Lincoln Life & Annuity Company of New York

A Stock Company Home Office Location: Syracuse, NY
Group Insurance Service Office: 8801 Indian Hills Drive, Omaha, NE 68114-4066 (800) 423-2765

Group Policyholder:

Redding Hunter, Inc.

In consideration of the Group Policyholder's application for this Policy and payment of all premiums when due, Lincoln Life & Annuity Company of New York agrees to make the payments provided in this Policy to the persons entitled to them.

The first premium for this Policy is due on its effective date. Subsequent premiums are due on July 1, 2010, and on the same day of each month after that. Policy anniversaries will be each June 1st, unless shown otherwise on the Premium Rate Schedule inside.

The provisions and conditions set forth on the following pages are a part of this Policy, as fully as if recited over the signatures below.

Lincoln Life & Annuity Company of New York has executed this Policy at its Group Insurance Service Office in Omaha, Nebraska. The issue date of this Policy is June 1, 2010.

SECRETARY

PRESIDENT

GROUP INSURANCE POLICY
No. 000010129060
PROVIDING
GROUP TERM LIFE INSURANCE

NOTICE: This Policy is issued and delivered in the State of New York. It is governed by the laws of that State. Nothing in this Policy invalidates or impairs any rights granted to Insured Persons by New York insurance law. The Company's state of domicile is New York. The address of the Company's Group Insurance Service Office is 8801 Indian Hills Drive, Omaha, Nebraska 68114-4066.

This is a NONPARTICIPATING Policy.

TABLE OF CONTENTS

SCHEDULE OF INSURANCE

The amount of an Insured Person's insurance is determined from the following table. The initial amount of coverage is the amount which applies to an Insured Person's Class on the date his or her coverage takes effect. An Insured Person may become eligible for increases in the amount of insurance in accord with the table. Any such increase will take effect on the latest of:

(1) the first day of the Insurance Month which coincides with or follows the date on which the Insured Person becomes eligible for the increase; provided he or she is Actively at Work on that day;

(2) the day the Insured Person resumes Active Work, if not Actively at Work on the day the increase would otherwise take effect; or

(3) the day any required evidence of insurability is approved by the Company.

Any decrease will take effect on the day of the change; whether or not the Insured Person is Actively at Work.

The amount of an Insured Person's Life Insurance shall be reduced by the amount of any Life Insurance in effect as a result of exercising the rights under the Conversion Privilege section of this Policy.

CLASSIFICATION

Class 1	Executives & Senior Employees
Class 2	All Other Full-Time Employees

WAITING PERIOD (For date insurance begins, refer to "Effective Date" section)

(a) None for employees who were hired on or before the Policy Issue Date.

(b) 60 days of continuous Active Work for employees who were hired after the Policy Issue Date.

SCHEDULE OF INSURANCE (CONTINUED)

LIFE INSURANCE

	Amount of Personal Life Insurance
Class 1	$50,000
Class 2	$25,000

Personal Life Insurance will be reduced as follows:
- **At age 65, benefits will reduce by 35% of the original amount;**
- **At age 70, benefits will reduce an additional 15% of the original amount.**

Benefits will terminate when the Insured Person retires.

If the Insured Person first enrolls for Personal Life Insurance at age 65 or older, the above age reductions will apply to:
- Any Guarantee Issue Amount available without evidence of insurability; and
- The maximum amount of insurance for which he or she is eligible.

Insured Persons are not required to make contributions for Personal Life Insurance.

The following chart applies to the Extension of Death Benefit provision when benefits end upon attainment of the Social Security Normal Retirement Age:

Year of Birth	Normal Retirement Age
1937 and prior	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943–54	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

Note: Persons born on January 1 of any year should refer to the Normal Retirement Age for the previous year.

Persons first employed in an eligible class after this Policy takes effect may be enrolled in accord with the terms of this Policy. (See the Eligibility and Effective Dates sections.)

If any evidence of insurability is required, it will be provided at the Person's own expense.

SCHEDULE OF INSURANCE (CONTINUED)

AD&D INSURANCE

	AD&D Insurance Principal Sum
Class 1	$50,000
Class 2	$25,000

Personal AD&D Insurance will be reduced as follows:
- **At age 65, benefits will reduce by 35% of the original amount;**
- **At age 70, benefits will reduce an additional 15% of the original amount.**

Benefits will terminate when the Insured Person retires.

If the Insured Person first enrolls for Personal AD&D Insurance at age 65 or older, the above age reductions will apply to:
- Any Guarantee Issue Amount available without evidence of insurability; and
- The maximum amount of insurance for which he or she is eligible.

Insured Persons are not required to make contributions for Personal AD&D Insurance.

The following chart applies to the Extension of Death Benefit provision when benefits end upon attainment of the Social Security Normal Retirement Age:

Persons first employed in an eligible class after this Policy takes effect may be enrolled in accord with the terms of this Policy. (See the Eligibility and Effective Dates sections.)

If any evidence of insurability is required, it will be provided at the Person's own expense.

DEFINITIONS

ACTIVE WORK or ACTIVELY AT WORK means an employee's full-time performance of all customary duties of his or her occupation at:

(1) the GROUP POLICYHOLDER'S place of business; or
(2) any other business location where the employee is required to travel.

Unless disabled on the prior workday or on the day of absence, an employee will be considered Actively at Work on the following days:

(1) a Saturday, Sunday or holiday which is not a scheduled workday;
(2) a paid vacation day, or other scheduled or unscheduled non-workday; or
(3) a non-medical leave of absence of 12 weeks or less, whether taken with the Employer's prior approval or on an emergency basis.

This includes a Military Leave or an approved Family or Medical Leave that is **not** due to the employee's own health condition.

COMPANY means Lincoln Life & Annuity Company of New York, a New York corporation. Its Group Insurance Service Office address is 8801 Indian Hills Drive, Omaha, Nebraska 68114-4066.

DAY or **DATE** means at 12:01 A.M., Standard Time, at the GROUP POLICYHOLDER'S place of business, when used with regard to eligibility dates and effective dates. It means 12:00 midnight, Standard Time, at the same place, when used with regard to termination dates.

EMPLOYEE or FULL-TIME EMPLOYEE means an employee of the GROUP POLICYHOLDER:

(1) whose employment with the GROUP POLICYHOLDER is the employee's principal occupation;
(2) whose employment is for regular wage or salary;
(3) who is regularly scheduled to work at such occupation at least 30 hours each week;
(4) who is a member of a class which is eligible for coverage under this Policy;
(5) who is not a temporary or seasonal employee; and
(6) who legally works in the United States.

EMPLOYER means the Group Policyholder. It includes any division, subsidiary or affiliated company named in the Application or Participation Agreement.

