent

Proof of eligibility must be furnished at such intervals as we may reasonably require as stated in the specific benefit provision.

## **Claim Review and Payment**

Upon our receipt of Proof, we will review it. We will settle a claim following our receipt of satisfactory Proof and any other information requested relating to the claim and such information is satisfactory to us.

If we approve the claim, we will pay the benefit amount in effect on the date of the loss as follows:

- 30 days for any Covered Loss other than loss for which the Policy provides any periodic payment.
- Payment for all accrued benefits for a Covered Loss for which the Policy provides periodic payments will be paid at the expiration of each period for which the benefit is payable. Any balance remaining unpaid upon termination of our liability will be paid immediately upon receipt of such Proof.

If the Proof is not sufficient to approve the claim, we will send a Written notice to the claimant stating that 1) we are extending the review period for an additional 90 days; or 2) that the claim is denied. If a claim is denied or the review period is extended, the notice will state the reasons for the extension or denial. The notice will also state the information required to complete the claim review, or to appeal a claim denial. Refer to the section entitled *Additional Claims Information* for more information on the claim review and appeal procedures.

## **Interest on Death Benefits**

Interest will accrue on the amount payable as a claim for life insurance from the date of an Insured Person's death. Such interest will accrue at the rate of interest applicable for funds left on deposit with us.

Additional interest shall accrue at an effective rate of 10% annually, beginning 31 calendar days from the latest of the following until the claim is paid:

- the date that due Proof is received by us;
- the date we receive sufficient information to determine its liability, the extent of the liability, and the appropriate payee legally entitled to the proceeds; and
- the date that legal impediments to payment of proceeds that depend on the action of parties other than us are resolved and sufficient evidence of the same is provided to us. Legal impediments to payment include, but are not limited to:
  - a) the establishment of guardianships and conservatorships;
  - b) the appointment and qualification of trustees, executors, and administrators; and
  - c) the submission of information required to satisfy state or federal reporting requirements.

## **Physical Examination and Autopsy**

At our own expense, we have the right and opportunity to examine the person of any individual whose loss is the basis of claim under the Policy as often as it may reasonably require during the duration of the claim. We may have an autopsy performed at our expense where it is not forbidden by law.

## **Unpaid Premium Due**

Proceeds payable for a claim will be reduced by the amount of any unpaid Premium due and outstanding at the time we make payment.

## **Refund of Unearned Premium**

Any unearned Premium will be refunded to the Policyholder or the claimant as applicable.

## **Overpayment of a Claim**

We have the right to recover any overpayments to a claimant due to fraud or our error. A claimant must reimburse us in full. We will not recover more money than the amount we overpaid. We will determine the method by which the repayment will be made.

## **Claims Of Creditors**

Death Benefit payments are exempt from legal or equitable process for your debts or the debts of a Beneficiary, where permitted.

**Authority**

The Policyholder has delegated to the insurance company or its designee certain rights. These include the right to make determinations regarding the eligibility for participation or benefits and to interpret the terms of the Policy and Certificate. This delegation is made for the purpose of claims and enrollment administration only. The insurance company is not the Plan Administrator, as defined by ERISA.

**CONTINENTAL AMERICAN INSURANCE COMPANY**  
**P.O. Box 427 Columbia, South Carolina 29202**  
**800.206.8826**

**GROUP TERM LIFE INSURANCE**  
**INDIVIDUAL CONVERSION OPTION ENDORSEMENT**

**Policyholder:** BMC Software, Inc.

**Policy Number:** GLD0000113 (hereafter "the Policy")

**Endorsement Effective Date:** January 1, 2025

**Eligible Classes:** All Classes

This Endorsement is attached to and made a part of the Policy and your group term life Certificate and takes effect at 12:01 a.m. on the Endorsement Effective Date.

**THIS ENDORSEMENT CHANGES YOUR CERTIFICATE. PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT AMENDS THE "CONVERSION OPTION FOR YOUR LIFE INSURANCE" PROVISION UNDER THE SECTION "LIFE INSURANCE CONVERSION OPTION" OF YOUR CERTIFICATE.**

*The "Entitled to Convert" paragraphs are deleted and replaced with the following:*

**Entitled to Convert When the Policy or Your Eligible Class Has Been Terminated**

You are entitled to a limited conversion right if your coverage under the Policy ends due to:

- termination of the Policy or the Certificate; or
- termination of coverage for your Eligible Class.

You may only convert if you have been covered under the Policy for at least 5 years. You must apply for the individual policy in the same manner as described in your Certificate, in the section *Conversion Period And Enrollment*.

**Entitled to Convert When the Policy or Your Eligible Class Has Not Been Terminated**

You are entitled to convert if:

1. Your life insurance ends because:
  - you cease to be in an Eligible Class;
  - your employment ends;
  - any period of continued insurance has expired; or
  - your portability coverage, if any, ends.
2. Your life insurance is reduced:
  - on or after you attain an age specified in the *Schedule of Benefits*;
  - because you change from one Eligible Class to another; or
  - due to a change to the Policy.

If the Policy is cancelled and the Policyholder replaces it with another group life insurance policy for which you are eligible to enroll, you may only convert the maximum amount of group life insurance that was not replaced, if any.

A reduction in the amount of life insurance as a result of the payment of an accelerated benefit will not give rise to a right to convert under this section.

In no event will you be entitled to convert if your coverage under the Policy ceased due to non-payment of the required Premium. Additional benefits or riders provided under the Policy will not be converted to the new policy.

If you have ported insurance as described in the *Portability* section, the new certificate will include a conversion provision that allows for the conversion of ported insurance if and when the ported insurance ends.

**The “Maximum Benefit” paragraph is deleted and replaced with the following:**

#### **Maximum Benefit**

If you are entitled to convert due to one of the reasons listed in the “*Entitled To Convert When The Policy Or Your Eligible Class Has Been Terminated*” paragraph above, then the maximum amount of life insurance that may be converted for you under this provision is limited to the lesser of:

- 1) the amount of your group life coverage in force under the Policy on the date of termination, reduced by the amount of any other group life coverage that you become eligible for within 31 days of termination of coverage under the Policy; and
- 2) \$10,000.

If you are entitled to convert due to one of the reasons listed in the “*Entitled To Convert When The Policy Or Your Eligible Class Has Not Been Terminated*” paragraph above, then the maximum amount of insurance that you may elect to convert to the new policy is the amount of life insurance that ends under this certificate, minus any other group life insurance for which you become eligible during the Conversion Period.

#### **THIS ENDORSEMENT AMENDS THE “CONVERSION OPTION FOR DEPENDENT LIFE INSURANCE” PROVISION UNDER THE SECTION “LIFE INSURANCE CONVERSION OPTION” OF YOUR CERTIFICATE.**

**The “Entitled to Convert” paragraphs are deleted and replaced with the following:**

##### **Entitled to Convert When the Policy or Your Eligible Class Has Been Terminated**

Your Dependent is entitled to a limited conversion right if your Dependent’s coverage under the Policy ends due to:

- termination of the Policy or the Certificate;
- termination of coverage for your Eligible Class; or
- your Employer terminated coverage and is no longer an Included Employer under the Policy.

Your Dependent may only convert if your Dependent has been covered under the Policy for at least 5 years. You or your Dependent must apply for the individual policy in the same manner as described in your Certificate in the section *Conversion Period And Enrollment*.

##### **Entitled to Convert When the Policy or Your Eligible Class Has Not Been Terminated**

1. You will have the right to convert life insurance on a Dependent that ends for any reason other than:
  - nonpayment of premium;
  - a Spouse ceasing to be a Spouse as defined in this certificate; or
  - a Child attaining the limiting age for coverage under this certificate.
2. You may convert a Dependent’s life insurance if it is reduced:
  - on or after the Dependent attains a specified age shown in the *Schedule of Benefits*;
  - because you changed from one Eligible Class to another; or
  - due to a Policy change.
3. A Dependent will have the right to convert when life insurance on such Dependent ends because:
  - with respect to life insurance on a Spouse, you die, or such Spouse ceases to be a Spouse as defined in this certificate; or
  - with respect to life insurance on a Child, you die, or such Child attains the limiting age for coverage under this certificate.

A reduction in the amount of Dependent life insurance as a result of the payment of an accelerated benefit will not give rise to a right to convert under this section.

Additional Dependent benefits or riders provided under the Policy will not be converted to the new policy.

If you have ported Dependent life insurance as described in the *Portability* section, the new certificate will include a conversion provision that allows for the conversion of ported Dependent life insurance if and when the ported insurance ends.

**The “Maximum Benefit” paragraph is deleted and replaced with the following:**

**Maximum Benefit**

If your Dependent is entitled to convert due to one of the reasons listed in the “*Entitled to Convert When the Policy or Your Eligible Class Has Been Terminated*” paragraph above, the maximum amount of Dependent life insurance that may be converted under this provision is limited to the lesser of:

- 1) the amount of your group life coverage in force under the Policy on the date of termination, reduced by the amount of any other group life coverage that you become eligible for within 31 days of termination of coverage under the Policy; and
- 2) \$10,000.

If your Dependent is entitled to convert due to one of the reasons listed in the “*Entitled to Convert When the Policy or your Eligible Class Has Not Been Terminated*” paragraph above, then the maximum amount of insurance that may be elected to convert to the new policy is the amount of life insurance on that Dependent that ends under this certificate, minus the amount of any other group life insurance for which you become eligible for during the Conversion Period.

If any portion of a Dependent’s life insurance is not converted during the Conversion Period, you or the Dependent will not have the right to convert additional insurance at a later date.

This Endorsement applies to the Eligible Class(es) stated above. All other provisions in the Policy and Certificate remain valid. Nothing herein contained shall be held to vary, waive, alter, or extend any of the terms, conditions, or provision of the Policy or your Certificate other than as herein stated.

This Endorsement terminates when the Policy or your insurance terminates in accordance with the cancellation provisions stated in your Certificate.

Signed for the Company at its Home Office,



Virgil R. Miller, President



J. Matthew Loudermilk, Secretary

**CONTINENTAL AMERICAN INSURANCE COMPANY**  
**P.O. Box 427 Columbia, South Carolina 29202 800.992.3522**

## **Applicability of ERISA**

If this Policy provides benefits under a plan which is subject to the Employee Retirement Income Security Act of 1974 (ERISA), the following provisions apply.

### **Information about your ERISA plan**

The benefits are provided in a fully insured plan issued by Continental American Insurance Company, a wholly-owned subsidiary of Aflac incorporated, and are described in the Certificate of Coverage.

You have certain rights and protections under ERISA.

#### **1. The right to receive information about your plan and its benefits.**

- a. You have the right to review and the right to receive, free of charge, at the Plan Administrator's office (or in a place designated by the Plan Administrator all documents governing the plan, including but not limited to, insurance contracts or a copy of the latest annual report (Form 5500). The Form 5500 is filed by the plan with the U.S. Department of Labor (DOL) and is available in the Public Disclosure Room of the Employee Benefits Security Administration.
- b. You have the right to receive an annual summary of the plan's financial report.

#### **2. The right to prudent action by the plan fiduciaries.**

ERISA imposes duties upon the people who are responsible for the operation of the Employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your Employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

#### **3. How to enforce Your rights.**

- a. If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.
- b. Under ERISA, there are steps you can take to enforce your rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the requested materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.
- c. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. You are required to complete administrative appeals prior to filing in court. Your right to file suit in state or Federal court may be affected if you do not complete the required appeals.
- d. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

#### **4. Need help?**

- a. If you have any questions about the plan, please contact the Plan Administrator.
- b. If you have any questions about your rights under ERISA, or if you need help getting documents from the Plan Administrator, contact the nearest office of the Employee Benefits Security Administration (EBSA) or the Division of Technical Assistance and Inquiries, EBSA, U.S. Dept. of Labor, 200 Constitution Ave. N.W., Washington, DC 20210.
- c. Certain publications about your ERISA rights and responsibilities can be found by calling the EBSA publications hotline or visiting [dol.gov/ebsa](http://dol.gov/ebsa).

## **Claim Procedures**

### **How to File a Claim**

Follow the claim procedures described in the insurance Certificate. The claimant should complete the claim form and return it to us with the required Proof as instructed in the claim form. No benefits will be paid until satisfactory Proof is received. Proof must be provided at the claimant's expense.

### **Claims Review for Disability**

We will give notice of the decision no later than 45 days after the claim is filed. This time period may be extended twice by 30 days if we determine that such an extension is necessary due to matters beyond the control of the plan and we notify you of the circumstances requiring the extension of time and the date by which we expect to render a decision. If such an extension is necessary due to your failure to submit the information necessary to decide the claim, the notice of extension will specifically describe the required information, and you will be afforded at least 45 days within which to provide the specified information. If you deliver the requested information within the time specified, any 30-day extension period will begin after you have provided that information. If you fail to deliver the requested information within the time specified, the decision will be made with the information we have in the file.

### **Claim Review for Non-disability Claims**

We will review the claim promptly after we receive all information needed to evaluate the claim. We will notify the claimant of our decision to approve or deny the claim.

A decision will be made within a reasonable period but no later than 90 days after receipt a properly filed claim. This time period may be extended by 90 days if we determine that special circumstances require an extension if prior to the beginning of the extension period, we notify the claimant In Writing of the special circumstances and give the date we expect to render a decision. If extended, a decision will be made no more than 180 days after the claim was received. If we approve the claim, the decision will contain information sufficient to reasonably inform the claimant of that decision.

### **Adverse Benefit Determination**

An adverse benefit determination means a denial, a reduction, a termination or rescission of coverage, or a failure to provide or make payment for a benefit. If a claim is denied, this is considered an adverse benefit determination. The adverse benefit determination notice will include the following:

- the specific reason(s) for the determination;
- reference to specific plan provision(s) on which the determination is based;
- when necessary, a description of additional material or information needed to complete the claim and why such information is necessary;
- a statement that the claimant is entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records, or other information relevant to the claim for benefits;
- identification of any internal rule, guideline, protocol, or standard relied on for the claim determination;
- the plan procedures and time limits for appealing; and
- the right to obtain information about the appeal procedures and the right to bring a lawsuit under ERISA following an adverse determination from us on appeal, including the limitation that any such lawsuit is brought no later than 3 years from the time Proof of claim was required.

### **Right to appeal if there is an Adverse Benefit Determination**

You or someone you name to act for you (authorized representative) may file an appeal. If someone files an appeal on your behalf, you must let us know that you have appointed this person as your authorized representative. Your appeal must be In Writing and sent to us. When you send your appeal, you may include Written comments, documents, records, or other information related to your claim. You have the right to one appeal.

### **Time Frame for Disability Claims**

You have 180 days from the receipt of notice of an adverse benefit determination to file an appeal. Requests for appeals should be sent to the address specified in the claim denial. The appeal for Premium waiver will be reviewed, and a determination notice will be sent within 45 days of receiving the appeal. Sometimes, it will take longer to review the appeal because additional information is needed to make a decision. If this happens, within 45-days, we will let you know that an extension is necessary and the reason for the extension. The review period may be extended twice, 90 days in total. If an extension is given to give you more time to submit information necessary to decide the appeal, the letter we send will tell you what is needed. You will be given 45-days to provide the information. The extension of time to review the information will begin after the requested information is received. If you fail to send the requested information, the appeal will be decided based on the information we have at the end of the 45 days.

**Time Frame for Non-Disability Claims.** A final decision will be made no more than 60 days after we receive an appeal. Sometimes, it will take longer to review the appeal because additional information is needed to make a decision. If this happens, we will notify you In Writing of the special circumstance and give the date a decision is expected. If extended, a decision will be made no more than 120 days after the appeal was received by us.

**Appeal Review.** The appeal will be reviewed by someone who did not make the initial decision. The appeal reviewer will not give consideration to the initial decision.