EVIDENCE OF INSURABILITY means a statement of proof of the Person's or his or her Dependents' medical history. The Company uses this to determine the Person's or his or her Dependents' acceptance for insurance or an increased amount of insurance. Such proof will be provided at the Person's own expense.

FAMILY OR MEDICAL LEAVE means an approved leave of absence that:
(1) is subject to the federal FMLA law (the Family and Medical Leave Act of 1993 and any amendments to it) or a similar state law;
(2) is taken in accord with the Employer's leave policy and the law which applies; and
(3) does not exceed the period approved by the Employer and required by that law.

Under the federal FMLA law, such leaves are permitted for up to 12 weeks in a 12-month period as defined by the Employer. The 12 weeks:
(1) may consist of consecutive or intermittent work days; or
(2) may be granted on a part-time equivalency basis.

If a Person is entitled to leave under both the federal FMLA law and a similar state law, he or she may elect the more favorable leave (but not both). If an Employee is on an FMLA leave due to his or her own health condition on the date Policy coverage takes effect, he or she is not considered Actively at Work.

GROUP POLICYHOLDER means the person, partnership, corporation, or trust as shown on the Title Page of this Policy.

INSURANCE MONTH means that period of time:
(1) beginning at 12:01 A.M. Standard Time, at the GROUP POLICYHOLDER'S place of business on the first day of any calendar month; and
(2) ending at 12:00 midnight on the last day of the same calendar month.

INSURED PERSON means a PERSON for whom the coverages provided by this Policy are in effect.

MILITARY LEAVE means a leave of absence which:
(1) is subject to the federal USERRA law (the Uniformed Services Employment and Reemployment Rights Act of 1994 and any amendments to it);
(2) is taken in accord with the Employer's leave policy and the federal USERRA law; and
(3) does not exceed the period required by law.

PERSON means a FULL-TIME EMPLOYEE of the GROUP POLICYHOLDER:
(1) who is a member of an employee class which is eligible for coverage under this Policy; and
(2) who has completed an enrollment form.

PERSONAL INSURANCE means the insurance provided by this Policy on Insured Persons.

PHYSICIAN means a licensed medical doctor, or other duly licensed practitioner of the healing arts who:
(1) is deemed by the state to be the same as a physician; and
(2) is acting within the scope of his or her license.

Physician does **not** include the Insured Person or a relative of the Insured Person. Relatives include:
(1) the Insured Person's spouse, siblings, parents, children and grandparents; and
(2) his or her spouse's relatives of the same degree.

DEFINITIONS
(Continued)

POLICY means this Group Insurance Policy issued by the Company to the Group Policyholder.

SECTION 125 PLAN means a Cafeteria Plan or other flexible benefits plan, which:

(1) qualifies for favorable tax treatment under Section 125 of the U.S. Internal Revenue Code; and
(2) allows the payroll deduction of employee contributions for certain group insurance plans to be done on a pre-tax basis.

WAITING PERIOD means the period of time an Employee must be employed in an eligible class with the Employer, before he or she becomes eligible to enroll for coverage under this Policy.

GENERAL PROVISIONS

ENTIRE CONTRACT. The rights of the Group Policyholder, or of any Insured Person or Beneficiary under it, shall not be affected by any provision other than one contained in:

(1) this Policy or any riders or endorsements on it;
(2) any amendments to it signed by the Group Policyholder and the Company;
(3) the copy of the Group Policyholder's application attached to this Policy; or
(4) any individual statements signed by the Insured Persons and submitted in connection with this Policy.

CONTRACT CHANGES. No agent has the authority to:

(1) change this Policy or waive any of its provisions;
(2) extend the time for paying premium or furnishing proof of claim; or
(3) accept or waive any required proof of claim.

Only an Officer of the Company has the authority to do so.

No change to this Policy will be valid, unless made in writing and signed by an Officer of the Company. It must be evidenced by:

(1) an endorsement to this Policy which is approved by an Officer of the Company; or
(2) an amendment to this Policy which is signed by the Group Policyholder and the Company.

Any change so made will be binding on all persons referred to in this Policy.

INCONTESTABILITY. Except for the non-payment of premiums, the Company may not contest the validity of this Policy as to any Insured Person after it has been in force for two years during his or her lifetime.

All statements made by the Group Policyholder and by Insured Persons are representations and not warranties. No statement made by an Insured Person relating to his or her insurability will be used to contest the coverage provided by this Policy or to reduce benefits, unless:

(1) it is contained in a written statement signed by that Insured Person; and
(2) a copy of the statement is furnished to the Insured Person or Beneficiary.

NONPARTICIPATING. This Policy will not be entitled to share in the surplus earnings of the Company.

TERM INSURANCE. This Policy will not provide paid-up insurance, or any loan or cash values, at any time.

BASIS OF RESERVE. The reserve for this Policy will not be less than the reserve computed using:

(1) the 1970 Intercompany Group Life Disability Valuation Table; and
(2) interest at not less than three percent per annum.

INFORMATION TO BE FURNISHED. The Group Policyholder may be required to furnish any information needed to administer this Policy. Clerical error by the Group Policyholder will not:

(1) affect the amount of insurance which would otherwise be in effect; or
(2) continue insurance which otherwise would be terminated.

Once an error is discovered, an equitable adjustment in premium will be made. If a premium adjustment involves the return of unearned premium, the amount of the return will be limited to the twelve month period which precedes the date the Company receives proof such an adjustment should be made. The Company may inspect any of the Group Policyholder's records which relate to this Policy.

MISSTATEMENT OF AGE. If an Insured Person's age has been misstated, premiums will be subject to an equitable adjustment. It will be retroactive and based upon the person's correct age. If the amount of benefit depends upon age, the benefit will be that which would have been payable, based upon the person's correct age.

CERTIFICATES. The Group Policyholder will be furnished with individual Certificates for delivery to each Insured Person. The Group Policyholder is responsible for distributing a Certificate to each Insured Person. These Certificates summarize the benefits provided by this Policy. Nothing in this Policy invalidates or impairs any rights granted to the Insured Person in the Certificate. If there is a conflict between the Policy and the Certificate, the provision more favorable to the Insured Persons will control.

CONFORMITY WITH STATE STATUTES. If any provision of this Policy conflicts with any applicable law, the provision will be deemed to conform to the minimum requirements of the law.

WORKER'S COMPENSATION AND STATE DISABILITY BENEFITS. This Policy is not to be construed to provide benefits required by Worker's Compensation laws, the New York Disability Benefits Law, or any other state disability benefits law.

ELIGIBILITY AND EFFECTIVE DATES FOR PERSONAL INSURANCE

ELIGIBILITY. A Person becomes eligible for the coverage provided by this Policy on the later of:
(1) the Policy's date of issue; or
(2) the date the Waiting Period is completed.

WAITING PERIOD. (See Schedule of Insurance).

EFFECTIVE DATE. Personal Insurance becomes effective on the latest of:
(1) the first day of the Insurance Month coinciding with or next following the date the Person becomes eligible for the coverage;
(2) the date the Person resumes Active Work, if not Actively at Work on the day he or she becomes eligible;
(3) the date the Person makes written application for Personal Insurance; and signs:
  (a) a payroll deduction order, if Insured Persons pay any part of the Policy premium; or
  (b) an order to pay premiums from the Person's Section 125 Plan account, if Employer contributions are made through a Section 125 Plan (defined in the Definitions section); or
(4) the date the Company approves the Person's coverage, if evidence of insurability is required.

EVIDENCE OF INSURABILITY. Evidence of insurability satisfactory to the Company must be submitted when:
(1) a Person makes written application for Personal Insurance more than 31 days after becoming eligible for the coverage; or
(2) a Person makes written application for Personal Insurance after he or she has requested:
  (a) to cancel Personal Insurance;
  (b) to stop payroll deductions for the coverage; or
  (c) to stop premium payments from the Section 125 Plan account.

Exception - Reinstatement Rights. If an Insured Person's coverage terminates due to an approved leave of absence or military leave, the Company will waive any Waiting Period or evidence of insurability requirement upon his or her return, provided:
(1) the Person returns within six months after the leave begins;
(2) the Person applies or is enrolled within 31 days after resuming Active Work; and
(3) the reinstated amount of insurance does not exceed the amount which terminated.

If an Insured Person's coverage terminates due to a lay-off, the Company will waive any Waiting Period or evidence of insurability requirement upon his or her return; provided:
(1) the Person returns within 12 months after the date the lay-off begins;
(2) the Person applies or is reenrolled within 31 days after resuming Active Work; and
(3) the reinstated amount of insurance does not exceed the amount which terminated.

Reinstatement will take effect on the date the Insured Person returns to Active Work.

If an Insured Person's coverage terminates because his or her employment ends, the Company will waive any Waiting Period or evidence of insurability requirement upon his or her return; provided:
(1) the Person is rehired within 12 months after employment terminated;
(2) the Person applies or is reenrolled within 31 days after resuming Active Work; and
(3) the reinstated amount of insurance does not exceed the amount which terminated.

Reinstatement will take effect on the date the Insured Person returns to Active Work.

INDIVIDUAL TERMINATIONS

TERMINATION. An Insured Person's coverage will terminate on the earliest of:

(1) the date this Policy terminates (but without prejudice to any claim incurred prior to termination);
(2) the date the Insured Person's Class is no longer eligible for insurance;
(3) the date such Insured Person ceases to be in a class of employees which is eligible for coverage under this Policy or dies;
(4) the last day of the Insurance Month in which the Insured Person requests termination;
(5) the last day of the last Insurance Month for which premium payment is made on the Insured Person's behalf;
(6) the end of the period for which the last required premium has been paid;
(7) with respect to any particular insurance benefit, the date the portion of this Policy providing that benefit terminates;
(8) the date the Insured Person's employment with the Group Policyholder or Participating Employer terminates (unless coverage is continued as provided below); or
(9) the date the Insured Person enters the armed services of any state or country on active duty, except for duty of 30 days or less for training in the Reserves or National Guard. If the Insured Person sends proof of military service, the Company will refund any unearned premium.

Exception - Continuation Rights. Ceasing Active Work results in termination of insurance; but coverage may be continued as follows:

(1) If the Insured Person is disabled due to illness or injury, then coverage may be continued:
   (a) until the Person is no longer disabled; or, for life insurance, until qualified for the Extension of Death Benefit under this Policy;
   (b) provided premium payments are made on his or her behalf.

   Throughout the period of continued coverage, the disabled Insured Person will be required to pay the Employer the premium which he or she would have been required to pay as an Active Employee.
(2) If the Insured Person ceases work due to a temporary lay off, an approved leave of absence, or a military leave, then coverage may be continued:
   (a) for three Insurance Months after the lay off or leave begins;
   (b) provided premium payments are made on his or her behalf.

If Personal Life Insurance ceases for any reason **except** nonpayment of premium, it may be possible to purchase an individual life policy. See the Conversion Privilege section of this Policy.

PREMIUMS AND PREMIUM RATES

PAYMENT OF PREMIUMS. No coverage provided by this Policy will be in effect until the first premium for such coverage is paid. For coverage to remain in effect, each subsequent premium must be paid on or before its due date. The Group Policyholder is responsible for paying all premiums as they become due. Premiums are payable on or before their due dates at the Company's Group Insurance Service Office. The premium must be paid in U.S. dollars.

PREMIUM RATE CHANGE. The Company may change any premium rate on any of the following dates:

(1) the date this Policy's terms are changed;
(2) the date the Company's liability is changed due to a change in federal, state or local law;
(3) the date the Group Policyholder (or any covered division, subsidiary or affiliated company) relocates, dissolves or merges, or is added to or removed from this Policy;
(4) the date any coverage for one or more classes ceases to be provided under this Policy;
(5) the date the number of Insured Persons changes by 25% or more from the enrollment on the date this Policy took effect, or the most recent Rate Guarantee Date expired, if later; or
(6) on any premium due date on or after this Policy's first anniversary, or any later rate guarantee date agreed upon by the Company.

Unless the Company and the Group Policyholder agree otherwise, the Company will give at least 45 days' advance written notice of any increase in premium rates.

PREMIUM AMOUNT. The amount of premium due on each due date will be the sum of the products obtained by multiplying each rate shown in the Premium Rate Schedule by the amount of insurance to which the rate applies.

Premium adjustments will not be pro-rated daily. Instead, premium will be adjusted as follows.

(1) When an Insured Person's insurance or increase takes effect, premium will be charged from the monthly due date coinciding with or next following that change.
(2) When all or part of an Insured Person's insurance terminates, the applicable premium will cease on the monthly due date coinciding with or next following that termination.
(3) When premiums are paid other than monthly, increases or decreases will result in adjustment from the premium due date coinciding with or next following that change.

The above manner of charging premium is for accounting purposes only. It will not extend coverage beyond a date it would have otherwise terminated. Each premium payment will include any adjustments in past premiums, which are needed due to changes that have not yet been taken into account. If a premium adjustment involves a return of unearned premium, the refund will be limited to the prior 12-month period.

NOTICE TO CERTIFICATE HOLDERS. If an Insured Person is required to make contributions for some or all of his or her insurance provided under this Policy, the Group Policyholder must inform the Insured Person of the amount of any contribution when he or she enrolls. In the event the premium rates under this Policy increase:

(a) the Company will give the Group Policyholder at least 45 days' advance written notice of such increase, as stated above; and
(b) the Group Policyholder must inform the Insured Person within 31 days of the date such increase takes effect, if it affects the amount the Insured Person pays toward the cost of the coverage.