**Appeal Decision.** We will send a notice of the appeal decision. Notice may be provided in Written or electronic form. Electronic notices will be provided only when you give your consent to receive the notice. The appeal determination will include the following:

- the specific reason(s) for the determination. Reference to specific plan provision(s) on which the determination is based;
- a statement that you are entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records, or other information relevant to the claim for benefits; and
- your right to obtain information about the appeal procedures and the right to bring a lawsuit under ERISA following an adverse determination from us on appeal, including the limitation that any such lawsuit is brought no later than 3 years from the time Proof of claim was required.

**Requirement to File an Internal Appeal before Filing a Lawsuit**

If your claim is denied, in whole or in part, after you have completed the appeal procedure, you may file a civil action in federal court under ERISA.



**CONTINENTAL AMERICAN INSURANCE COMPANY**  
**P.O. Box 427 Columbia, South Carolina 29202 800.206.8826**  
**Group Long Term Disability Insurance**  
**Certificate of Coverage**

Long term disability insurance provides financial protection by paying a benefit in the event of a disability.

**POLICYHOLDER:** BMC Software, Inc.  
**POLICY NUMBER:** GLD0000113  
**POLICY EFFECTIVE DATE:** January 1, 2025  
**POLICY SITUS:** Texas

Continental American Insurance Company (referred to as CAIC) welcomes you as a Certificateholder. This is your Certificate of Coverage (Certificate) as long as you are eligible for coverage, and you become insured. Your benefits and rights under the policy will not be less than those stated in this Certificate of Coverage. **We certify that you are insured for the benefits described in this Certificate of Coverage, subject to the provisions of this Certificate of Coverage.**

**READ YOUR CERTIFICATE CAREFULLY AND KEEP IT IN A SAFE PLACE. INSURANCE BENEFITS MAY BE SUBJECT TO CERTAIN REQUIREMENTS, REDUCTIONS, LIMITATIONS AND EXCLUSIONS.**

**POLICY SITUS:**

The policy is issued in and governed by the laws of the Policy Situs stated above, and in compliance with the Interstate Insurance Product Regulation Commission standards, and to the extent applicable by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments.

Your coverage may be terminated or changed under the terms and provisions of the policy. You may inspect a copy of the policy by contacting the Policyholder. We will only make changes that are consistent with Interstate Insurance Product Regulation Commission ("the Commission") standards and any endorsements or amendments used to effect such changes are subject to prior approval by the Commission and will not affect the insurance provided until the effective date of the change, unless retroactivity is required by the Interstate Insurance Product Regulation Commission.

If the terms and provisions of this Certificate of Coverage (issued to you) are different from the policy (issued to the Policyholder), the policy will govern. Your coverage may be terminated or changed under the terms and provisions of the policy.

For purposes of effective dates and ending dates under this Certificate, all days begin at 12:01 a.m. and end at 12:00 a.m. midnight local time at the Policyholder's place of business.

**CONFORMITY WITH INTERSTATE INSURANCE PRODUCT REGULATION COMMISSION STANDARDS**

The policy and this Certificate have been approved under the authority of the Interstate Insurance Product Regulation Commission and issued under the Commission standards. Any provision of the policy and this Certificate that on the provision's effective date is in conflict with Interstate Insurance Product Regulation Commission standards for group disability insurance is hereby amended to conform to the Interstate Insurance Product Regulation Commission standards for group disability insurance as of the provision's effective date.

Virgil R. Miller, President

J. Matthew Loudermilk, Secretary

The insurance department name and phone number of the Policy Situs appears on the listing following the Table of Contents.

The policy covers disabilities due to Occupational and Non-Occupational Sickness or Injury.

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## STATE INSURANCE DEPARTMENT CONTACT INFORMATION

<b>State</b>	<b>Insurance Department</b>	<b>Main Phone</b>
Alabama	Alabama Department of Insurance	(334) 269-3550
Alaska	Alaska Division of Insurance	(907) 269-7900
Arizona	Arizona Department of Insurance	(602) 364-2499
Arkansas	Arkansas Insurance Department	(501) 371-2600
Colorado	Colorado Division of Insurance	(303) 894-7499
Connecticut	State of Connecticut Insurance Department	(800) 203 2447
Delaware	Delaware Department of Insurance	(800) 282-8611
Georgia	Georgia Department of Insurance	(404) 656-2056
Hawaii	Hawaii Insurance Division	(808) 586-2790
Idaho	Idaho Department of Insurance	(208) 334-4250
Illinois	Illinois Department of Insurance	(217) 782-4515
Indiana	Indiana Department of Insurance	(317) 232-2385
Iowa	Division of Insurance	(515) 281-5705
Kansas	Kansas Department of Insurance	(785) 296-3071
Kentucky	Kentucky Office of Insurance	(502) 564-3630
Louisiana	Department of Insurance	(800) 259-5300
Maine	Maine Bureau of Insurance	(207) 624-8475
Maryland	Maryland Insurance Administration	(410) 468-2090
Massachusetts	Division of Insurance	(617) 521-7794
Michigan	Michigan Department of Insurance and Financial Services	(877) 999-6442
Minnesota	Minnesota Department of Commerce	(651) 539-1500
Mississippi	Mississippi Insurance Department	(800) 562-2957
Missouri	Missouri Department of Insurance, Financial Institutions and Professional Registration	(573) 751-3365
Nebraska	Nebraska Department of Insurance	(402) 471-2201
Nevada	Nevada Division of Insurance	(775) 687-0700
New Hampshire	New Hampshire Department of Insurance	(603) 271-2261
New Jersey	New Jersey Department of Banking and Insurance	(609) 292-7272
New Mexico	Office of Superintendent of Insurance	(505) 827-4601

## STATE INSURANCE DEPARTMENT CONTACT INFORMATION

<b>State</b>	<b>Insurance Department</b>	<b>Main Phone</b>
North Carolina	North Carolina Department of Insurance	(855) 408-1212
North Dakota	North Dakota Insurance Department	(701) 328-2440
Ohio	Ohio Department of Insurance	(614) 644-2658
Oklahoma	Oklahoma Department of Insurance	(405) 521-2828
Oregon	Oregon Insurance Division Consumer Advocacy Unit	(503) 947-7984
Pennsylvania	Pennsylvania Department of Insurance	(717) 787-2317
Puerto Rico	Puerto Rico Department of Insurance	(787) 304-8686
Rhode Island	Rhode Island Insurance Division	(401) 462-9520
South Carolina	South Carolina Department of Insurance	(803) 737-6180
Tennessee	Tennessee Department of Commerce & Insurance	(615) 741-2241
Texas	Texas Department of Insurance	(800) 252-3439
Utah	Utah Department of Insurance	(801) 538-3800
Vermont	Vermont Division of Insurance	(802) 828-3301
Virginia	Virginia Bureau of Insurance	(804) 371-9741
Washington	Washington State Office of Insurance	(360) 725-7000
West Virginia	Offices of the Insurance Commission	(304) 558-3354
Wisconsin	Office of the Commissioner of Insurance	(608) 266-3585

## **SPECIAL NOTICES**

### **Continental American Insurance Company:**

Toll Free Number: 800.206.8826 TTY/RTT 711

Claim Information Toll Free Number: 800.206.8826 TTY/RTT 711

**PLEASE READ THIS CERTIFICATE CAREFULLY**

## **STATE NOTICES**

### **ARKANSAS**

#### **QUESTIONS OR PROBLEMS WITH YOUR POLICY?**

**If you have any questions or problems with your Policy, you may contact us at the address below or one of the other organizations listed:**

Continental American Insurance Company  
1932 Wynnton Road  
Columbus, GA 31999  
Telephone: 800.206.8826  
Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904  
Telephone: (501) 371-2640 or (800) 852-5494

### **ARIZONA**

**Notice: This certificate of insurance may not provide all benefits and protections provided by law in Arizona. Please read this certificate carefully**

### **COLORADO**

**THIS IS A SUPPLEMENTAL HEALTH PLAN THAT IS NOT INTENDED TO PROVIDE THE MINIMUM ESSENTIAL COVERAGE REQUIRED BY THE AFFORDABLE CARE ACT (ACA). UNLESS YOU HAVE ANOTHER PLAN (SUCH AS MAJOR MEDICAL COVERAGE) THAT PROVIDES MINIMUM ESSENTIAL COVERAGE IN ACCORDANCE WITH THE ACA, YOU MAY BE SUBJECT TO A FEDERAL TAX PENALTY. ALSO, THE BENEFITS PROVIDED BY THIS PLAN CANNOT BE COORDINATED WITH THE BENEFITS PROVIDED BY OTHER COVERAGE. PLEASE REVIEW THE BENEFITS PROVIDED BY THIS PLAN CAREFULLY TO AVOID DUPLICATION OF COVERAGE.**

### **GEORGIA**

#### **NOTICE**

**The laws of the State of Georgia prohibit insurers from unfairly discriminating against any person based upon his or her status as a victim of family violence.**

### **FLORIDA**

**The benefits of the policy providing your coverage are governed by the law of a state other than Florida.**

## **IDAHO**

**If you need the assistance of the governmental agency that regulates the business of insurance, you can contact the Idaho Department of Insurance by contacting:**

**Idaho Department of Insurance**  
**Consumer Affairs**  
**700 W State Street, 3<sup>rd</sup> Floor**  
**P.O. Box 83720-0043**

**1-800-721-37272 or 208-334-4250 or [www.DOI.Idaho.gov](http://www.DOI.Idaho.gov)**

## **INDIANA**

### **NOTICE TO EMPLOYEES**

**Questions regarding your Policy or coverage should be directed to:**

**Continental American Insurance Company**  
**1932 Wynnton Road, Columbus, GA 31999**  
**800.206.8826**

If you (a) need the assistance of the governmental agency that regulates insurance; or (b) have a complaint you have been unable to resolve with your insurer you may contact the Department of Insurance by mail, telephone, or email:

State of Indiana Department of Insurance  
Consumer Services Division  
311 West Washington Street  
Suite 300  
Indianapolis, IN 46204

Consumer Hotline:  
1-800-622-4461

In the Indianapolis Area:  
1-317-232-2395

Complaints can be filed electronically at [www.in.gov/idoi](http://www.in.gov/idoi)

## **ILLINOIS**

### **NOTICE TO EMPLOYEES - ILLINOIS**

**This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following:**

Continental American Insurance Company  
1932 Wynnton Road, Columbus, GA 31999  
800.206.8826

For your information, the following is your state's Department of Insurance contact information:

Illinois Department of Insurance  
Consumer Division  
320 W Washington St  
Springfield, IL 62767  
(217) 782-4515

**MARYLAND**

**For Maryland Residents:**

**The Group Insurance Contract providing coverage under this certificate was issued in a jurisdiction other than Maryland and may not provide all of the benefits required by Maryland law.**

**NORTH CAROLINA**

**For North Carolina Residents**

**Notice: This certificate of Insurance provides all of the benefits mandated by the North Carolina Insurance Code but is issued under a group master policy located in another state and may be governed by that state's laws.**

**OKLAHOMA**

**For Oklahoma Residents**

**Notice: Certificates issued for delivery in Oklahoma are governed by the certificate and Oklahoma laws not the state where the master policy is issued**

**TEXAS**

**FOR TEXAS RESIDENTS**

**THE INSURANCE POLICY UNDER WHICH THE CERTIFICATE IS ISSUED IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. YOU SHOULD CONSULT YOUR EMPLOYER TO DETERMINE WHETHER YOUR EMPLOYER IS A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM**

**WISCONSIN**

**NOTICE TO EMPLOYEES – WISCONSIN**  
**KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS**

**PROBLEMS WITH YOUR INSURANCE? – If you are having problems with your insurance company or agent, do not hesitate to contact the insurance company or agent to resolve your problem.**

Continental American Insurance Company  
1932 Wynnton Road, Columbus, GA 31999  
800.206.8826

**You can also contact the OFFICE OF THE COMMISSIONER OF INSURANCE, a state agency which enforces Wisconsin's insurance laws, and file a complaint. You can contact the OFFICE OF THE COMMISSIONER OF INSURANCE by contacting:**

Office of the Commissioner of Insurance  
Complaints Department  
P.O. Box 7873  
Madison, WI 53707-7873  
Toll-Free: (800) 236-8517  
Telephone: (608) 266-0103

## THIS NOTICE IS FOR TEXAS RESIDENTS ONLY

### IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

**1-800-252-3439**

You may write the Texas Department of Insurance:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax (512) 490-1007

Web: <http://eee.tdi.texas.gov>

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

### PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Aflac first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

### ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part of or condition of the attached document.

### AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

**1-800-252-3439**

Pueda escribir al Departamento de Seguros de Texas:

P.O. Box 149104  
Austin, TX 78714-9104  
Fax (512) 490-1007

Web: <http://eee.tdi.texas.gov>

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

### DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con Aflac primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI)

### UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion de documento adjunto.

## LONG TERM DISABILITY SCHEDULE OF BENEFITS

The long term disability policy provides financial protection for you by paying a portion of your income while you are disabled. The amount you receive is based on the amount you earned before your disability began, subject to all policy provisions.

**POLICYHOLDER:** BMC Software, Inc.  
**ADDRESS:** 2103 CityWest Blvd  
Houston, TX 77042-2828  
**POLICY NUMBER:** GLD0000113  
**POLICY EFFECTIVE DATE:** January 1, 2025  
**POLICY ANNIVERSARY DATE:** January 1, 2026, and each following January 1<sup>st</sup>.

### ELIGIBLE CLASSES:

All persons in the following class(es) are eligible for Employee coverage:

**Class 1:** All Actively Working Employees enrolling in the Core Plan.

**Class 2:** All Actively Working Employees enrolling in the Buy-Up Plan.

**Minimum Hours Requirement:** 20 hours per week.

**Waiting Period:** None

### Who Pays for the Coverage:

**Core Plan:** This is a Non-Contributory Insurance plan. Your Employer pays the cost of your coverage.

**Buy-Up Plan:** This is a Contributory Insurance plan. You pay the cost of your coverage.

**Elimination Period:** The greater of:

- 180 days; or
- the date your short term disability payments end, if applicable.

The Elimination Period begins on the first day of your disability. Benefits for a Payable Claim begin the day after the Elimination Period is completed.

**Interruption of Elimination Period:** 30 consecutive days.

### Monthly Benefit:

**Core Plan:** 60% of Monthly Earnings to a maximum benefit of \$15,000 per month.

**Buy-Up Plan:** 75% of Monthly Earnings to a maximum benefit of \$15,000 per month.

Your benefit may be reduced by any Deductible Sources of Income and adjusted by any Disability Earnings. Some disabilities may not be covered or may have Limited Coverage under the policy.

### Maximum Monthly Benefit Amount:

**Core Plan:** \$15,000 per month.

**Buy-Up Plan:** \$15,000 per month.

**Minimum Monthly Benefit Amount:** the greater of \$100 or 10% of your Gross Monthly Benefit.

### Monthly Earnings:

“Monthly Earnings” means your gross monthly income from your Employer in effect just prior to your date of disability. It includes your total income before taxes and any deductions made for pre-tax contributions to a qualified deferred compensation plan, commissions, bonuses, Section 125 plan, or flexible spending account. It does not include income received from overtime pay, shift differential, any other extra compensation, or income received from sources other than your Employer.

Earnings, whether for a full year or partial year, will be converted to a monthly amount for the purpose of calculating the Monthly Benefit.