PREMIUM RATE SCHEDULE

Monthly Group Life Rate	$.30 per $1,000 of insurance

NOTICE: The Group Life Rate shown above is based partly upon the attained ages of the group members and will increase with their advancing ages.

PREMIUMS AND PREMIUM RATES FOR ACCIDENTAL DEATH AND DISMEMBERMENT

PAYMENT OF PREMIUMS. No Accidental Death and Dismemberment coverage provided by this Policy will be in effect until the first premium for such coverage is paid. For coverage to remain in effect, each subsequent premium must be paid on or before its due date. The Group Policyholder is responsible for paying all premiums as they become due. Premiums are payable on or before their due dates at the Company's Group Insurance Service Office. The premium must be paid in U.S. dollars.

PREMIUM RATE CHANGE. The Company may change any premium rate on any of the following dates:

(1) the date this Policy's terms are changed;
(2) the date the Company's liability is changed due to a change in federal, state or local law;
(3) the date the Group Policyholder (or any covered division, subsidiary or affiliated company) relocates, dissolves or merges, or is added to or removed from this Policy;
(4) the date any coverage for one or more classes ceases to be provided under this Policy;
(5) the date the number of Insured Persons changes by 25% or more from the enrollment on the date this Policy took effect, or the most recent Rate Guarantee Date expired, if later; or
(6) on any premium due date on or after this Policy's first anniversary, or any later rate guarantee date agreed upon by the Company.

Unless the Company and the Group Policyholder agree otherwise, the Company will give at least 45 days' advance written notice of any increase in premium rates.

PREMIUM AMOUNT. The amount of premium due on each due date will be the sum of the products obtained by multiplying each rate shown in the Premium Rate Schedule by the amount of insurance to which the rate applies.

Premium adjustments will not be pro-rated daily. Instead, premium will be adjusted as follows.

(1) When an Insured Person's insurance or increase takes effect, premium will be charged from the monthly due date coinciding with or next following that change.
(2) When all or part of an Insured Person's insurance terminates, the applicable premium will cease on the monthly due date coinciding with or next following that termination.
(3) When premiums are paid other than monthly, increases or decreases will result in adjustment from the premium due date coinciding with or next following that change.

The above manner of charging premium is for accounting purposes only. It will not extend coverage beyond a date it would have otherwise terminated. Each premium payment will include any adjustments in past premiums, which are needed due to changes that have not yet been taken into account. If a premium adjustment involves a return of unearned premium, the refund will be limited to the prior 12-month period.

NOTICE TO CERTIFICATE HOLDERS. If an Insured Person is required to make contributions for some or all of his or her Accidental Death and Dismemberment insurance provided under this Policy, the Group Policyholder must inform the Insured Person of the amount of any contribution when he or she enrolls. In the event the premium rates under this Policy increase:

(a) the Company will give the Group Policyholder at least 45 days' advance written notice of such increase, as stated above; and
(b) the Group Policyholder must inform the Insured Person within 31 days of the date such increase takes effect, if it affects the amount the Insured Person pays toward the cost of the coverage.

PREMIUM RATE SCHEDULE

Monthly AD&D Rate	.025 per $1,000 of insurance

The above rates are guaranteed until June 1, 2012, unless an exception listed in the Premium Rate Change section applies.

After that, any premium rate change will be as shown in the renewal letter. The Company will send the Group Policyholder a renewal letter prior to each Policy Anniversary.

GRACE PERIOD

A grace period of 31 days from the due date will be allowed for the payment of each premium after the first. This Policy will remain in effect during the grace period; unless the Group Policyholder gives the Company advance written notice of termination. The Group Policyholder will remain liable for payment of a pro rata premium for the time this Policy remained in force during the grace period.

POLICY TERMINATION

TERMINATION BY THE COMPANY. To terminate this Policy, the Company must give the Group Policyholder at least 45 days' advance written notice of its intent to do so. The Company may terminate this Policy coverage on the due date of any premium; if one of the following occurs:

(1) the total number of Insured Persons is less than 10;
(2) all of the premium is paid by the Group Policyholder and enrollment is less than 100% of those eligible for coverage;
(3) part of the premium is paid by Insured Persons and enrollment is less than 75% of those eligible for coverage;
(4) the Group Policyholder, without good cause, fails to:
    (a) promptly furnish any information the Company reasonably requires; or
    (b) perform its duties pertaining to this Policy in good faith;
(5) the Company terminates all other policies where permitted by their terms, which provide the same type of insurance in the same state in which this Policy was issued; or
(6) state law otherwise requires this Policy to be terminated.

TERMINATION BY GROUP POLICYHOLDER. The Group Policyholder may terminate this Policy at any time, by giving the Company advance written notice. Coverage will then terminate:

(1) on the date the Company receives the notice; or
(2) any later date the Group Policyholder and the Company have agreed upon.

The Group Policyholder remains responsible for the payment of premiums to the date of termination.

AUTOMATIC TERMINATION. If any premium remains unpaid at the end of the Grace Period, then this Policy will automatically terminate:

(1) without any action on the Company's part;
(2) at 12:00 midnight on the last day of the Grace Period.

The Company will send the Group Policyholder a written notice of such termination. The Group Policyholder remains responsible for the payment of premiums to the date of termination.

EFFECT ON INCURRED CLAIMS. Termination of this Policy will not affect benefits otherwise payable for a claim incurred while this Policy is in force.

POLICY TERMINATION
(Continued)

NOTICE TO GROUP POLICYHOLDER. If this Policy is to be terminated by the Company for a reason other than nonpayment of premium, the Company will give the Group Policyholder at least 45 days' advance written notice. If this Policy terminates automatically due to nonpayment of premium, the Company will send the notice at the end of the Grace Period.

The Company's notice will include information concerning:

(1) the Company's liability for any claims incurred prior to the termination date;
(2) any continuation rights available to certificate holders; and
(3) the Group Policyholder's duty to notify certificate holders of the termination of Policy coverage and any replacement carrier.

NOTICE TO CERTIFICATE HOLDERS. If the Group Policyholder receives advance written notice of the Company's intent to terminate this Policy, certificate holders must be informed at least 31 days prior to the termination date.

The Group Policyholder's notice to certificate holders should include a copy of the Company's termination notice and the name of any replacement carrier. The Group Policyholder's letter must be:

(1) posted prominently in the work place;
(2) hand delivered or mailed to each certificate holder insured under this Policy; and
(3) mailed to their union representative, if any.

Exception: The above notice is not required if, within 10 days from the receipt of the Company's termination notice, the Group Policyholder:

(1) has taken steps to avoid the termination of Policy coverage; or
(2) has contracted with another insurer to provide similar, continuous coverage to the same group.

The above notice does not replace the Conversion Notice required for life coverage. Please see the Conversion Privilege for notice requirements.

GRACE PERIOD
FOR ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

A grace period of 31 days from the due date will be allowed for the payment of each premium after the first. This Policy coverage will remain in effect during the grace period; unless the Group Policyholder gives the Company advance written notice of termination. The Group Policyholder will remain liable for payment of a pro rata premium for the time this Policy remained in force during the grace period.

POLICY TERMINATION
FOR ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

TERMINATION BY THE COMPANY. To terminate Policy coverage, the Company must give the Group Policyholder at least 45 days' advance written notice of its intent to do so. The Company may terminate this Policy coverage on the due date of any premium; if one of the following occurs:

(1) the total number of Insured Persons is less than 10;
(2) all of the premium is paid by the Group Policyholder and enrollment is less than 100% of those eligible for coverage;
(3) part of the premium is paid by Insured Persons and enrollment is less than 75% of those eligible for coverage;
(4) the Group Policyholder, without good cause, fails to:
    (a) promptly furnish any information the Company reasonably requires; or
    (b) perform its duties pertaining to this Policy in good faith;
(5) the Company terminates all other policies where permitted by their terms, which provide the same type of insurance in the same state in which this Policy was issued; or
(6) state law otherwise requires this Policy to be terminated.

TERMINATION BY GROUP POLICYHOLDER. The Group Policyholder may terminate this Policy coverage at any time, by giving the Company advance written notice. Coverage will then terminate:

(1) on the date the Company receives the notice; or
(2) any later date the Group Policyholder and the Company have agreed upon.

The Group Policyholder remains responsible for the payment of premiums to the date of termination.

AUTOMATIC TERMINATION. If any premium remains unpaid at the end of the Grace Period, then this Policy coverage will automatically terminate:

(1) without any action on the Company's part;
(2) at 12:00 midnight on the last day of the Grace Period.

The Company will send the Group Policyholder a written notice of such termination. The Group Policyholder remains responsible for the payment of premiums to the date of termination.

EFFECT ON INCURRED CLAIMS. Termination of the Accidental Death and Dismemberment coverage will not affect benefits otherwise payable for a claim incurred while this coverage is in force.

POLICY TERMINATION
FOR ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE
(Continued)

NOTICE TO GROUP POLICYHOLDER. If the Accidental Death and Dismemberment coverage is to be terminated by the Company for a reason other than nonpayment of premium, the Company will give the Group Policyholder at least 45 days' advance written notice. If this Policy coverage terminates automatically due to nonpayment of premium, the Company will send the notice at the end of the Grace Period.

The Company's notice will include information concerning:

(1) the Company's liability for any claims incurred prior to the termination date;
(2) any continuation rights available to certificate holders; and
(3) the Group Policyholder's duty to notify certificate holders of the termination of Policy coverage and any replacement carrier.

NOTICE TO CERTIFICATE HOLDERS. If the Group Policyholder receives advance written notice of the Company's intent to terminate the Accidental Death and Dismemberment coverage, certificate holders must be informed at least 31 days prior to the termination date.

The Group Policyholder's notice to certificate holders should include a copy of the Company's termination notice and the name of any replacement carrier. The Group Policyholder's letter must be:

(1) posted prominently in the work place;
(2) hand delivered or mailed to each certificate holder insured under this Policy; and
(3) mailed to their union representative, if any.

Exception: The above notice is not required if, within 10 days from the receipt of the Company's termination notice, the Group Policyholder:

(1) has taken steps to avoid the termination of Policy coverage; or
(2) has contracted with another insurer to provide similar, continuous coverage to the same group.

When contracting to provide replacement accident coverage, the Group Policyholder must file an affidavit to that effect with the New York Commissioner of Labor and Superintendent of Insurance.

BENEFICIARY

PAYMENTS TO BENEFICIARY. At an Insured Person's death, the amount of his or her Personal Life Insurance will be paid to the surviving Beneficiary. There may be more than one surviving Beneficiary. In that event, they will share equally unless the Insured Person's Beneficiary designation states otherwise.

NO BENEFICIARY AT DEATH. If the Insured Person has not named a Beneficiary, or if no named Beneficiary survives the Insured Person; then payment will be made to that Insured Person's:

(1) surviving spouse; or, if none
(2) surviving child or children in equal shares; or, if none
(3) surviving parent or parents in equal shares; or, if none
(4) surviving brothers and sisters in equal shares; or, if none
(5) estate, or in accord with the Facility of Payment section of this Policy.

The amount payable to anyone shown above will be reduced by any amount paid in accord with the Facility of Payment section.

In determining who is to receive payment, the Company may rely upon an affidavit by a member of the class of relatives to receive payment. The Company will make payment based upon the affidavit it has, unless it receives notice of a valid claim by some other person:

(1) at its Group Insurance Service Office;
(2) before paying the proceeds.

Such payment will release the Company from any further obligation for the Insured Person's life insurance benefit.

If an Insured Person's named Beneficiary dies:

(1) within 15 days of the Insured Person's death; and
(2) before the Company receives satisfactory proof of the Insured Person's death;

then payment will be made as if the Insured Person had survived that Beneficiary, unless other provisions have been made.

NAMING THE BENEFICIARY. An Insured Person's Beneficiary will be as shown on his or her enrollment card, unless changed. The Beneficiary shall not be the Group Policyholder or its official, representative, trustee or agent. The Beneficiary's consent is not required:

(1) to change the Beneficiary under this Policy; unless an irrevocable Beneficiary has been named; or
(2) to change the terms of this Policy or the Insured Person's certificate.

This Policy may replace a group policy providing similar coverages. In that event, the Beneficiary which the Insured Person named under the prior policy will be the Beneficiary under this Policy, until changed.

CHANGING THE BENEFICIARY. Only the Insured Person, or his or her assignee, may change the Beneficiary. A new Beneficiary may be named by filing a written notice of the change with the Company, on a form it approves, at its Group Insurance Service Office. The change:

(1) will take effect as of the date it was signed, even if the Insured Person is not alive when it is received; but
(2) will not apply to any payment the Company makes before receiving notice of the change.

When applying for a conversion policy under the Conversion Privilege Section, an Insured Person must name a Beneficiary. The Beneficiary named for the conversion policy may be someone other than the person named under this Policy. In that event, the application for the conversion policy will be treated as a written notice of change of Beneficiary.

FACILITY OF PAYMENT

All or part of Policy benefits may become payable to an Insured Person's estate when:
(1) there is no surviving Beneficiary to receive such benefits; or
(2) the Beneficiary is a minor or other person who is not considered competent to give a valid release.