**Maximum Period of Payment:**

<b>Age at Disability</b>	<b>Maximum Benefit Period</b>
Less than age 60	To age 65 but not less than 5 years
Age 60	60 months
Age 61	48 months
Age 62	42 months
Age 63	36 months
Age 64	30 months
Age 65	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

**Other Benefits:**

**Survivor Benefit:** 3 times your Gross Monthly Benefit.

**Vocational Rehabilitation Services Program:** assistance in returning to work to the extent of your ability.

**Vocational Rehabilitation Monthly Benefit:**

- an additional benefit of 10% of your Gross Monthly Benefit to a maximum of \$500 per month;
- Maximum Period of Payments of 24 months.

**Workplace Modification Benefit:** a one-time benefit, the lesser of:

- the cost of the modification; or
- \$1,000.

**Total Benefit Cap:**

If you are eligible to receive payments under the policy in addition to your Monthly Benefit, the total benefit payable to you on a monthly basis (including all benefits provided under the policy) will not exceed 100% of your Monthly Earnings. If you are participating in a Vocational Rehabilitation Program, the total benefit payable to you on a monthly basis (including all benefits provided under the policy) will not exceed 100% of your Monthly Earnings unless an excess amount is payable as a result of a cost of living adjustment.

**The above items are only highlights of the policy. For a full description of your coverage, including any additional benefits, exclusions or limitations that may apply, continue reading your Certificate.**

## DEFINITIONS

As used in this Certificate, the terms listed below will have the meanings set forth below.

Unless defined differently within a particular provision, the terms “you” and “your” mean the insured Employee. The terms “we”, “our”, and “us”, mean Continental American Insurance Company. Other defined terms will appear in the Certificate with their initial letters capitalized. The plural use of a term defined in the singular will share the same meaning.

**Accident or Accidental** means a sudden, unexpected event that was not reasonably foreseeable.

**Active Employment, Actively Working** means you are working for your Employer for earnings that are paid regularly and that you are performing the Material and Substantial Duties of your Regular Occupation. You must be working at least the minimum number of hours as described under the Minimum Hours Requirement in the *Schedule of Benefits*.

To be in Active Employment, your work site must be:

- your Employer’s usual place of business;
- an alternative work site at the direction of your Employer, including your home; or
- a location to which your job requires you to travel.

We will consider you to be in Active Employment on weekends, holidays, vacations, and paid time off program that your Employer has approved and during a temporary business closure not to exceed 1 day if you were in Active Employment on the last scheduled workday immediately prior to such time off. A temporary business closure includes a closure due to inclement weather, power outage or public health agency orders.

If your employment status is being continued under a severance of termination agreement, you will not be considered in Active Employment.

Temporary workers are excluded from coverage. Seasonal workers are excluded from coverage.

**Appropriate Care** means that you:

- visit a Physician as frequently as medically required according to standard medical practice to effectively treat and manage your disabling condition(s); and
- receive care or treatment appropriate for the disabling condition(s), conforming with standard medical practice, by a Physician whose specialty or experience is appropriate for the disabling condition(s) according to standard medical practice; and
- have the obligation to minimize your disabling condition including having corrective treatment or minor surgery.

**Buy-Up Plan** means the option to purchase additional insurance beyond the basic plan under which you are currently covered. This insurance is elected and paid for by you.

**Certificateholder** means an Employee who is eligible for benefits provided by the policy, who has received a Certificate, and for whom premium has been paid. Unless otherwise specified, the certificateholder is entitled to exercise the rights and benefits granted under the Certificates attached to the policy.

**Complication of Pregnancy** means a condition, when pregnancy is not terminated, whose diagnosis is distinct from pregnancy but adversely affected or caused by pregnancy. Complication of pregnancy includes, but is not limited to, non-elective cesarean section, termination of ectopic pregnancy, spontaneous termination of pregnancy occurring during a period of gestation in which a viable birth is not possible; acute nephritis or nephrosis; cardiac decompensation; missed abortion; and similar medical and surgical conditions of comparable severity. It does not include false labor; occasional spotting; morning Sickness; Physician prescribed rest; hyperemesis gravidarum; pre-eclampsia; or any other condition associated with the management of a difficult pregnancy, not consisting of a nosologically distinct complication of pregnancy.

**Confined or Confinement** means a Hospital, Health Facility, or Institution stay of at least 8 hours per day.

**Contribution** means the amount the Policyholder may require you to pay towards the total premium that we charge for the insurance provided under the policy.

**Core Plan** means insurance for which the Policyholder does not require you to pay any part of the premium.

**Deductible Sources of Income** means income from other sources as listed in the Certificate which you receive or are eligible to receive while you are disabled. This income will be subtracted from your Gross Monthly Benefit.

**Disability Earnings** means the income which you receive from working while you are disabled. Disability earnings do not include earnings from secondary employment if such employment began prior to your date of disability; however, it does include any increase in earnings from the secondary employment occurring after your date of disability.

**Eligibility Date** means the date you become eligible for insurance.

**Elimination Period** means a period of continuous disability that must be satisfied before you are eligible to receive benefits from this plan.

**Employee** means a person defined as such to the Policyholder. Employee excludes in any case, temporary employees and employees who work for the Employer less than the number of hours per week indicated in the *Schedule of Benefits*.

**Employer** means the Policyholder and any entity that has been approved by us for coverage under the policy issued to the Policyholder. Employer includes any division, subsidiary, or affiliated company named in the policy.

**Gainful Occupation** means an occupation in the national economy for which you may reasonably become qualified based on your education, training, or experience, including self-employment, that exceeds 80% of your Indexed Monthly Earnings.

Gainful occupation is used to determine your eligibility for benefits following the Regular Occupation period.

**Good Cause** means documented physical or mental impairments, which leave you unable to take part in or complete the agreed upon Vocational Rehabilitation Program or transitional work arrangement we developed. It can also mean that you are participating in:

- medical treatment(s) which prevent(s) or interfere(s) with your taking part in or completing the Vocational Rehabilitation Program under the policy; or
- another vocational rehabilitation program which is reasonably expected to return you to Active Employment.

We will review and consider your attending Physician's assessment; however, we reserve the right to make a good cause determination based on the medical opinion of our consulting Physician. If benefits are discontinued under this provision, you will have the right to appeal review of that decision.

**Gross Monthly Benefit** means your benefit before any reduction for Deductible Sources of Income and any adjustment for Disability Earnings.

**Indexed Monthly Earnings** means your Monthly Earnings adjusted on each anniversary of benefit payments by the lesser of:

- 10%; or
- 50% of the annual percentage change in the Consumer Price Index.

Your indexed monthly earnings may increase or remain the same but will never decrease.

The Consumer Price Index CPI-U is published by the U.S. Department of Labor. We may substitute a comparable measurement if the Department of Labor changes or stops publishing the CPI-U subject to approval by the Commission. Before a substitute index is used, we shall notify you of the substitution. Indexing is only used as a factor in the determination of the percentage of lost earnings while you are disabled and working and in the determination of Gainful Occupation.

**Injury** means bodily injury resulting from an Accident, independent of disease, and not related to any other cause.

**Insured Person** means an Employee who is eligible for coverage and is the subject of insurance under the Certificates attached to the policy for which premium is paid.

**Material and Substantial Duties** means duties that:

- are normally required for the performance of your Regular Occupation; and
- cannot be reasonably omitted or modified, except that if you are required to work an average in excess of 40 hours per week, we will consider you able to perform that requirement if you are working or have the capacity to work 40 hours per week.

**Maximum Monthly Benefit** means the total Monthly Benefit amount for which you are insured under the policy subject to all policy provisions.

**Maximum Period of Payment** means the longest period of time we will make payments to you for any one period of disability.

**Mental Disorder** means a psychiatric or psychological condition classified in the Diagnostic and Statistical Manual of Mental Health Disorders (DSM), published by the American Psychiatric Association, most current as of the start of a disability. Such disorders include, but are not limited to, psychotic, emotional or behavioral disorders, or disorders related to stress or to substance use or dependency. If the DSM is discontinued or replaced, these disorders will be those classified in the diagnostic manual then used by the American Psychiatric Association as of the start of a disability. If the APA no longer publishes a DSM or the APA ceases to exist, we may substitute a comparable DSM subject to the approval by the Commission.

**Modified Work Arrangement** means changing or eliminating specific job duties within the Employee's Regular Occupation to meet the temporary work restrictions. After benefits have been paid for 12 months, a modified work arrangement may be applied to any Gainful Occupation for which you are reasonably fitted by education and training.

**Monthly Benefit** means your benefit after any Deductible Sources of Income and any Disability Earnings have been subtracted from your Gross Monthly Benefit.

**Monthly Earnings** means your gross monthly income from your Employer as stated in the *Schedule of Benefits*.

**Occupational Sickness or Injury** means a Sickness or Injury that was caused by or aggravated by any employment or self-employment for pay or profit. However, if Proof is provided to us that a claim has been made under any type of workers' compensation law and that no benefit, award, settlement or redemption has been or will be made under such law for that Sickness or Injury, then that Sickness or Injury will not be considered an occupational sickness or an occupational injury.

**Part-Time Basis** means the ability to work and earn 20% or more of your Indexed Monthly Earnings. Ability is based on capacity and not market availability.

**Payable Claim** means a claim for which we are liable under the terms of the policy.

**Physician** means:

- a person performing tasks that are within the limits of his or her medical license; and
- a person who is licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- a person with a doctoral degree in Psychology (Ph. D. or Psy. D.) whose primary practice is treating patients; or
- a person who is a legally qualified medical practitioner according to the laws and regulations of the Policy Situs state; or
- any other person whose services according to applicable law, must be treated as Physician services for purposes of the policy. Each such person must be licensed in the jurisdiction where the service is performed and must act within the scope of that license. Such person must be certified and/or registered if required by jurisdiction.

We will not recognize you or your family members, including but not limited to, Spouse, domestic partner, children, parents, including in-laws, or siblings, including in-laws, a business or professional partner, or any person who has a financial affiliation or business interest with you as a Physician for a claim that you send to us.

**Policyholder** means the entity to whom the policy is issued.

**Prior Policy** means the Policyholder's group long term disability insurance plan for which you were insured on the day prior to the effective date of our policy.

**Proof** means Written evidence satisfactory to us that a person has satisfied the conditions and requirements for eligibility for any benefit described in this Certificate. When a claim is made for any benefit described in this Certificate, proof must establish:

- the nature and extent of the loss or condition;
- our obligation to pay the claim; and
- the claimant's right to receive payment.

**Reasonable Accommodation** means modifications or adjustments to a job, an employment practice or the work environment that makes it possible for a person with a disability to perform the Material and Substantial Duties of their occupation without causing undue hardship to any employer. It must meet federal standards of reasonable accommodation as defined by the Americans with Disabilities Act of 1991 and any later amendments.

**Recurrent Disability** means a disability which is due to the same cause(s) as your prior disability for which we made a Monthly Benefit.

**Regular Care** means:

- you personally visit in person or by telemedicine a Physician as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat your disabling condition(s); and
- you are receiving the most appropriate treatment and care, which conform with generally accepted, medical standards, for your disabling condition(s) by a Physician whose specialty or experience is the most appropriate for your disabling condition(s) according to generally accepted medical standards.

**Regular Occupation** means the occupation you are routinely performing when your disability begins. We will look at your occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific Employer or at a specific location.

**Retirement Plan** means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to Employees and are not funded entirely by Employee contributions. Retirement plan includes but is not limited to any plan which is part of any federal, state, county, municipal or association retirement system.

**Salary Continuation or Accumulated Sick Leave** means continued payments to you by your Employer of all or part of your Monthly Earnings, after you become disabled as defined by the policy. This continued payment must be part of an established plan maintained by your Employer for the benefit of all Employees covered under the policy. Salary continuation or accumulated sick leave does not include compensation paid to you by your Employer for work you actually perform after your disability begins. Such compensation is considered Disability Earnings and would be taken into account in calculating your Monthly Benefit.

**Sickness** means illness, disease, or Complication of Pregnancy.

**Signed** means any symbol or method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper, electronic media, or other durable media and which is consistent with applicable law.

**Spouse** means your lawful spouse and any other person required to be covered as your spouse under the civil union, domestic partnership, marriage or other family or domestic relations laws, including the case law, of the state where the policy is delivered or issued for delivery.

If the policy and Certificate are delivered or issued for delivery in different states, the Certificate, if required, will comply with the applicable marriage laws, including marriage case law, of the state where the Certificate is delivered or issued for delivery and, if required, with the applicable domestic partnership and civil union laws of such state, with respect to coverage available for marital relationships, domestic partnerships, or civil unions.

**Third Party** means any person or entity whose act or omission, in full or in part, caused you to suffer a disability for which benefits are paid or payable under this plan. Third party also includes your homeowner's, automobile, or other insurance company if they make payments to you because of the acts or omissions of another person or entity.

**We, Us, and Our (with or without initial capital letters)** means Continental American Insurance Company.

**Written or In Writing** means a record which is on or transmitted by paper, electronic media, or other durable media and which is consistent with applicable law.

**You, Your (with or without initial capital letters)** means the Certificateholder:

- who is a member of an Eligible Class;
- who is eligible for benefits;
- for whom premium has been paid while covered under the policy; and
- who has received a Certificate.

# GENERAL PROVISIONS

## Entire Contract

This insurance is provided under a contract of group disability insurance with the Policyholder. The entire contract with the Policyholder consists of:

- all policy provisions and any amendments and endorsements to the policy;
- this Certificate of Coverage and any amendments and endorsements to this Certificate of Coverage; and
- the Policyholder's Signed application.

## Fraud Notice

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

## Certificate of Coverage

This Certificate of Coverage is a Written statement prepared by us and may include attachments. It tells you:

- the coverage to which you may be entitled;
- to whom we will make a payment; and
- the limitations, exclusions and requirements that apply within the policy.

No benefits are payable under this Certificate in the absence of payment of current premiums subject to the grace period and the premium section of the policy. Unless specifically provided for in any applicable termination or continuation of coverage provision described in this Certificate or under the terms of the policy, this plan does not pay benefits for a disability incurred before coverage starts under this plan. This plan will not pay any benefits for any losses, claims or expenses that start after coverage ends.

Benefits may be modified during the term of this plan as specifically provided under the terms of the policy or upon renewal. If benefits are modified, the revised benefits (including any reduction in benefits or elimination of benefits apply) to any losses incurred that start on or after the effective date of the plan modification. There are no vested rights to receive any benefits described in the policy or in this Certificate beyond the date of termination or renewal including if the loss, Accident, or disability starts on or after the effective date of the plan modification, but prior to your receipt of amended plan documents. If the policy ends, it will not affect a claim otherwise payable under the Certificate.

## Incontestability

We consider any statement made by you a representation and not a warranty. No statement made by you will be used to reduce or deny any claim or to terminate your coverage unless:

- the statement is In Writing on an Evidence of Insurability form that is Signed by you; and
- a copy of that statement is given to you, your Eligible Survivor, or legally authorized representative.

No statement made by you relating to your insurability will be used to contest the insurance for which the statement was made after the coverage has been in force for two years. For any applied or increased in coverage or reinstatement of coverage, a new two-year contestability period is applicable to the amount of the applied for increases, or reinstated coverage. Fraudulent statements will be used to contest the insurance for which the fraudulent statement was made when permitted by applicable law in the state where this Certificate is delivered or issued for delivery.

No statement made by you will be used to contest the insurance under the policy unless the statement is material to the risk accepted by us.

## Clerical Error

Clerical error or omission by us or the Policyholder will not:

- prevent you from receiving coverage, if you are entitled to coverage under the terms of the policy; or
- cause coverage to begin or continue for you when the coverage would not otherwise be effective; or
- continue benefit payments under the policy that otherwise should validly terminate.

If we or the Policyholder make a clerical error in keeping data that is required to compute premiums and administer the terms of the policy, we will:

- use the facts to decide whether you have coverage under the policy and in what amounts; and
- make a fair adjustment of the premium.

**Misstatement of Age**

If premiums applicable to you are based on age and you have misstated your age, there will be a fair adjustment of premiums based on your true age. If the benefits applicable to you are based on age and you have misstated your age, there will be an adjustment of said benefits based on your true age. We may require satisfactory Proof of your age before paying any claim.

**Workers' Compensation or State Disability Insurance**

The policy does not replace or affect the requirements for coverage by any workers' compensation or state disability insurance.

**Agency**

For purposes of the policy, the Policyholder acts on its own behalf or as your agent. Under no circumstances will the Policyholder be deemed our agent.

**Non-Dividend Paying Policy**

The policy is not entitled to share in surplus distribution.

**Termination or Amendment of The Policy**

If a disability for which Monthly Benefits are payable begins while your coverage under the policy is in force, benefits will be payable after termination of your coverage to the same extent as if the coverage had not terminated.

# ELIGIBILITY AND ENROLLMENT

## Eligibility Class(es):

You may only become eligible for the insurance available if you are a member of an Eligible Class shown in the *Schedule of Benefits*. **Refer to the *Schedule of Benefits* or contact your Employer to determine if you are in an Eligible Class.**

## When Are You Eligible for Coverage?

If you are in Active Employment, the date you are eligible for coverage is the later of:

- the Policy Effective Date;
- your date of hire; or
- the date you enter an Eligible Class.

## Enrollment

**Core Plan:** If you are not required to contribute towards the cost of coverage, your enrollment will be handled by your Employer.

**Buy-Up Plan:** Newly eligible persons may be enrolled for insurance under the policy up to 31 days following a person's Eligibility Date. This is your eligibility period. If you are required to enroll for insurance, you will need to enroll within this eligibility period.

For Buy-Up insurance you must contribute toward the cost. You may enroll by completing the enrollment process as instructed by the Policyholder. The Policyholder will provide the forms needed to enroll.

## Effective Date of Your Insurance

Subject to the requirements of the section below entitled *Deferred Effective Date*, your insurance will become effective as determined in this section if you are in Active Employment on the date coverage would take effect. If you are not in Active Employment on the date coverage is to take effect, your effective date of coverage will be determined in the section below entitled *Deferred Effective Date*.

1. Coverage for eligible persons insured under the Prior Plan will be effective on the Policy's Effective Date.
2. For persons, who were not insured under the Prior Plan, and all new or newly eligible persons, coverage under the policy will become effective as described below:

Core Plan will become effective the later of:

- the Policy Effective Date; or
- the date you become eligible for insurance.

Buy-Up Plan will become effective the later of:

- the date you become eligible for insurance for any amount of insurance that does not require Evidence of Insurability, if you apply on or before that date;
- the date you apply for insurance for any amount of insurance that does not require Evidence of Insurability, if you apply within 31 days after your Eligibility Date;
- the date for which the first premium for your coverage is paid;
- the Policy Effective Date;
- the date the enrollment period ends or the date the next plan year begins following the date you apply, if you apply during the enrollment period as defined by the Policyholder;
- the date the next plan year begins following the date you apply, if you apply during the enrollment period as defined by the Policyholder; or
- the date we state In Writing that your Evidence of Insurability been approved for any amount of insurance that requires you to give Evidence of Insurability.

## Deferred Effective Date

Unless otherwise stated in the section entitled *Continuity of Coverage*, if you are not in Active Employment on the day before:

- the Policy Effective Date;
- the scheduled effective date of your insurance; or
- an increase in your insurance.

Your insurance, or an increase, will not become effective until the day after you return to Active Employment.

## When Evidence of Insurability Is Required

If you are required to submit Evidence of Insurability, you must:

- complete and sign a health and medical history form provided by us;
- submit to a medical examination, if requested;
- provide any additional information that we require including verification of earnings and attending Physicians' statements; and
- furnish all such evidence at our expense.

Evidence of Insurability is required if:

- you enroll for coverage for the first time;
- you re-enroll for coverage after your coverage ends for any reason;
- you are a late applicant, which means you apply for coverage more than 30 days after the date you are eligible for coverage;
- you voluntarily terminated your coverage and are reapplying;
- your coverage was terminated because you did not make the required Contributions;
- you have not met a previous evidence requirement to become insured under any plan the Employer has with us.

The Policyholder may not waive the Evidence of Insurability requirement for any reason.

If you do not give us evidence of your insurability, or if such Evidence of Insurability is not approved by us, the amount of your Monthly Benefit will not be more than the Monthly Benefit amount that does not require Evidence of Insurability.

If you do not give us evidence of your insurability, or if such Evidence of Insurability is not approved by us for an increase, your coverage will automatically remain at the same level you had prior to applying for the increase.

# CHANGING YOUR COVERAGE

## When May You Elect to Change Your Coverage?

You will need to contact your Employer to determine when you may increase or decrease your coverage. Your Employer will provide you with information and forms you need to initiate the process. Your Employer will notify us of the date of the change.

You may elect to make changes to the options in your coverage only during your Employer's enrollment period, or within 31 days of a Life Status Change. You must request the changes on a form approved by your Employer and us and agree to pay the required premium Contributions, if any. Your request must be approved by us.

## When Will Changes to Your Coverage Take Effect?

### Effective Date for Benefit Changes During an Enrollment Period

Changes you make during an enrollment period will become effective on:

- the next Policy Anniversary Date for any amount of insurance that is not subject to Evidence of Insurability requirements; or
- the date we approve Evidence of Insurability for any amount of insurance that is subject to Evidence of Insurability.

### **Effective Date for Benefit Changes Due to A Change in Covered Monthly Earnings**

A change in your Monthly Benefit due to a change in your Monthly Earnings will be effective on the date of the change, if you are in Active Employment. If you are not in Active Employment due to an Injury or Sickness, any increased or additional coverage will begin on the date you return to Active Employment.

### **Effective Date for Benefit Changes Due to a Change in Your Eligible Class**

A change in your Monthly Benefit due to a change in your Eligible Class will be effective on the date of the change, if you are in Active Employment. If you are not in Active Employment due to Injury or Sickness, any increased or additional coverage will begin on the date you return to Active Employment.

### **Effective Date for Benefit Changes by Policy Amendment**

A change in your Monthly Benefit due to a change in the policy by an amendment elected by the Policyholder, will be effective on the date of the change, if you are in Active Employment. If you are not in Active Employment on the date a benefit payable change would otherwise be effective, any increased or additional coverage will begin on the date you return to Active Employment.

A change in your benefit payable because of a change made by us will normally be effective on the Policy Anniversary Date, or otherwise determined by state or federal law, or by us. However, if you are not in Active Employment on the date a benefit payable change would otherwise be effective, the benefit payable change will not be in force until you return to Active Employment.

### **Effective Date of a Benefit Decrease**

Any decrease in coverage will take effect immediately upon the effective date of the change.

### **Effect of a Change in Coverage on a Payable Claim**

Neither an increase nor a decrease in coverage will affect a Payable Claim that occurs prior to the increase or decrease.

### **Life Status Changes**

You may elect to enroll or increase coverage within 31 days after a Life Status Change. A Life Status Change is an event that qualifies you to make changes in benefit selections at a time other than an enrollment period. To elect or change coverage you must enroll. If required you must also submit Evidence of Insurability, satisfactory to us. We will review the information and determine your eligibility. We will notify you and your Employer of our decision.

The following events are Life Status Changes:

- marriage; execution of a domestic/civil union partnership agreement;
- divorce, annulment or legal separation;
- dissolution of a civil union or domestic partnership;
- birth or adoption of a child, or becoming a legal guardian of a child;
- death of a Spouse;
- termination of a Spouse's employment;
- a change in the benefit plan available to your Spouse;
- a change in your classification from part-time to full-time, or from full-time to part-time;
- a change in you or your Spouse's employment status that affects either person's eligibility for benefits; or
- any other changes required to be treated as Life Status Changes by law.

A change in insurance due to a Life Status Change will be effective the latest of:

- the date of the change in status, if you apply on or before that date;
- the date you apply, if you apply within the eligibility period; or the date we state In Writing that we approved any required Evidence of Insurability.

You must be in Active Employment on the date a Life Status Change becomes effective. If you are not in Active Employment on the date insurance would become effective, the *Deferred Effective Date* provisions will apply.

# CONTINUITY OF COVERAGE

## Transferred Coverage from A Prior Plan to This Plan

This provision provides continuity of coverage when you are in Active Employment when the Policyholder transfers prior group insurance to this plan, or by an Employer which has merged with or otherwise combined with the Policyholder. If your coverage under the policy replaces any prior coverage that you had, the following rules apply.

## What If You Are Not in Active Employment When Your Employer Replaces Insurance Coverage with Our Policy?

If you are not in Active Employment due to Injury or Sickness on the date your Employer changes insurance carriers to our policy, and you were covered under the Prior Policy at the time your Employer's coverage under our policy became effective, we will provide continuity of coverage under our policy. In order for this provision to apply, the Prior Policy's coverage must be similar to our policy.

If you are not in Active Employment due to Injury or Sickness on the effective date of our policy, and you would otherwise be eligible to become insured under our policy, we will provide Limited Coverage under our policy. Coverage under this provision will begin on our Policy Effective Date and will continue until the earliest of:

- the date you return to Active Employment; or
- the end of any period of continuance or extension provided under the Prior Policy.

If you are not in Active Employment due to Leave of Absence or Temporary Layoff on the date your Employer changes insurance carriers to our policy, and you were covered under the Prior Policy at the time your Employer's coverage under our policy became effective, we will provide continuity of coverage under our policy. In order for this provision to apply, the Prior Policy's coverage must be similar to our policy.

If you are not in Active Employment due to Leave of Absence or Temporary Layoff on the effective date of our policy, and you would otherwise be eligible to become insured under our policy, we will provide Limited Coverage under our policy. Coverage under this provision will begin on our Policy Effective Date and will continue until the earliest of:

- the date you return to Active Employment; or
- the end of any period of continuance or extension provided under the Prior Policy; or
- the date coverage would otherwise end, according to the provisions of our policy.

Your coverage under this provision is subject to payment of premium.

For the purposes of this provision the following definition applies:

**Limited Coverage means benefits payable will be paid as if the Prior Policy had remained in effect and you continued to be insured under that policy. We will reduce your payment by any amount for which the prior carrier is liable.**

If coverage ends under this provision, or if you were not covered under your Employer's Prior Policy of the date that policy terminated, the *Effective Date of Your Insurance* provision will apply.

## How Does the Pre-Existing Condition Work If You Were Covered Under Your Employer's Prior Plan?

You may be eligible for a Monthly Benefit if your disability results from a Pre-Existing Condition if you were:

- in Active Employment and insured under the plan on its effective date; and
- insured by the Prior Policy at the time of change.

In order to receive a Monthly Benefit, you must satisfy a *Pre-Existing Condition* provision under:

1. our plan; or
2. the prior carrier's plan if benefits would have been paid had that policy remained in force.

If you do not satisfy item 1 or 2 above, we will not pay benefits under our plan.

If you satisfy item 1, we will determine your benefits according to our plan provisions.

If you only satisfy item 2, we will administer your claim according to our plan provisions. However, your Monthly Benefit will be the lesser of:

- the Monthly Benefit that would have been payable under the terms of the Prior Policy if it had remained in force; or
- the Monthly Benefit under our plan.

Your benefits will end on the earlier of the following dates:

- the end of the Maximum Monthly Benefit under this plan; or
- the date benefits would have ended under the Prior Policy if it had remained in force.

**If You Have a Disability Due to a Prior Disability After Your Employer Replaces Insurance Coverage with Our Policy (Credit for a Prior Disability)**

You do not have to complete the Elimination Period under this plan if, after your disability ended under the Prior Policy for which you received a disability benefit, you:

- are not eligible for successive benefits under your prior carrier's policy; and
- returned to work for your Employer for 14 consecutive days or less; and
- become disabled under the terms of this plan due to the same cause(s) as your prior disability.

We will require Proof that you received disability benefits for the prior disability under the Prior Policy. All other provisions of our policy will apply.

**When Continuity of Coverage Ends**

You will remain covered under this *Continuity of Coverage* provision until the first to occur:

- the date you return to Active Employment at which time insurance in effect under the policy will not be subject to *Prior Plan* provisions or benefit limitations;
- the last day of a period of 12 consecutive months which begins on the Policy Effective Date, at which time coverage under the policy will also end;
- the date insurance would otherwise end for you in accordance with the terms and conditions of this Certificate, at which time coverage under the policy will also end;
- the date on which insurance would have ended under the Prior Plan, had the Prior Plan not terminated at which time coverage under the policy will also end; or
- if the Prior Plan provided for extension of insurance without premium payment during a period of disability, on the earliest of:
  - (a) the date you are approved for such benefit under the terms of the Prior Plan; and
  - (b) the last day of the 12-month period following our Policy's Effective Date;
  - (c) and coverage under our policy will also end.

**Duplication of Coverage**

If you qualify for benefits under the Prior Plan such that a duplication of coverage situation exists after coverage begins under the policy, you must exercise your rights under the Prior Plan and duplicate benefits will not be payable under the policy.

Coverage under the policy will not take effect if your coverage under the Prior Plan is continued under any disability provision or you have enrolled in a conversion plan option with the Prior Plan.

**Premium Payments**

Premium payments are required for all Insured Persons during the period continuity of coverage under this provision is in effect. We will not waive premium during the period coverage is continued.

## CONTINUATION OF COVERAGE BY THE POLICYHOLDER

The Policyholder has elected to continue your insurance for any of the reasons specified below. Premium for the continuation period must be paid on the same basis as premium was paid on the day before your Sickness or Injury began.

### When Will Your Coverage Continue If You Are Temporarily Not Working?

#### If You Are Not in Active Employment Due to Sickness or Injury

If you are not in Active Employment due to other authorized leaves as agreed to by your Employer, your coverage may continue up to a maximum of 6 months from the start of your absence or at long term disability satisfaction of Elimination Period.

#### Continuation of Coverage While on A Family and Medical Leave of Absence

We will continue your coverage in accordance with the Policyholder's policy on family and medical leaves of absence if premium payments continue and the Policyholder approved your leave In Writing.

If you were granted a Leave of Absence according to the "Family and Medical Leave Act of 1993", your coverage will continue under this provision for the balance of your leave.

Coverage will be continued until the end of the later of:

- the leave period required by the Federal Family and Medical Leave Act of 1993 and any amendments; or
- the leave period required by applicable national, state, or local law, or any similar law, plan, or act.

If the Policyholder's policy does not provide for continuation of your coverage during a family and medical leave of absence, your coverage will be reinstated when you return to Active Employment.

If you return to work immediately following your leave, we will not:

- apply a new Pre-Existing Condition exclusion.

#### Continuation of Coverage While on Leave During Military Service

We may continue your insurance, if applicable, in accordance with the Policyholder's policies regarding leave of absence for military service under the Uniformed Services Employment and Reemployment Act (USERRA) and applicable state law. Premiums must be paid for continued coverage for you. Coverage may be continued until the end of the period required by USERRA. If your coverage is not continued during a Leave of Absence for active military service, and you return to Active Employment, your coverage shall be reinstated in accordance with USERRA and applicable state law.

### Concurrent Leaves

If your Employer has approved more than one type of Leave of Absence for you during any one period that you are not in Active Employment, we will consider such leaves to be concurrent for the purpose of determining how long your coverage may continue under the policy.

### End Of a Continuation Period

Continuation insurance will end on the earliest of the following:

- the date your continuation leave ends;
- the date the Policyholder ceases to pay your premiums, or otherwise terminates your insurance;
- the maximum continuation period has been reached; or
- the date the policy or this plan terminates.

At the end of any of a continuation period if you resume Active Employment in an Eligible Class you will continue to be covered under the policy.

If you do not resume Active Employment in an Eligible Class at this time, your employment will be considered to end, and all insurance will end in accordance with the provision *When Does Your Coverage End*.