In that event, the Company has the option to pay one or more of the following:
(1) the Insured Person's surviving spouse, parent(s), child or children; or
(2) the Insured Person's surviving brother(s) or sister(s).

No payment made under this section may exceed $500. Any payment made in good faith under this section will fully discharge the Company to the extent of the payment. Any remaining amount of benefit will be paid as shown in the Beneficiary section.

DEATH BENEFIT

AMOUNT PAYABLE ON DEATH. Upon receipt of satisfactory proof of an Insured Person's death, the Company will pay a death benefit equal to the amount of Personal Life Insurance in effect on the date of death. This amount is shown in the Schedule of Insurance. The benefit will be paid as shown in the Beneficiary, Facility of Payment, and Settlement Options sections.

ASSIGNMENT. The Company will accept the absolute assignment of an Insured Person's Personal Life Insurance to a third party, either as a gift or a viatical assignment. Such an assignment transfers all rights under this Policy, including the rights to:
(1) name and change the Beneficiary, unless an irrevocable Beneficiary has been named;
(2) pay the required premiums; and
(3) obtain an individual policy, by exercising the Conversion Privilege under this Policy.

However, the Company will not accept a collateral assignment in connection with a debt, or an assignment of any Dependents Life Insurance under this Policy.

To be binding upon the Company, an assignment must:
(1) be in a form acceptable to the Company;
(2) be filed at the Company's Group Insurance Service Office (or other office designated by the Company); and
(3) be accepted in writing by the Company.

The assignment:
(1) will take effect as of the date it was signed, even if the Insured Person is not alive when it is received; and
(2) will not apply to any payment the Company makes before receiving the Insured Person's notice of the assignment.

The Company assumes no obligation as to the validity of any assignment.

SETTLEMENT OPTIONS

INSTALLMENTS. All or part of the death benefit may be received in installments, by making written election to the Company.

ELECTION. While living, an Insured Person may direct the Company to pay the death benefit in installments. If no such direction is in effect at the time of the Insured Person's death, the Beneficiary may make such an election.

CONDITIONS. Any election, whether by an Insured Person or a Beneficiary, must comply with the Company's practices at the time it is made. The amount applied under a settlement option must be at least $2,000. It must be sufficient to provide a payment of at least $20 per month.

EXTENSION OF DEATH BENEFIT

BENEFIT. Life insurance will be continued, without payment of premiums, for an Insured Person who:
(1) incurs a Permanent Total Disability while insured under this Policy and before reaching age 60;
(2) sends the Company written notice during the period of disability, while living; and
(3) submits satisfactory proof of Permanent Total Disability:
  (a) within the 7th through the 12th months of disability; or
  (b) as soon as reasonably possible after that.

Failure to give notice or submit proof by the end of the 12th month of such disability will not invalidate or reduce a claim, if proof is furnished:
(1) as soon as reasonably possible; and
(2) not later than the end of the 24th month of disability (unless the Insured Person lacked legal capacity).

"Permanent Total Disability" means that due to a sickness or injury the Insured Person:
(1) is unable to engage in any employment or occupation for which he or she is or becomes qualified by reason of education, training or experience;
(2) remains continuously unable to do so for at least 6 months in a row; and
(3) does not engage in any gainful employment or occupation during that period.

PREMIUM PAYMENT. Premium payments must continue until:
(1) the day the Insured Person is approved for this Extension of Death Benefit; or
(2) the day this Policy terminates (whichever occurs first).

Upon receipt of satisfactory proof, the Company will refund up to 12 months' premium paid for the Insured Person's life insurance, from the 1st day of Permanent Total Disability.

AMOUNT CONTINUED. The amount of Personal Life Insurance and any Dependent Life Insurance continued by this section:
(1) will be the amount in effect on the day the Insured Person's Permanent Total Disability begins; and
(2) will be subject to the reductions and terminations in effect under this Policy on that day.

If the Insured Person receives an Accelerated Death Benefit, the amount will be reduced in accord with that provision. Any Accidental Death and Dismemberment Benefit will not be continued.

ADDITIONAL PROOF. At any time during this continuation, the Company may require the Insured Person:
(1) to submit further proof of his or her continued Permanent Total Disability; and
(2) to be examined by a Physician of the Company's choice, as often as reasonably necessary.

After the first two years of Permanent Total Disability, the Company will not request proof or an exam more than once a year. Proof will be at the Insured Person's expense.

Exception: If the Company requests an exam by a Physician of its choice, the exam will be at the Company's expense.

When an Insured Person dies after submitting proof, further proof must be submitted to the Company showing that the Permanent Total Disability continued until death.

When an Insured Person dies within 12 months after Permanent Total Disability begins, but before submitting proof:
(1) his or her death benefit will still be paid under the terms of this Policy; but
(2) the Company must first receive satisfactory proof that the Permanent Total Disability continued from the last day of Active Work until the date of death.

EXTENSION OF DEATH BENEFIT
(Continued)

TERMINATION. Any life insurance extended under this section will automatically terminate on the earliest of:

(1) the day the Insured Person's Permanent Total Disability ends;
(2) the day the Insured Person fails to take a required medical examination;
(3) the 60th day after the Company mails a request for additional proof, if it is not given;
(4) the effective date of the Insured Person's individual conversion policy, with respect to any amount of life insurance converted in accord with the Conversion Privilege section; or
(5) the day the Insured Person reaches Social Security Normal Retirement Age (SSNRA), as shown in the Schedule of Insurance.

RIGHTS AFTER TERMINATION. If any life insurance extended under this section ends, and the Insured Person **does not return** to a class eligible for Policy coverage, then he or she may exercise the Conversion Privilege. To do so, he or she must make written application and the first premium payment within 31 days after the Permanent Total Disability ends. The applicant may elect term life insurance for a one-year period, prior to the issuance of a term life or whole life conversion policy. See the Conversion Privilege, Conditions 1, 2 and 3, for details.

If the Permanent Total Disability ends, and the Insured Person **does return** to an eligible class, then:

(1) his or her Policy coverage will resume when premium payments are resumed; and
(2) any conversion policy is surrendered as provided below.

CONVERSION POLICIES. If the Insured Person or Dependent has exercised the Conversion Privilege, and the benefits payable under this Policy and the conversion policy combined would exceed:

(1) the Insured Person's or Dependent's original amount of Policy coverage prior to the conversion; or
(2) any greater amount for which he or she later becomes insured under this Policy;

then benefits will be payable under the terms of this Policy.

However:

(1) the conversion policy must first be surrendered to the Company; and
(2) no claim may be made under the conversion policy, except for refund of premium less any dividends and policy loans.

ACCELERATED DEATH BENEFIT
(Living Benefit)

BENEFIT. The Accelerated Death Benefit (also called a Living Benefit) is an advance payment of part of the Insured Person's Personal Life Insurance. It may be paid to an Insured Person who has been diagnosed by a Physician as Terminally Ill, in a lump sum, once during his or her lifetime. To qualify, the Insured Person must:

(1) have satisfied the Active Work requirement under this Policy; and
(2) have at least $2,000 of Personal Life Insurance under this Policy on the day before the Living Benefit is paid.

Receiving the Living Benefit will reduce the Remaining Life Insurance and the Death Benefit payable at the Insured Person's death, as shown on the next page.

DEFINITIONS. "Remaining Life Insurance" means the amount of Personal Life Insurance which remains in force on the Insured Person's life after a Living Benefit is paid.

"Terminally Ill" means the Insured Person has a medical condition which is expected to result in death within 12 months.

APPLYING FOR THE LIVING BENEFIT. To withdraw the Living Benefit, the Insured Person (or his or her legal representative) must send the Company:

(1) written election of the Living Benefit, on a special claim form which the Company supplied within the prior 30 days; and
(2) satisfactory proof that the Insured Person is Terminally Ill, including a Physician's written statement.

Within five days of receiving the claim form, the Company will send the Insured Person a written notice showing:

(1) the amount of the Living Benefit which is requested, and the amount to be paid in cash;
(2) the amount of Life Insurance which would be payable at death, if no Living Benefit is withdrawn;
(3) the Remaining Life Insurance which would be payable at death, after the requested Living Benefit is withdrawn; and
(4) the effect upon premium payments for the Remaining Life Insurance.

Before making payment, the Company will allow the Insured Person at least 14 days to review this information. The Insured Person may revoke the request to withdraw the Living Benefit, at any time before the Company makes payment.

The Company reserves the right to decide whether the proof is satisfactory. The Company may have the Insured Person examined, at its own expense, by one or more Physicians of its choice.

AMOUNT OF THE LIVING BENEFIT. The Insured Person may elect to withdraw a Living Benefit in any $1,000 increment. The amount is subject to:

(1) a minimum of $50,000 or 25% of the Insured Person's amount of Personal Life Insurance (whichever is less); and
(2) a maximum of $250,000 or 75% of the Insured Person's amount of Personal Life Insurance (whichever is less).

To determine the Living Benefit, the Company will use the Insured Person's amount of Personal Life Insurance in force on the day before payment is made.

Exception: Personal Life Insurance may be scheduled to reduce within 12 months of the date the Insured Person applies for a Living Benefit. In that event, the Company will use the reduced amount.

CONDITIONS. The Living Benefit is available only on the Personal Life Insurance in force under this Policy. It is not available:

(1) on any Dependent Life Insurance under this Policy; or
(2) on any conversion coverage purchased in accord with the Conversion Privilege.

ACCELERATED DEATH BENEFIT
(Continued)

The Living Benefit is available only to the Insured Person. It will not be paid when the Company knows of a third party's interest in the proceeds. The Living Benefit will not be available when any part of the Personal Life Insurance must be paid:

(1) to the Insured Person's child, spouse or former spouse;
(2) pursuant to a legal separation agreement, divorce decree, child support order or other court order.

The Insured Person may have named an irrevocable beneficiary, assigned coverage, or filed for bankruptcy. In that event, a Living Benefit will be paid only with the written consent of the beneficiary, the assignee, or the bankruptcy court.

EFFECT ON AMOUNT OF LIFE INSURANCE. After a Living Benefit is paid, the Remaining Life Insurance in force on the Insured Person's life will equal:

(1) the amount of the Insured Person's Personal Life Insurance in effect on the day before the Living Benefit is paid; minus
(2) any reduction scheduled to take effect within 12 months of the request for a Living Benefit; minus
(3) the amount of the Living Benefit withdrawn.

Upon payment of a Living Benefit, the Company will issue a new Certificate or amendment, showing the amount of Remaining Life Insurance. This amount will remain in effect:

(1) subject to timely payment of premiums; unless the Insured Person has qualified for an Extension of Death Benefit under this Policy; and
(2) subject to any age reduction or termination provisions contained in this Policy.

The Insured Person may exercise the Conversion Privilege after a Living Benefit is paid. In that case, the amount of the conversion policy will not exceed the amount of his or her Remaining Life Insurance.

The Insured Person may have Accidental Death and Dismemberment benefits under this Policy. In that case, the Principal Sum will not be affected by the payment of a Living Benefit.

EFFECT ON DEATH BENEFIT. When the Insured Person dies after receiving a Living Benefit, the amount of Remaining Life Insurance in force on the date of death will be paid as a Death Benefit. Payment will be made in accord with the Beneficiary section of this Policy.

If the Insured Person dies after applying for a Living Benefit, but before the Company has made payment, then:

(1) the request will be void; and
(2) no Living Benefit will be paid.

The amount of Personal Life Insurance in force on the date of death will be paid in accord with the Beneficiary section of this Policy.

EFFECT ON TAXES AND GOVERNMENT BENEFITS. Any Living Benefit amount withdrawn may be taxable income to the Insured Person. Receipt of the Living Benefit may also affect the Insured Person's eligibility for:

(1) Medicaid;
(2) Aid to Families with Dependent Children;
(3) Supplemental Security Income; and
(4) other government benefits.

But no health care facility, as defined in Section 20 of New York Public Health Law, can require a person to withdraw a Living Benefit as a condition of receiving health care there. For these reasons, the Insured Person should consult a qualified tax or legal advisor, or any appropriate social service agency, before withdrawing a Living Benefit. The Company is not responsible for any tax owed or government benefit denied, as a result of the Living Benefit payment.

LIMITATION. No Living Benefit will be paid if the Insured Person is Terminally Ill due to:

(1) a suicide attempt, during the first two years of coverage under this Policy; or
(2) an intentionally self-inflicted injury.

CONVERSION PRIVILEGE

GENERAL BENEFIT. An individual life policy, known as a conversion policy, may be purchased from the Company without evidence of insurability, if all or part of the Insured Person's life insurance under this Policy terminates because of:

(1) the Insured Person's termination of employment or membership in an eligible class;
(2) a reduction in the amount of coverage due to age; a change in class; or a Policy amendment, to take effect immediately or at any later date; or
(3) termination of this Policy.

At the Insured Person's option, the conversion policy or policies will cover any Dependents whose Policy coverage was terminated or reduced due to one of the above events. A conversion policy will also be available to any Dependents whose life insurance under this Policy is terminated or reduced due to:

(1) the Insured Person's death, divorce or annulment; or
(2) a Dependent child's ceasing to be an eligible dependent.