**In no event will your coverage under the policy be continued beyond the date your coverage would otherwise end according to the terms of the *When Does Your Coverage End* provision.**

## DATE COVERAGE ENDS AND REINSTATEMENT

### When Does Your Coverage End?

Your coverage under this plan ends on the earliest of:

- the date the policy or the plan is terminated;
- the date you voluntarily stop your coverage;
- the date you are no longer in an Eligible Class;
- the date you are no longer eligible for coverage;
- the last day of the period for which you made any required Contributions; (Only the coverage for which you failed to make required Contributions will be terminated);
- the date your employment stops for any reason, including job elimination, or being placed on severance. This will be the date you stop Active Employment;
- the date your Eligible Class is no longer covered;
- the last day you are in Active Employment except as provided under the section *Continuation of Coverage By The Policyholder* provision;
- the date on which you retire; or
- the date on which you begin active duty in the armed forces of any country.

### Reinstatement of Coverage

If your long term disability coverage ends, you may apply to reinstate coverage subject to the rules described below.

To apply for reinstatement of your coverage you must submit:

- Written application to us on a form provided by us; and
- payment of all overdue premiums.

You must be in an Eligible Class and in Active Employment. The Policyholder must provide a Written request for reinstatement within 30 days from the date you return to Active Employment.

If we approve your request, you will be notified of your reinstatement date.

The amount of insurance reinstated will be the lesser of the amount of insurance you previously had upon termination of your coverage, or the maximum amount available for your Eligible Class on the date of reinstatement, unless:

- you have not paid all overdue premiums;
- you are not in an Eligible Class; or
- the policy or this plan has been terminated.

If you return to Active Employment within 6 months of the date your coverage terminated and you request coverage from your Employer within 30 days of your return, the Pre-Existing Condition limitation requirement will apply only to the extent they would have applied if your coverage had not ended.

## **LONG TERM DISABILITY BENEFIT INFORMATION**

### **How Do We Define a Long Term Disability**

You are considered to be disabled if, solely and directly because of a Sickness or Injury, all of the following applies:

- you must be covered by this plan at the time you become disabled;
- you must be under the Appropriate Care of a Physician for your Sickness or Injury; and
- you must meet the definition of disability below.

You are Disabled when it is determined that due to your Sickness or Injury:

- you are unable to perform one or more of the Material and Substantial Duties of your Regular Occupation; and
- you have a 20% or more loss in your Monthly Earnings.

After benefits have been payable for 24 months, you are Disabled when it is determined that due to your Sickness or Injury:

- you are unable to perform one or more of the Material and Substantial Duties of an any Gainful Occupation; and
- you have a 20% or more loss in your index Monthly Earnings.

The loss of a professional or occupational license or certification does not in itself constitute disability.

We will assess your ability to work in the extent to which you are able to work by considering the facts and opinions from your Physicians and medical practitioners or vocational experts of our choice.

We may require you to be examined by a Physician, other medical practitioner and/or vocational expert of our choice. We will pay for this examination. We can require an examination as often as it is reasonable to do so. We may also require you to be interviewed by our authorized representative. Refusal to be examined or interviewed may result in denial or termination of your claim.

### **Elimination Period**

#### **How Long Must You Be Disabled Before You Are Eligible to Receive Benefits?**

You must be continuously disabled through your Elimination Period. The days that you are not disabled will not count toward your Elimination Period. We will treat your disability as continuous if your disability stops during the Elimination Period or the number of days stated in the *Interruption of The Elimination Period* provision. No benefit is payable for or during the Elimination Period.

Your Elimination Period is described in the *Schedule of Benefits*.

#### **Can You Satisfy Your Elimination Period If You Are Working?**

Yes. If you are working while you are disabled, the days you are disabled will count toward your Elimination Period.

#### **Interruption Of Elimination Period**

If, during the Elimination Period, you return to Active Employment for less than the number of days shown on the *Schedule of Benefits* for the interruption period, then the disability will be treated as continuous. Days that you are in Active Employment during this interruption period will not count towards the Elimination Period.

#### **When Will You Begin To Receive Benefits?**

The benefit payable is the Monthly Benefit shown in the *Schedule of Benefits*. The Monthly Benefit is based on your Monthly Earnings.

You will begin to receive benefits when your claim is approved, providing the Elimination Period has been satisfied, you are under the Regular Care of a Physician, and you are disabled as defined in this Certificate. We will send you a Monthly Benefit for any period for which we are liable, but not beyond the Maximum Period of Payment shown in the *Schedule of Benefits*. No benefit is payable during the Elimination Period.

After the Elimination Period, if you are disabled for less than one (1) month, we will send you 1/30<sup>th</sup> of your monthly payment for each day of your disability.

If you are receiving, or are eligible to receive, benefits for a disability under a prior disability plan that was sponsored by your Employer or you were terminated before the effective date of this plan, then no benefits will be payable for the disability under the policy.

## **What Is the Maximum Period of Payment?**

You will receive a benefit for each month you remain disabled up to the Maximum Period of Payment. The Maximum Period of Payment is described in the *Schedule of Benefits*.

## **Recurrent Disability**

If you have a Recurrent Disability, we will treat your disability as part of your prior claim, and you will not have to complete another benefit Elimination Period if:

- a) you are continuously insured under the plan for the period between the end of your prior claim and your Recurrent Disability; and
- b) your Recurrent Disability occurs within 6 months from the end of your prior claim; and
- c) the policy remains in force.

Your Recurring Disability will be subject to the same terms of the plan as your prior claim and will be treated as a continuation of that disability.

Any disability, which occurs after 6 months from the date your prior claim ended, will be treated as a new claim. The new claim will be subject to all of the policy provisions, including the Elimination Period.

If you become covered under any other group long term disability plan, you will not be eligible for benefits under this disability plan.

## **How Is Your Benefit Determined?**

### **How Is Your Benefit Determined When Not Working?**

We will follow this process to calculate your benefit amount:

1. Multiply your Monthly Earnings by the Monthly Benefit percentage shown in the *Schedule of Benefits*.
2. The Maximum Monthly Benefit is listed in your *Schedule of Benefits*.
3. Compare the answer from item 1 with the Maximum Monthly Benefit. The lesser of these two amounts is your Gross Monthly Benefit.
4. Subtract any Deductible Sources of Income from your Gross Monthly Benefit.

The amount figured in item 4 is your Monthly Benefit. The Monthly Benefit will be recalculated when your income changes or you receive any new Deductible Sources of Income.

### **How Is Your Benefit Determined If You Were Disabled and Working?**

You may continue to work or return to work while you are disabled and still be eligible to collect your Monthly Benefit. Your Monthly Benefit may be reduced by your Disability Earnings from the Policyholder, or another employer for which you become employed after your disability began. As part of your Proof of Disability Earnings, we can require that you send us appropriate financial records that we believe are necessary to substantiate your income.

#### **When Will Your Monthly Benefits End If Working While Disabled?**

During the Regular Occupation period, if your monthly Disability Earnings exceed 80% of your Indexed Monthly Earnings, we will stop your benefits and your claim will end.

Beyond the Regular Occupation period, if your monthly Disability Earnings exceed 80% of your Indexed Monthly Earnings, we will stop your benefits and your claim will end.

We will review your status from time to time. We will require satisfactory Proof of earnings and continued disability.

#### **How is the Benefit Calculated if Disability Earnings Fluctuate?**

If your Disability Earnings routinely fluctuate widely from month to month, we may average your Disability Earnings over the most recent 3 months to determine if your claim should continue.

If we average your Disability Earnings, we will terminate your claim if:

- during the Regular Occupation period, the average of your Disability Earnings from the last 3 months exceeds 80% of Indexed Monthly Earnings; or
- beyond the Regular Occupation period, the average of your Disability Earnings from the last 3 months exceeds 80% of Indexed Monthly Earnings.

We will not pay you for any month during which Disability Earnings exceed the above amounts. The Minimum Monthly Benefit will not be paid when Disability Earnings exceed the above amounts.

## What Are Deductible Sources of Income and How Do They Affect My Benefits?

Deductible Sources of Income are other income benefits you, your Spouse or child may be entitled to receive because of your disability or retirement. These benefits are taken into consideration when your Monthly Benefit is calculated and may reduce your Monthly Benefit.

We will only subtract Deductible Sources of Income which are payable as a result of your disability, with the exception of retirement payments, amounts earned or received from any form of employment and amounts received from any unemployment compensation law.

We will subtract from your Gross Monthly Benefit the following Deductible Sources of Income:

1. The amount that you receive or are entitled to receive under:
  - a workers' compensation law;
  - any state or federal occupational disease or injury law;
  - any other plan, act, or law, with similar intent.
2. The amount that you, your Spouse, and children receive or are entitled to receive as disability benefits under any:
  - state compulsory benefit act or law;
  - income payments under no fault motor vehicle plan;
  - other group insurance plan to the extent that such policy or plan covers the same pre-disability income;
  - governmental retirement system as a result of your job with your Employer.
3. The gross amount that you, your Spouse, and children receive or are entitled to receive as disability benefits because of your disability under:
  - the United States Social Security Act;
  - the Canada Pension Plan;
  - the Railroad Retirement Act;
  - any similar plan, act, or law, of any country, state, or province.

Amounts paid to your former spouse or to your children living with such spouse will not be included.

4. The gross amount that you receive as retirement payments or the amount your Spouse and children receive as retirement payments because you are receiving retirement payments under:
  - the United States Social Security Act;
  - the Canada Pension Plan;
  - the Railroad Retirement Act;
  - any similar plan, act, or law, of any country, state, or province.

This does not include benefits for any month before you reach normal retirement age, as defined under the Social Security Act, unless you choose to receive these benefits.

Benefits paid to your former spouse or your children living with such spouse will not be included.

5. The amount that you:
  - receive as disability benefits under your Employer's Retirement Plan;
  - voluntarily elect to receive as retirement benefits under your Employer's Retirement Plan;
  - receive as retirement benefits when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan.

Disability payments under a Retirement Plan will be those benefits which are paid due to a disability and do not reduce the retirement benefit which would have been paid if the disability had not occurred.

Retirement benefits will be those benefits that are paid based on your Employer's contribution to the Retirement Plan. Disability benefits which reduce the retirement benefit under the plan will also be considered as a retirement benefit.

Regardless of how the retirement funds from the Retirement Plan are distributed, we will consider your and your Employer's contributions to be distributed simultaneously throughout your lifetime.

Amounts received do not include amounts rolled over or transferred to any eligible Retirement Plan. We will use the definition of eligible Retirement Plan as defined in section 402 of the Internal Revenue Code

including any future amendments that affect the definition.

6. Disability and retirement benefits under a government plan, including but not limited to, state and municipal public Employee plans and state teachers plans (PERS/STRS).

Disability and retirement benefits under plans provided by your Employer, or collective bargaining unit, as applicable; this reduction may be limited to Employer contributions and some type of Retirement Plans, such as a 401K, may be excluded.

7. Third Party payments, damages, settlements or judgments received for lost income for your disability (after subtracting attorneys' fees). If the amount received from the Third Party does not specify the lost income amount, we will estimate the amount using a percentage of the settlement amount based on the Insured Person's Monthly Earnings, prorated to cover the period for which the settlement or judgment was made. If your disability benefit is reduced because of 1) other benefits or income for amounts received minus legal fees, or 2) for lost income due to a disability because of omission of the Third Party, the claim will not be subject to subrogation.
8. The amount you receive under Title 46, United States Code Section 688 (The Jones Act) and the Doctrine of Unseaworthiness.
9. The amount you receive under the Admiralty and Maritime Law, maritime doctrine of maintenance, wages and cure. This includes only the "wages" part of such benefits.
10. Disability benefits received under state disability benefit plans and state family leave benefits, where permitted by state law.
11. Another group disability income policy or plan to the extent that such policy or plan covers the same pre-disability income.
12. 100% of your Disability Earnings after the work incentive period ends.
13. The amount that you receive from a partnership, proprietorship or any similar draws.
14. The amount of loss of time benefits that you receive or are entitled to receive under any Salary Continuation and Accumulated Sick Leave.
15. The amount you receive or are entitled to receive under any unemployment income act or law due to the end of employment with your Employer or payable by insured and uninsured plans or as a result of your membership or association in any group, union, or other organization.

With the exception of retirement payments, or amounts that you receive from a partnership, proprietorship, or any similar draws, we will only subtract Deductible Sources of Income which are payable as a result of your disability.

We will not reduce your payment by your social security retirement income if your disability begins after age 65 and you were already receiving social security retirement payments.

### **What Are Not Deductible Sources of Income?**

We will not subtract from your Gross Monthly Benefit income you receive from, but not limited to, the following:

- 401(k) plans;
- profit sharing plans;
- thrift plans;
- tax sheltered annuities;
- stock ownership plans;
- non-qualified plans of deferred compensation;
- pension plans for partners;
- military pension and disability income plans;
- credit disability insurance;
- franchise disability income plans;
- individual retirement accounts (IRA);
- individual disability income plans paid for by you;
- 457 deferred compensation plans;

- 403(b) tax sheltered annuity plans;
- retirement benefits from a former employer;
- social security widow's benefits.

### **What Happens When You Receive a Cost of Living Increase from Deductible Sources of Income?**

Once we have subtracted any Deductible Source of Income from your Gross Monthly Benefit, we will not further reduce your Monthly Benefit due to a cost of living increase from that source.

### **What If We Determine You May Qualify for Deductible Income Benefits?**

When we determine that you may qualify for benefits in the *Deductible Sources of Income* section, we will estimate your entitlement to these benefits. We can reduce your Monthly Benefit by the estimated amounts if such benefits:

- have not been awarded or received; and
- have not been denied.

Your Monthly Benefit may not be reduced by the estimated amount if you:

- apply for the benefits in the *Deductible Sources of Income* section, and appeal your denial to all administrative levels we feel are necessary; and
- sign our reimbursement agreement form. This form states that you promise to pay us any overpayment caused by an award.

If your benefit has been reduced by an estimated amount, your benefit will be adjusted when we receive Proof:

- of the amount awarded; or
- that benefits have been denied and all appeals we feel are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

We will not estimate your entitlement to the following:

- payments you receive as disability payments under your Employer's Retirement Plan;
- payments you voluntarily elect to receive as retirement payments under your Employer's retirement payments plan;
- payments you are eligible to receive as retirement payments when you reach the later of age 62 or normal retirement age, as defined in your Employer's Retirement Plan;
- the amount you receive as disability payments under any "no fault" motor vehicle plan; or
- the amount you receive from a Third Party (after subtracting attorneys' fees) by judgment, settlement or otherwise as disability payments.

### **What Happens If You Receive a Lump Sum Payment?**

If you receive a lump sum payment from any Deductible Source of Income, the lump sum will be pro-rated on a monthly basis over the time period for which the sum was given. If no time period is stated, we will use a reasonable one.

### **What Is the Minimum Monthly Benefit?**

If your Monthly Benefit is reduced to zero due to subtracting Deductible Sources of Income, you will receive a Minimum Monthly Benefit. Your Minimum Monthly Benefit is listed on the *Schedule of Benefits*.

We may apply your Minimum Monthly Benefit toward any outstanding overpayment.

The Minimum Monthly Benefit will not be paid in any month when Disability Earnings exceed 80% of your Indexed Monthly Earnings. This includes when we average your Disability Earnings as described above.

## **When Will Disability Benefits Stop or Will Not Be Paid?**

### **When Will Disability Payments Stop?**

Your claim will end, and benefits will stop on the earliest of the following:

- the end of the Maximum Period of Payment;
- the date you are no longer disabled under the terms of the plan;
- during the first 24 months of payable benefits, when you are functionally able to work in your Regular Occupation on a Part-Time Basis, increase your hours, or increase the number or type of duties you perform in your Regular Occupation, but you choose not to;
- after 24 months of payable benefits, when you are able to work in any Gainful Occupation on a full-time or Part-Time Basis, but you choose not to;
- the date you fail to submit Proof of continuing disability;
- during a period, you are in legal incarceration or in a penal or correctional institution;
- your date of death; or
- the date any employer offers you another or modified job position, which Physicians agree you are functionally able to perform at a pay rate that exceeds 80% of your Indexed Monthly Earnings.

### **When Will Disability Benefits Not Be Paid?**

Disability benefits will not be paid for any period of disability during which you:

- are not following a plan of Appropriate Care for your disability, or complications of your disability. This includes effective treatment for alcoholism or drug abuse, if alcoholism or drug abuse is the cause or part of the cause of your disability;
- are not receiving Appropriate Care;
- refuse to be examined by an independent Physician or a licensed certified health care practitioner and/or vocational expert as requested by us when provided at our expense;
- refuse to follow or have rejected the treatment plan recommended by your Physician, unless you dispute such treatment in good faith on the advice of another Physician;
- refuse a Reasonable Accommodation or modification to your worksite or a job process designed to suit identified medical limitations;
- refuse adaptive equipment or devices that would allow you to perform your Regular Occupation;
- refuse a transitional work arrangement or other Modified Work Arrangement without Good Cause;
- during a period, you are in legal incarceration or in a penal or correctional institution;
- failed to cooperate with us in the administration of the claim. Such cooperation includes, but is not limited to providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due;
- refuse to interview with our representative about your disability; or
- failed to complete your responsibilities under the Vocational Rehabilitation Program without Good Cause; or
- refuse to participate in Vocational Rehabilitation Program without Good Cause.

If you become covered under another group disability income policy or plan to the extent that such policy or plan covers the same pre disability income, you will not be eligible for benefits under this disability plan.

# EXCLUSIONS AND LIMITATIONS

## Disabilities Not Covered Under the Policy

The policy does not cover any disabilities caused by, contributed to by, or resulting from your:

- a Pre-Existing Condition;
- commission or attempt to commit a felony;
- intentionally self-inflicted harm;
- attempted suicide;
- loss or death occurring while an Insured Person is incarcerated;
- operating a motor vehicle while under the influence of alcohol as evidenced by a blood alcohol level in excess of the state legal intoxication limit;
- active participation in a riot, act of insurrection, rebellion or civil commotion, or act of terrorism;
- war, declared or undeclared, or any act of war, whether civil or international, and any substantial armed conflict between organized forces of a military nature;
- engaging in any illegal occupation, work, employment or activity;
- cosmetic surgery except when required for your Regular Care as a result of your Sickness or Injury; Cosmetic surgery does not include:
  - reconstructive surgery when the surgery is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part and reconstructive surgery because of congenital disease or anomaly resulting in a functional defect;
  - if the disability is caused by your donation of an organ in a non-experimental organ transplant procedure.

## What Is a Pre-Existing Condition?

You have a Pre-Existing Condition if both 1 and 2 are true:

1. you received medical treatment, consultation, care, or services including diagnostic measures, or took prescribed drugs or medicines in the 3 months just prior to your effective date of coverage or the date and increase in benefits through amendment or your enrollment in another plan option, would otherwise be available; and
2. the disability began in the first 12 months after your effective date of coverage.

## What Disabilities Have a Limited Pay Period Under Your Plan?

We will pay disability benefits on a limited basis for a disability caused by, or contributed to by, any one or more of the following conditions:

- disabilities due in whole or in part to Mental Disorder have a maximum pay period of 12 months during your lifetime;
- disabilities due in whole or in part to substance abuse (alcohol abuse, drug abuse or dependency) have a limited pay period of 12 months during your lifetime; or
- disabilities due to Other Limited Conditions have a maximum pay period of 12 months during your lifetime.

**Other Limited Conditions** means fibromyalgia; chronic fatigue syndrome; myofascial pain syndrome, environmental allergic illness, including but not limited to sick building syndrome and multiple chemical sensitivity; carpal tunnel syndrome not requiring surgery; musculoskeletal and connective tissue disorders of the neck, shoulder and back, including any disease or disorder of the cervical, thoracic and lumbosacral back and its surrounding soft tissue, including sprains and strains of joints and adjacent muscles.

The limitation shall not apply to the following conditions: scoliosis, spinal fractures, osteopathies, traumatic spinal cord necrosis, radiculopathies documented by an electromyogram, spondylolisthesis grade II or higher, myelopathies and myelitis, demyelinating diseases, and spinal tumors, malignancies, or vascular malformations.

Other Limited Conditions includes a Sickness or Injury not verifiable by objective medical means. A Sickness or Injury is considered not verifiable by Objective Medical Means if it cannot be confirmed by medically acceptable clinical or laboratory diagnostic techniques. As used in this item, "**Objective Medical Means**" means medical

evidence consisting of signs, symptoms, and laboratory findings. A diagnosis based solely on a Covered Person's statement of symptoms will not be considered Objective Medical Means of verifying an Injury or Sickness.

Other Limited Conditions does not include neoplastic diseases, neurologic diseases, endocrine diseases, hematologic diseases, asthma, allergy-induced reactive lung disease, tumors, malignancies, or vascular malformations, demyelinating diseases, lupus, rheumatoid or psoriatic arthritis, herniated discs with neurological abnormalities that are documented by electromyogram and computerized tomography or magnetic resonance imaging, scoliosis, radiculopathies that are documented by electromyogram, spondylolisthesis, grade II or higher, myelopathies and myelitis, traumatic spinal cord necrosis, osteoporosis, discitis, Paget's disease.

### **Benefit Extension for Mental Disorders**

We will continue your benefits beyond the 24-month period if you are Confined to a Hospital, Health Facility, or Institution at the end of the 24-month period, we will continue your benefits during your Confinement.

We will not pay Monthly Benefits beyond the Maximum Period of Payment.

**Hospital, Health Facility, or Institution** means an accredited facility licensed according to state and local laws to provide care and treatment for the condition causing your disability. The facility must be supervised by one or more Physicians with 24 hour registered graduate nursing staff. The facility may specialize in treating alcoholism, drug addiction, chemical dependency, or Mental Disorder. A facility specializing in treating alcoholism, drug addiction, chemical dependency or Mental Disorder does not include a rest home, convalescent home, and home for the aged or a facility primarily for custodial, educational, or rehabilitative care.

### **Exceptions**

We will not apply the Mental Disorder limitation to dementia if it is a result of:

- stroke;
- trauma;
- viral infection;
- schizophrenia;
- Alzheimer's disease; or
- other conditions not listed which are not usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment.

## OTHER BENEFITS

### Survivor Benefit (Benefits If You Die)

When we receive Proof that you have died, we will pay your Eligible Survivor a lump sum benefits equal to the amount shown in the *Schedule of Benefits* if, on the date of your death:

- your disability had continued for 180 days; and
- you were receiving or were eligible to receive payments under the policy.

If you have no Eligible Survivors, payment will be made to your estate.

However, we will first apply the Survivor Benefit to recover any overpayment that may exist on your claim. *The Deductible Sources of Income* provision will not be considered in calculating this benefit.

**Eligible Survivor** means your surviving relatives in the following order:

- your Spouse;
- if no Spouse or if your Spouse does not survive you, in equal shares to your children;
- if no child survives you, in equal shares to your surviving parents; or
- your siblings, in equal shares.

### Vocational Rehabilitation Program

We have vocational rehabilitation services available to assist you in returning to work to the extent of your ability. We will review your disability claim to determine whether you are eligible for these services. In order to be eligible for vocational rehabilitation services and a vocational rehabilitation Monthly Benefit, you must be medically able to participate in a return to work plan.

Your claim file will be reviewed by a vocational rehabilitation professional to determine if rehabilitation services might help you return to gainful employment. As your file is reviewed, medical and vocational information will be analyzed to determine an appropriate return to work plan.

We will make the final determination of your eligibility for these services. Nonparticipation in a rehabilitation plan shall not affect our determination of whether you are disabled.

If we determine that vocational rehabilitation services are appropriate, we will provide you with a Written Vocational Rehabilitation Program developed specifically for you.

The Vocational Rehabilitation Program may include at our sole discretion, but is not limited to, the following services:

- coordination with your Employer to assist you to return to work;
- evaluation of adaptive equipment or Reasonable Accommodations to allow you to work;
- evaluation of possible workplace modifications which might allow you to return to work in your Regular Occupation or another job or occupation;
- vocational evaluation to determine how your disability may impact your employment options;
- job placement services, including resume preparation services and training in job seeking skills;
- alternative treatment plans such as recommendations for support groups, physical therapy, occupational therapy; or
- other treatment designed to enhance your ability to work.

### When The Vocational Rehabilitation Program Ends

Vocational rehabilitation benefits will end on the earliest of the following dates:

- the date we determine that you are no longer eligible to participate in a Vocational Rehabilitation Program;
- the date you are no longer participating in a Vocational Rehabilitation Program; or
- any other date on which Monthly Benefits would stop in accordance with the policy.

If you are participating in a Vocational Rehabilitation Services Program and fail to complete your responsibilities under the Vocational Rehabilitation Program without Good Cause, then we may discontinue our payment to you under the policy. If benefits are discontinued under this provision, you will have the right to an appeal review of that decision. Failure to complete your responsibilities under the Vocational Rehabilitation Program will not affect our determination of whether you are disabled.

## **Vocational Rehabilitation Monthly Benefit**

If you are receiving Monthly Benefits under the policy, and you are participating in a Vocational Rehabilitation Program, you may be eligible for an additional vocational rehabilitation Monthly Benefit. We will pay an additional Monthly Benefit equal to the amount shown in the *Schedule of Benefits* for the number of months shown on the *Schedule of Benefits*.

This benefit is not subject to policy provisions which would otherwise increase or reduce the benefit amount such as Deductible Sources of Income. However, the Total Benefit Cap will apply.

### **When Vocational Rehabilitation Benefits End**

Vocational rehabilitation benefits will end on the earliest of the following dates:

- the date we determine that you are no longer eligible to participate in a Vocational Rehabilitation Program;
- the date you are no longer participating in a Vocational Rehabilitation Program;
- the date the maximum benefit is paid; or
- any other date on which Monthly Benefits would stop in accordance with the policy.

## **Workplace Modification Benefit**

If you are disabled and are receiving a payment from us, an additional Workplace Modification Benefit may be payable to your Employer for your benefit. We will assist the Employer, you and your Physician in identifying an appropriate workplace modification. We may reimburse your Employer for up to 100% of the reasonable cost your Employer incurs through modifications to the workplace to accommodate your return to work, and to assist you in remaining at work.

We will pay the Workplace Modification Benefit shown in the *Schedule of Benefits*.

To qualify for this reimbursement, you must:

- be disabled according to the terms of the policy; and
- have the reasonable expectation of returning to Active Employment and remaining an Active Employment with the assistance of the proposed workplace modification.

Your Employer must give us a Written proposal of the proposed workplace modification. This proposal must include:

- input and approval from the Employer, you and your Physician;
- the purpose of the proposed workplace modification;
- the expected completion date of the workplace modification; and
- the cost of the workplace stop modification.

The Written proposal must be Signed by us, the Employer and you. We will reimburse the cost of the workplace modification when we:

- approved the proposal In Writing;
- receive Proof from your Employer that the workplace modification is complete; and
- received Proof of the cost incurred by your Employer for the workplace modification.

This benefit is available on a one time basis.

# CLAIM INFORMATION

## Notice of Claim

We encourage you to notify us of your claim as soon as possible. This will help us make a claim decision in a timely manner. Written notice of a claim should be given to us within 30 days after the date your disability begins. Failure to give notice within this timeframe shall not invalidate or reduce any Payable Claim if it can be shown that it was not reasonably possible to give such notice within that time and the notice was given as soon as reasonably possible.

## Claim Forms

The claim form is available from your Employer, or you can request a claim form from us.

Within 15 days after we receive your notice of a claim, we will send claim forms. The claim form is also available from your Employer. If we do not send you the claim forms within 15 days after receiving notice of your claim, you shall be deemed to have complied with the requirements of Proof of claim when you submit Written Proof that covers the occurrence, character, and extent of the loss for which a claim is made.

## Filing A Claim

You and your Employer must fill out your own sections of the claim form and then give it to your attending Physician. Your Physician should fill out his or her section of the form and send it directly to us.

Our customer service department will assist you to file your claim. Call the number in this Certificate.

## Proof of Your Claim

You must send us Written Proof of your disability claim no later than 90 days after your Elimination Period ends. Your Proof of claim, provided at your expense, must show:

- that you are under the Appropriate Care of a Physician;
- the date your disability began as determined by your Physician;
- the cause of your disability;
- the appropriate documentation of your Monthly Earnings and Disability Earnings;
- the extent of your disability, including restrictions and limitations preventing you from performing your Regular Occupation;
- the name and address of any Hospital, Health Facility, or Institution where you received treatment, including all attending Physicians; and
- documentation of prior disability coverage, if applicable.

For all other claims you must send us Written Proof no later than 90 days after the date of the last period.

Failure to give such Proof within this timeframe shall not invalidate or reduce any Payable Claim if it can be shown that it was not reasonably possible to give such Proof within that time, and the Proof was given as soon as reasonably possible. You must provide Proof of claim no later than one year after the time Proof is otherwise required, except in the absence of legal capacity.

You will be required to give us Written authorization to obtain additional medical information and to provide non-medical information such as vocational, occupational, financial, and governmental as part of your Proof of claim. We will deny your claim, if the appropriate information is not submitted within 45 days of the request.

## Continuing Proof of Claim

We may require you to provide continuing Proof of your claim as often as it is reasonable to do so during the pendency of your claim. You will have 60 days from the date of our request to provide us with continuing Proof of your claim. Failure to provide continuing Proof of your claim shall not result in a reduction of your benefits, however your benefit payment may be delayed until the requested continuation Proof is provided. You must provide continuing Proof of claim no later than one year after the time Proof is otherwise required, except in the absence of legal capacity. This Proof shall be In Writing and satisfactory to us.

You and your Employer must notify us immediately when you return to work in any capacity.

## To Whom Payments Are Made

We will pay your benefits to you unless this Certificate specifies otherwise. If any amount for which we are liable remains unpaid when you die, we will pay that amount to your Eligible Survivor or, if none, to your estate. If, however,

it is necessary for the establishment of a guardianship or conservatorship, or appointment of a trustee, executor or administrator, we may withhold further benefits until sufficient evidence is provided to us that any such establishment or appointment has been finalized. We will pay benefits within 30 days of receiving sufficient evidence of the establishment or appointment. If we pay benefits on or after the 31st day of receiving sufficient evidence, the delayed payment will be subject to a simple 10% interest rate per year, beginning with the 31st day and ending on the day benefits are paid.

### **Time Payment of Claims**

Once your claim has been approved, we will send you a payment at the end of each month for any period for which we are liable. The first Monthly Benefit will be paid within 30 days of an approved claim. Any balance remaining unpaid by us upon termination of such period for which we are liable will be paid within 30 days upon receipt of Proof of your claim. A delayed payment of your claim will be subject to a simple interest at a rate of 10% per year beginning on the 31st day after receipt of satisfactory Proof of your claim and ending on the day the claim is paid. Indemnities payable under the policy for any loss other than loss for which the policy provides periodic payments will be paid as they accrue immediately upon receipt of do Written Proof of such loss.

### **Authority**

The Policyholder has delegated to the insurance company or its designee certain rights. These include the right to make determinations regarding the eligibility for participation or benefits and to interpret the terms of the policy and Certificate. This delegation is made for the purpose of claims and enrollment administration only. The insurance company is not the Plan Administrator, as defined by ERISA.

### **Physical Examination**

We may require you to be examined by one or more Physicians, other medical practitioners, or vocational experts of our choice. We will pay for this examination. We can require an examination as often as it is reasonable to do so during the pendency of a claim. We may also require you to be interviewed by our authorized representative. Your failure to comply with this request may result in denial or termination of benefits.

### **Refund of Unearned Premium**

Any unearned premium will be refunded to the Policyholder or the Insured Person as applicable.

### **Claims of Creditors**

Disability benefit payments are exempt from legal or equitable process for your debts, where permitted.

### **Right to Reimbursement**

We have the right to recover any overpayment due to:

- fraud;
- any administrative error we make in processing a claim; or
- your receipt of Deductible Sources of Income.

You must reimburse us in full. If we find that we should have paid a benefit amount different from the amount actually paid, we will adjust the benefit accordingly. If we underpaid your benefit, then we will adjust the benefit to make up the underpayment. If we overpaid your benefit, you shall reimburse us. Any future benefits that are determined to be due, including any applicable minimum benefit, will be applied to the over payment until we are reimbursed in full. If future benefits are not due, we will determine the method by which the repayment is to be made.

You shall not act or fail to act in any manner that will prejudice our right to reimbursement without our prior Written agreement. If you prejudice our right to reimbursement, fail to cooperate with us or fail to comply with this provision, we may withhold any and all benefits in addition to pursuing all remedies available to us under applicable law.

If we pursue legal action against you to obtain reimbursement, you will be required to pay our costs and attorneys' fees as permitted by applicable law. We reserve the right to recover any prior or current overpayment not only from the amounts you receive as Deductible Sources of Income (to the extent permitted by applicable law) but also from any benefits from any past, current, or new disability claim payable under the policy as well as from any other funds you may have.

You must notify us if you make a claim against any Third Party. Neither you nor anyone acting on your behalf may settle your claim against the Third Party without our prior Written consent. If you recover amounts from a Third Party by award, judgment, settlement or otherwise, you must reimburse us for lost income due to a disability because of an act or omission of the Third Party. You must reimburse us regardless of whether you have been made whole by the

recovery, subject to limitations under applicable law where the policy is delivered or issued for delivery. If the amount received from the Third Party does not specify the lost income amount, we shall estimate the amount using a percentage of the settlement amount based on your Monthly Earnings, prorated to cover the period for which the settlement or judgment was made. We shall have first right to reimbursement. The amount you reimburse us will be reduced by our pro rata share of your attorneys' fees and costs. If another entity is also entitled to reimbursement but does not reduce its reimbursement by its pro rata share of such fees and costs, then our pro rata share will be calculated as if that entity did make such reductions.

### **Right To Subrogation**

If we have paid or will pay benefits in connection with a disability which you suffered because of an act or omission of a Third Party, we reserve any and all rights of recovery available to us under applicable law in the state where the policy is delivered or issued for delivery that you have against the Third Party to the extent necessary to protect our interests. We have the right to bring legal action against the Third Party on your behalf to recover the payments made by us if you do not initiate legal action for the recovery of such payments from the Third Party in a reasonable period of time. You must agree to furnish all information and documents that are necessary to secure our rights. We will pay for any expenses connected with our pursuit of subrogation or recovery. You shall not act or fail to act in any manner that will prejudice our right to subrogation without our prior Written agreement. If you prejudice our right to subrogation, fail to cooperate with us or fail to comply with this provision, we may pursue all remedies available to us under applicable law.

If we bring a legal action against the Third Party on your behalf, we will not reduce your disability benefits by any other amounts you receive from the Third Party.

### **How We Handle Insurance Fraud**

We have the right and promise to use all means available to us to detect, investigate, deter, and prosecute those who commit insurance fraud. We shall have the right to pursue all legal remedies if you and/or your Employer perpetrate insurance fraud.

If you or the Policyholder knowingly and with intent to defraud or deceive us, provide us with false information or file a claim for benefits that contains any false, incomplete, or misleading information, or conceals for the purpose of misleading, information concerning any material fact.

You or the Policyholder may be guilty of a criminal offense and subject to penalties under state law.

### **Time Limits for Legal Proceedings**

You can start legal action regarding your claim 60 days after Proof of claim has been given to us, and before the applicable statute of limitations has expired but not after 3 years from the date of Proof of claim is required unless otherwise provided under federal law.

**CONTINENTAL AMERICAN INSURANCE COMPANY**  
**P.O. Box 427 Columbia, South Carolina 29202 800.992.3522**

**APPLICABILITY OF ERISA**

If this policy provides benefits under a plan which is subject to the Employee Retirement Income Security Act of 1974 (ERISA), the following provisions apply.

**Information about Your ERISA Plan**

The benefits are provided in a fully insured plan issued by Continental American Insurance Company, a wholly-owned subsidiary of Aflac incorporated, and are described in the Certificate of Coverage. You have certain rights and protections under ERISA.

**1. The right to receive information about Your plan and its benefits.**

- a. You have the right to review and the right to receive, free of charge, at the Plan Administrator's office (or in a place designated by the Plan Administrator all documents governing the plan, including but not limited to, insurance contracts or a copy of the latest annual report (Form 5500). The Form 5500 is filed by the plan with the U.S. Department of Labor (DOL) and is available in the Public Disclosure Room of the Employee Benefits Security Administration.
- b. You have the right to receive an annual summary of the plan's financial report.

**2. The right to prudent action by the Plan fiduciaries.**

ERISA imposes duties upon the people who are responsible for the operation of the Employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your Employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

**3. How to enforce Your rights.**

- a. If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.
- b. Under ERISA, there are steps you can take to enforce your rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the requested materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.
- c. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. You are required to complete administrative appeals prior to filing in court. Your right to file suit in state or federal court may be affected if you do not complete the required appeals.
- d. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

**4. Need help?**

- a. If you have any questions about the plan, please contact the Plan Administrator.
- b. If you have any questions about your rights under ERISA, or if you need help getting documents from the Plan Administrator, contact the nearest office of the Employee Benefits Security Administration (EBSA) or the Division of Technical Assistance and Inquiries, EBSA, U.S. Dept. of Labor, 200 Constitution Ave. N.W., Washington, DC 20210.

- c. Certain publications about your ERISA rights and responsibilities can be found by calling the EBSA publications hotline or visiting [dol.gov/ebsa](http://dol.gov/ebsa).

## **Claim Procedures**

### **How to File a Claim**

If you wish to file a claim for benefits, you should follow the claim procedures described in your insurance Certificate. To complete your claim filing, we must receive the claim information requested from you (or your authorized representative), the attending Physician, and your Employer. If you or your authorized representative has any questions about what to do, please contact us directly.

### **Claims Procedures**

We will give you notice of the decision no later than 45 days after the claim is filed. This time period may be extended twice by 30 days if we determine that such an extension is necessary due to matters beyond the control of the plan and we notify you of the circumstances requiring the extension of time and the date by which we expect to render a decision. If such an extension is necessary due to your failure to submit the information necessary to decide the claim, the notice of extension will specifically describe the required information, and you will be afforded at least 45 days within which to provide the specified information. If you deliver the requested information within the time specified, any 30-day extension period will begin after you have provided that information. If you fail to deliver the requested information within the time specified, the decision will be made with the information we have in the file.

### **Adverse Benefit Determination**

An adverse benefit determination means a denial, a reduction, a termination or rescission of coverage, or a failure to provide or make payment for a benefit. If your claim is denied, this is considered an adverse benefit determination. If there is an adverse benefit determination, we will send a notice. Notice may be provided in Written or electronic form. Electronic notices will be provided only when you give your consent to receive the notice. The adverse benefit determination will include the following:

- the specific reason(s) for the determination. This may include an explanation of:
  - **What you sent:** The views of health care professionals treating you and the vocational professional who evaluated you. These will be reports that you provided;
  - **Experts from the Plan:** The views of medical or vocational experts whose advice was obtained on behalf of the plan in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - **Social Security:** A disability determination made by the Social Security Administration that you provided;
- reference to specific plan provision(s) on which the determination is based;
- when necessary, a description of additional material or information needed to complete the claim and why such information is necessary;
- a statement that you are entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records, or other information relevant to the claim for benefits;
- identification of any internal rule, guideline, protocol or standard relied on for the claim determination;
- the plan procedures and time limits for appealing; and
- your right to obtain information about the appeal procedures and the right to bring a lawsuit under section 502(a) of ERISA following an adverse determination from us on appeal, including the limitation that any such lawsuit is brought no later than 3 years from the time Proof of claim was required.

### **Right to appeal if there is an Adverse Benefit Determination**

You or someone you name to act for you (authorized representative) may file an appeal. If someone files an appeal on your behalf, you must let us know that you have appointed this person as your authorized representative. Your appeal must be In Writing and sent to us. When you send your appeal, you may include Written comments, documents, records, or other information related to your claim. You have the right to one appeal.

**Time Frame.** You have 180 days from the receipt of notice of an adverse benefit determination to file an appeal. Requests for appeals should be sent to the address specified in the claim denial. The appeal will be reviewed, and a determination notice will be sent within 45 days of receiving the appeal. Sometimes, it will take longer to review the appeal because additional information is needed to make a decision. If this happens, within 45-days, we will let you know that an extension is necessary and the reason for the extension. The review period may be extended twice, 90 days in total. If an extension is given to give you more time to submit information necessary to decide the appeal, the letter we send will tell you what is needed. You will be given 45-days to provide the information. The extension of time to review the information will begin after the requested information is received. If you fail to send the requested information, the appeal will be decided based on the information we have at the end of the 45 days.

**Information used to make an appeal decision.** You will have the opportunity to submit Written comments, documents, or other information in support of your appeal. If we receive additional evidence or rationales that were not included when the benefit was first denied, we will notify you and give you a reasonable opportunity to respond to the information before the plan's decision is due.

**Appeal Review.** The appeal will be reviewed by someone who did not make the initial decision. This reviewer will look at all the information submitted and may consult with a qualified medical professional. The appeal reviewer will not give consideration to the initial decision. The appeal reviewer will review the evidence and the rationale that was included when the benefit was first denied. The health care professional who is consulted on appeal will not be the individual who was consulted during the initial determination or someone who works for them. If the advice of a medical or vocational expert was obtained by the plan in connection with the denial of your claim, we will provide you with the names of each such expert, regardless of whether the advice was relied upon. In selecting a health care professional to review the appeal, decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual (such as a claims adjudicator or medical or vocational expert) are not made based upon the likelihood that the individual will support the denial of benefits. If we receive additional evidence or rationales that were not included when the benefit was first denied, we will notify you and give you a reasonable opportunity to respond to the information before the plan's decision is due.

**Appeal Decision.** We will send a notice of the appeal decision. Notice may be provided in Written or electronic form. Electronic notices will be provided only when you give your consent to receive the notice. The appeal determination will include the following:

- the specific reason(s) for the determination. This may include an explanation of:
  - **What you sent:** The views of health care professionals treating you and the vocational professional who evaluated you. These will be reports that you provided;
  - **What We received or obtained:** A description of any new information received or obtained during the claim review or appeal review;
  - **Experts from the Plan:** The views of medical or vocational experts whose advice was obtained on behalf of the plan in connection with the adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and
  - **Social Security:** A disability determination made by the Social Security Administration that you provided;
- reference to specific plan provision(s) on which the determination is based;
- when necessary, a description of additional material or information needed to complete the claim and why such information is necessary;
- a statement that you are entitled to receive upon request, and without charge, reasonable access to or copies of all documents, records, or other information relevant to the claim for benefits; and
  - your right to obtain information about the appeal procedures and the right to bring a lawsuit under section 502(a) of ERISA following an adverse determination from us on appeal, including the limitation that any such lawsuit is brought no later than 3 years from the time Proof of claim was required.

### **Requirement to File an Internal Appeal Before Filing a Lawsuit**

If your claim is denied, in whole or in part, after you have completed the appeal procedure, you may file a civil action in federal court under ERISA.

## How you're protected if your life or health insurance company fails

The Texas Life and Health Insurance Guaranty Association protects you by paying your covered claims if your life or health insurance company is insolvent (can't pay its debts). **This notice summarizes your protections.**

The Association will pay your claims, with some exceptions required by law, if your company is licensed in Texas and a court has declared it insolvent. You must live in Texas when your company fails. If you don't live in Texas, you may still have some protections.

**For each insolvent company, the Association will pay a person's claims only up to these dollar limits set by law:**

- **Accident, accident and health, or health insurance (including HMOs):**
  - Up to \$500,000 for health benefit plans, with some exceptions.
  - Up to \$300,000 for disability income benefits.
  - Up to \$300,000 for long-term care insurance benefits.
  - Up to \$200,000 for all other types of health insurance.
- **Life insurance:**
  - Up to \$100,000 in net cash surrender or withdrawal value.
  - Up to \$300,000 in death benefits.
- **Individual annuities:** Up to \$250,000 in the present value of benefits, including cash surrender and net cash withdrawal values.
- **Other policy types:** Limits for group policies, retirement plans and structured settlement annuities are in Chapter 463 of the Texas Insurance Code.
- **Individual aggregate limit:** Up to \$300,000 per person, regardless of the number of policies or contracts. A limit of \$500,000 may apply for people with health benefit plans.
- **Parts of some policies might not be protected:** For example, there is no protection for parts of a policy or contract that the insurance company doesn't guarantee, such as some additions to the value of variable life or annuity policies.

To learn more about the Association and your protections, contact:

**Texas Life and Health Insurance Guaranty Association**  
515 Congress Avenue, Suite 1875  
Austin, TX 78701  
1-800-982-6362 or [www.txlifega.org](http://www.txlifega.org)

For questions about insurance, contact:

**Texas Department of Insurance**  
P.O. Box 149104  
Austin, TX 78714-9104  
1-800-252-3439 or [www.tdi.texas.gov](http://www.tdi.texas.gov)

**Note:** You're receiving this notice because Texas law requires your insurance company to send you a summary of your protections under the Texas Life and Health Insurance Guaranty Association Act (Insurance Code, Chapter 463). These protections apply to insolvencies that occur on or after September 1, 2019. **There may be other exceptions that aren't included in this notice.** When choosing an insurance company, you should not rely on the Association's coverage. Texas law prohibits companies and agents from using the Association as an inducement to buy insurance or HMO coverage.

Chapter 463 controls if there are differences between the law and this summary.

## FACTS

### WHAT DOES AFLAC DO WITH YOUR PERSONAL INFORMATION?

<b>Why?</b>	Financial companies choose how they share your nonpublic personal information (NPI). Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your NPI. Please read this notice carefully to understand what we do.
<b>What?</b>	The types of NPI we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>▪ Social Security number and salary data</li> <li>▪ financial and health information</li> <li>▪ claims and payment information</li> </ul>
<b>How?</b>	All financial companies need to share customers' NPI to run their everyday business. In the section below, we list the reasons financial companies can share their customers' NPI; the reasons Aflac chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Aflac share?	Can you limit this sharing?
<b>For our everyday business purposes —</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes —</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	No
<b>For our affiliates' everyday business purposes —</b> information about your transactions and experiences	No	No
<b>For our affiliates' everyday business purposes —</b> information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	Yes	Yes, see "To limit our sharing" below
<b>For nonaffiliates to market to you</b>	No	We don't share
<b>Aflac does not sell, rent, lease, or otherwise disclose NPI of its customers for purposes unrelated to Aflac products and services.</b>		

<b>To limit our sharing</b>	<p>To advise us of your affiliate marketing preference you can:</p> <ul style="list-style-type: none"> <li>• Call <b>1-800-433-3036</b> — our representatives will assist you with your choice. Please have your certificate number available when you call.</li> <li>• Visit us online at <a href="http://aflacgroupinsurance.com">aflacgroupinsurance.com</a> – search "Affiliate Marketing" to access and complete a copy of our affiliate marketing opt out form.</li> </ul> <p>If you have previously opted out, your preference is already on file; you do not need to opt out again.</p> <p><b>Please note:</b> If you are a new customer, we can begin sharing your NPI 30 days from the date we sent this notice. When you are no longer our customer, we can continue to share your NPI as described in this notice.</p> <p>However, you can contact us at any time to advise us of your preference.</p>
<b>Questions?</b>	Call 1-800-433-3036 or go to <a href="http://aflacgroupinsurance.com">aflacgroupinsurance.com</a>

<b>Page 2 of 2</b>	
<b>Who we are</b>	
Who is providing this notice?	American Family Life Assurance Company of Columbus, American Family Life Assurance Company of New York, Continental American Insurance Company, and Tier One Insurance Company (collectively, "Aflac").
<b>What we do</b>	
How does Aflac protect my personal information?	Aflac and its agents safeguard customer (and former customer) NPI by: <ul style="list-style-type: none"> <li>▪ maintaining administrative, technical, and physical safeguards that comply with Federal and State laws. These measures include computer safeguards and secured files and buildings.</li> <li>▪ limiting access to NPI to only those employees who need access to perform their job functions</li> <li>▪ providing privacy training and awareness to all employees</li> </ul>
How does Aflac collect my personal information?	We collect your NPI in the following ways (including, but not limited to): <ul style="list-style-type: none"> <li>▪ directly from you when applying for coverage (e.g., name, address, financial and health information)</li> <li>▪ through your transactions with Aflac or our agents (e.g., claims and payment information)</li> <li>▪ through your transactions with nonaffiliated third parties (e.g., accident reports, health and insurance application histories, health history)</li> </ul>
Why can't I limit all sharing?	Federal law gives you the right to limit only: <ul style="list-style-type: none"> <li>▪ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>▪ affiliates from using your NPI to market to you</li> <li>▪ sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing. See <i>Other Important Information</i> below.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.
<b>Definitions</b>	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our affiliates include American Family Life Assurance Company of Columbus, American Family Life Assurance Company of New York, and Tier One Insurance Company.</i>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <i>Aflac does not share with nonaffiliates so they can market to you.</i>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <i>Aflac does not have any joint marketing partners.</i>
<b>Other important information</b>	
<b><u>NOTICE OF INFORMATION PRACTICES</u></b>	
California, Connecticut, Georgia, Illinois, Kansas, Maine, Massachusetts, Minnesota, Montana, Nevada, New Jersey, North Carolina, Ohio, Oregon, and Virginia require insurers and agents to describe their information practices in addition to providing a Privacy Notice. There is significant overlap between the two notices, but in general our Information Practices include the following: Aflac may obtain information about you and any other persons proposed for insurance. Some of this information will come from you and some may come from other sources. That information and any other subsequent information collected by Aflac may in some circumstances be disclosed to third parties without your specific consent. Residents of these states have the right to access and correct the information collected about them except information that relates to a claim or to a civil or criminal proceeding. They also have the right to receive the specific reason for an adverse underwriting decision in writing. If you wish to have a more detailed explanation of our information practices required by your state, please submit a written request to: Aflac, ATTN: Privacy Office, PO Box 427, Columbia, SC 29202.	
<b><u>STATE-SPECIFIC DISCLOSURES</u></b>	
Customer NPI shall be collected, used, and stored in accordance with applicable federal privacy laws. To the extent that the privacy laws of a Customer's state of residence are more protective of the Customer's NPI than federal privacy laws, Aflac will protect the Customer's NPI in accordance with such state law. <b>Attention Washington Residents:</b> You have the right to limit disclosures of your nonpublic personal information under the circumstances described in WAC 284-04-510. For instance, you may request in writing that Aflac limit the disclosure of nonpublic personal information to specified individuals if the disclosure of the information to those individuals could jeopardize your safety. In addition, you may also request, in writing, that Aflac limit certain disclosures of information regarding reproductive health, sexually transmitted diseases, chemical dependency, and mental health. For more information or if you wish to submit a request, please write to: Aflac, ATTN: Privacy Office, PO Box 427, Columbia, SC 29202.	
<b><u>NOTICE OF PRIVACY PRACTICES - PROTECTED HEALTH INFORMATION</u></b>	
If you would like a copy of Aflac's <i>Notice of Privacy Practices - Protected Health Information</i> , issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), copies are available by visiting Aflac's website, <a href="http://aflacgroupinsurance.com">aflacgroupinsurance.com</a> , or sending a written request to: Aflac, ATTN: Privacy Office, PO Box 427, Columbia, SC 29202.	



# CONTINENTAL AMERICAN INSURANCE COMPANY

PO Box 427 • Columbia, South Carolina 29202

Phone: 800.433.3306 • Fax: 877.856.2269

[www.aflacgroupinsurance.com](http://www.aflacgroupinsurance.com)

## GROUP INSURANCE APPLICATION

The purpose of the Application is to request:

- |   |   |
|---|---|
| <input type="checkbox"/> Issuance of new coverage | <input type="checkbox"/> Change in existing coverage(s) |
| <input type="checkbox"/> Add an affiliate company | <input type="checkbox"/> Add new benefits               |
| <input type="checkbox"/> Reinstatement            | <input type="checkbox"/> Remove Eligible Classes        |
| <input type="checkbox"/> Add Eligible Classes     | <input type="checkbox"/> Name or Organizational Change  |

Class(es) added/removed: \_\_\_\_\_

List the Policy Numbers to be amended: \_\_\_\_\_

I. APPLICANT INFORMATION		
Full Corporate/Legal Name of Group _____		Employer Tax ID No. (EIN) _____
Applicant is a: <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Labor/Union <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____ SIC Code: _____		
Address		
Number/Street: _____		City: _____ State: _____ Zip: _____
Physical Address (if different)		
Number/Street: _____		City: _____ State: _____ Zip: _____
Authorized Person/Officer Name: _____		Authorized Person/Officer Title: _____
Contact Name: _____		Contact Title: _____
Contact Phone: _____		Contact Email: _____
ERISA Plan: <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, identify the Plan Number: _____ 503		
II. COVERAGE ELECTIONS		
Coverages Underwritten by Continental American Insurance Company		Group Policy Situs State: _____
DISABILITY COVERAGE		Effective date
<input type="checkbox"/> Short-Term Disability		<input type="checkbox"/> Long-Term Disability
TERM LIFE COVERAGE		Effective date
<input type="checkbox"/> Basic Term Life		<input type="checkbox"/> Voluntary Dependent Term Life
<input type="checkbox"/> Supplemental Term Life		<input type="checkbox"/> Basic Dependent Term Life
<input type="checkbox"/> Voluntary Term Life		<input type="checkbox"/> Supplemental AD&D
<input type="checkbox"/> Basic AD&D		<input type="checkbox"/> Basic Dependent AD&D
<input type="checkbox"/> Supplemental Dependent Term Life		<input type="checkbox"/> Supplemental Dependent AD&D
OPTIONAL TERM LIFE COVERAGE		
<input type="checkbox"/> Life Waiver of Premium		<input type="checkbox"/> Term Life Portability
<input type="checkbox"/> Life Accelerated Death Benefit		<input type="checkbox"/> Permanent and Total Disability Income Benefit
III. REPLACEMENT		
Current Group Coverage	Replacing with CAIC	Proposed Effective Date
<input type="checkbox"/> Short-Term Disability	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
<input type="checkbox"/> Long-Term Disability	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
<input type="checkbox"/> Term Life	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____

#### IV. PREMIUM CONTRIBUTION DATA

Unless otherwise agreed upon by the Applicant and CAIC, the Applicant will collect premium contributions from participating employees, if any, and forward to CAIC when due. The Applicant will maintain records of premium contributions from employees while this agreement remains in force and for two (2) years after it terminates.

For any plan of insurance, if the Applicant pays the entire cost for the employees, then 100% of the eligible employees must be covered.

Will the employees be required to contribute toward the cost of the insurance?  Yes  No

If yes, Applicant will notify us in writing of the contribution amounts for each eligible class and each line of coverage.

#### V. AGREEMENTS AND AUTHORIZATIONS

**By signing this Application, you, as the Applicant's authorized representative, understand and agree to the following:**

Application is for the group insurance plans indicated above on the basis of the information contained in this Application, the enrollment data, and available experience. CAIC's group underwriting rules will be used to determine whether the Applicant, if accepted, will be issued a Group Policy.

The Application in its entirety, and any other required information, is subject to CAIC's approval before insurance can become effective. Insurance will become effective on the effective date shown above unless CAIC sends written notice of a different effective date. CAIC may issue separate Group Policies if more than one coverage is requested.

The Applicant acknowledges that it has selected the coverage specified in the application based upon written information provided by CAIC. All material terms of coverage are set forth in the plan documents. Applicant agrees to make payroll and other records directly related to the coverages provided under a Group Policy available to CAIC for inspection, at CAIC's expense, at the Applicant's office, during regular business hours, upon advance written request. This paragraph survives termination of the Group Policy(ies).

**Applicant Agrees That:**

- Premium rate quotes were based on data submitted to CAIC. Final premium rates will be determined by the actual composition of the group. Initial premium is due on or before the effective date of the Group Policy.
- Payment of premium after receipt of a Group Policy is acceptance of the terms of a Group Policy.
- No agent or producer may change or waive any of the provisions of this Application or of any of plan(s) of insurance. No one except an officer of CAIC may make or modify the contract, and no waiver is valid unless it is in writing and signed by an officer of CAIC and the Applicant.
- If the representations contained in this Application and its attachments materially change between the date of this Application and the inception of the proposed coverage, the undersigned will immediately report the change in writing to CAIC.
- Failure to pay billed premiums will result in automatic termination of insurance coverage at the end of the premium grace period(s). The Applicant will owe and agrees to pay the premium due for any period a Group Policy was in force. Applicant will be responsible for notifying members of the termination.
- Applicant agrees to offer the insurance provided under a Group Policy to all present and future members in eligible classes as defined in a Group Policy.
- Only those members of eligible classes who meet all the eligibility requirements are to be covered under a Group Policy. If applicable, participation requirements must be met before a Group Policy will become effective and that such requirements must be maintained while the Group Policy is in force to prevent termination of the Group Policy.
- Unless otherwise agreed to in writing with CAIC, Applicant is responsible for all employment and tax requirements pertaining to providing benefits to covered persons.
- Applicant will maintain and furnish any records necessary to administer a Group Policy.
- Coverage under a Group Policy can be terminated in accordance with its terms and conditions.
- The availability of a plan or program may vary by geographic service area.
- It is understood and agreed if a Group Policy is issued, the Applicant will maintain accurate records of all beneficiaries, changes of beneficiary or assignment, if any, and that CAIC may rely on this information in adjudicating any claim under a Group Policy.
- It is the Applicant's responsibility to deliver the Certificate of Coverage to the Certificateholder.
- Applicant will deliver any required notices given to them by CAIC to participating employees of the plan.

**The undersigned represents that, to the best of their knowledge and belief, the above information and statements in this Application are complete and true.** All statements are deemed representations and not warranties. I agree to accept the terms and provisions of the Group Policy, including its riders, endorsements or amendments, if any. I have read and acknowledge the applicable fraud warning below. A signed copy of this form received by electronic transmission will be deemed to be an original. If the Application is accepted by CAIC, it will be attached to and made part of an issued Group Policy.

I am authorized by the Applicant to sign this form. I intend to sign this form electronically. Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

**Signed by the Applicant's Authorized Representative**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address where signed  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_  
Date: \_\_\_\_\_

**Writing Producer or Broker Information**

Signature: Travis Houston Braston  
Print Name: \_\_\_\_\_  
License Number: \_\_\_\_\_ State: \_\_\_\_\_  
Commission: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_  
Date: \_\_\_\_\_

The final Application placed on file with CAIC must be signed. Keep a copy of this Application for your records.

References to "CAIC" refer to Continental American Insurance Company, a wholly-owned subsidiary of Aflac Incorporated.

References to "Group Policy" or "Group Policy(ies)" refer to the group insurance policy(ies), group insurance contract(s) or group insurance agreement(s) issued to the Applicant by CAIC upon approval of this Application.

**Commissions: Your premium purchases insurance coverage from CAIC, as well as the services of any CAIC-appointed licensed independent agent or broker identified in this Application for group insurance.** CAIC has various programs for compensating producers (agents, brokers and consultants). If you would like information regarding compensation programs for which your producer is eligible, payments (if any) which CAIC has made to your producer, or other material relationships your producer may have with CAIC, you may contact your producer or your CAIC account representative.

# PLADS Group Policy Amendment Notice

## Instructions:

Enter group information and detail about the policy amendment, including the effective date of the change, and indication of whether there is a rate impact. Changes in rates should be clearly described in the comments. Once completed, this document should be emailed to the assigned Account Executive, and the following service inboxes:

[plads.service@aflac.com](mailto:plads.service@aflac.com); [plads\\_groupcontracts@aflac.com](mailto:plads_groupcontracts@aflac.com)

Group Number: GLD0000113

Effective Date of Amendment Change: 1/1/2026

Group Name: BMC Software, Inc.

Affected Coverage(s): Life/AD&D

## Amendment Description, Comments, and Approval:

The Supplemental Employee Life plan will be changed to 1X - 5X Base Annual Earnings up to a \$500,000 maximum, and the Supplemental Employee AD&D plan will also be changed to 1X - 5X Base Annual Earnings up to a \$500,000 maximum. The combined maximum amount for Basic Employee Life and Supplemental Employee Life will still be \$2,000,000.

Supplemental AD&D will be changed to the following plan design for Family AD&D:

Spouse/Domestic Partner: An amount equal to 50% of the covered employee's elected optional AD&D full amount of insurance. This amount may not exceed \$250,000.

Children (Age at Death): Live birth but less than 26 years. An amount equal to 15% of the covered employee's elected optional AD&D full amount of insurance. This amount may not exceed \$75,000.

The Supplemental Employee AD&D rate will be \$0.030 and the Supplemental Family AD&D rate will be \$0.050.

Does this amendment include a rate change? If yes, provide effective date of rate change.

Yes  No

Rate change effective date: \_\_\_\_\_

Underwriter Sign-off: Matthew Hogberg

Date: 2/25/2026

# CONTINENTAL AMERICAN INSURANCE COMPANY

P.O. Box 427 ▪ Columbia, South Carolina 29202 ▪ 800.206.8826

## POLICY AMENDMENT

**Policyholder:** BMC Software, Inc.

**Policy Number:** GLD0000113

**Effective Date:** January 1, 2025

**Affected Coverage:** Basic Life

**THIS AMENDMENT CHANGES THE POLICY AND YOUR CERTIFICATE(S). PLEASE READ IT CAREFULLY.**

This Amendment is attached to and made a part of the above referenced Policy, and the Certificate(s) issued with the Policy, and takes effect at 12:01 a.m. on the Effective Date.

Subject to the terms and conditions of the Policy:

It is agreed that Portability is added to the Basic Life coverage. The Portability maximum/Evidence of Insurability level is \$500,000 and the Portability minimum is \$10,000.

The Policyholder agrees upon receipt to deliver a copy of this Amendment to Certificateholders.

The provisions stated herein apply in lieu of any Policy or Certificate provisions to the contrary. Nothing herein contained shall be held to vary, waive, alter, or extend any of the terms, conditions, or provisions of the Policy or Certificate, other than as stated.

This Amendment terminates on the date, and at the time the Policy or your coverage under your Certificate terminates, or sooner, if agreed to by the Policyholder and CAIC, subject to the cancellation provisions specified in the Policy.



Virgil R. Miller, President



J. Matthew Loudermilk, Secretary

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**Policyholder Signature**