To purchase a conversion policy, the Insured Person or Dependent must make written application and the first premium payment. This must be done within 31 days after life insurance is terminated or reduced.

EFFECTIVE DATES. The coverage provided by an individual conversion policy issued under this Section will take effect immediately upon termination of the person's group insurance under this Policy.

CONDITIONS

1. **Conversion Policy.** Any policy issued under this Conversion Privilege will:
   (a) be for an amount that does not exceed the amount of life insurance which was terminated or by which life insurance was reduced, less any Replacement Coverage (defined below);
   (b) be on any life insurance form then issued by the Company, at the age and amount for which application is made (except **term** life insurance is available only as provided below);
   (c) be issued without disability or other supplemental benefits; and
   (d) require premiums based on the class of risk to which the person then belongs, and the form and amount of the policy at his or her attained age.

   "Replacement Coverage," as used in this section, means any amount of group term life insurance for which the Insured Person becomes eligible:
   (a) under any group policy issued or reinstated by the Company or any other insurer;
   (b) within 45 days after this Policy is terminated by the Group Policyholder or the Company.

2. **Term Life Insurance for One Year.** A conversion policy may be issued for a reason other than the Insured Person's termination of employment or membership due to Permanent Total Disability. In that case, the applicant may elect:
   (a) term life insurance for a one-year period;
   (b) prior to the issuance of a whole life conversion policy as described above.

3. **Term Life Insurance for Longer Period.** A conversion policy may be issued because of the Insured Person's termination of employment or membership due to Permanent Total Disability. In that case, the applicant may elect:
   (a) term life insurance for a one-year period;
   (b) prior to the issuance of a term life or whole life conversion policy as described above.

   To qualify for a term life conversion policy, the Insured Person must send the Company written notice during the period of disability, while living. He or she must furnish satisfactory proof of Permanent Total Disability:
   (a) within the 7th through the 12th months of such disability; or
   (b) as soon as reasonably possible after that.

Failure to give notice or furnish proof by the end of the 12th month of such disability will not invalidate or reduce a claim, if proof is furnished:
(a) as soon as reasonably possible; and
(b) not later than the end of the 24th month of disability (unless the Insured Person lacks legal capacity).

"Permanent Total Disability" means that due to a sickness or injury the Insured Person:
(a) is unable to engage in any employment or occupation for which he or she is or becomes qualified by reason of education, training or experience;
(b) remains continuously unable to do so for at least 12 months in a row; and
(c) does not engage in any gainful employment or occupation during that period.

4. **Premium Mode.** At the Insured Person's or Dependent's option, the premium for the conversion policy or term life insurance policy will be payable in any mode the Company customarily offers under the policy selected.

5. **Contestable Period.** The Insured Person may have made a statement regarding insurability under this group Policy. If so, that statement may be used:
(a) to contest the validity of the individual conversion policy; but only
(b) to the extent it could have been used to contest the validity of that person's coverage under this group Policy, had it remained in effect.

6. **Suicide Exclusion.** The individual conversion policy may contain a suicide exclusion. If so, it will cease to apply two years after the date that person became insured under this group Policy.

NOTICE OF CONVERSION PRIVILEGE. When an Insured Person's Personal Insurance terminates or reduces for a reason entitling him or her to convert, written notice of the right to convert is to be:
(1) given personally to the Insured Person; or
(2) mailed by the Group Policyholder to the Insured Person, at his or her last known address.

This written notice is to be given within 15 days before or after the termination or reduction of Policy coverage. If the written notice is not given on time, the 31-day conversion period will be extended as follows.
(1) If the written notice is given more than 15 days but less than 90 days after the termination or reduction, the conversion period will be extended to the 45th day following the date of the notice.
(2) If the written notice is not given within 90 days after the termination or reduction, the conversion period will end on the 90th day following the termination or reduction.

DEATH DURING CONVERSION PERIOD. The Company will pay a death benefit under this Policy, if the Insured Person:
(1) is entitled to purchase a conversion policy; and
(2) dies within the applicable 31, 45 or 90-day conversion period shown above.

This death benefit will equal the amount of the life insurance which could have been converted. It will be paid even if no one applied for the conversion policy. If the first premium was paid for the conversion policy, then:
(1) the amount of the premium will be refunded; and
(2) the conversion policy will be void.

CLAIMS PROCEDURES
FOR LIFE BENEFITS

NOTE: This Policy may include an Extension of Death Benefit or an Accelerated Death Benefit. If so, please refer to that section for special claim procedures.

CLAIM FORMS. When notice of claim is received, the Company will send claim forms for filing the required proof. If the Company does not send the forms within 15 days, the Insured Person or Beneficiary (the claimant) may send the Company written proof of claim in a letter. It should state the nature, date and cause of the loss.

PROOF OF CLAIM. Proof of claim must be provided at the claimant's own expense. It must show the nature, date and cause of death. Documentation must include:

(1) a certified copy of the death certificate, for proof of death;
(2) a signed authorization for the Company to obtain more information; and
(3) any other items the Company may reasonably require in support of the claim.

EXAM OR AUTOPSY. At anytime while a claim is pending, the Company may have the Insured Person examined:

(1) by a Physician of the Company's choice;
(2) as often as reasonably required.

The Company may delay benefits until an exam is completed, if:

(1) the Insured Person fails to cooperate with an examiner, fails to take an exam, or delays an exam scheduled by the Company; and
(2) the Company determines that the failure or delay is without good cause.

In case of death, the Company may also have an autopsy done, where it is not forbidden by law. Any such exam or autopsy will be at the Company's expense.

TIME OF PAYMENT OF CLAIMS. Any benefits payable under this Policy will be paid immediately after the Company receives complete proof of claim and confirms liability.

TO WHOM PAYABLE. Any benefits payable for the Insured Person's death will be paid in accord with the Beneficiary, Facility of Payment, and Settlement Options sections of this Policy.

This Policy may include Dependent Life Insurance. If so, any benefits payable for an insured Dependent's death will be paid to:

(1) the Insured Person, if he or she survives that Dependent; or
(2) the Insured Person's Beneficiary or in accord with the Facility of Payment section, if the Insured Person does not survive that Dependent.

NOTICE OF CLAIM DECISION. The Company will send the claimant a written notice of its claim decision. If the Company denies any part of the claim, the written notice will:

(1) explain the reason for the denial, under the terms of this Policy and any internal guidelines;
(2) inform the claimant of the right to request a review of the Company's decision, and the procedure and time limit for doing so; and
(3) describe any additional information or items needed to support the claim.

If reasonably possible, the Company will send this notice within:

(1) 90 days after receiving the first proof of a death claim; or
(2) 45 days after receiving the first proof of a claim for any Extension of Death Benefit or Accelerated Death Benefit available under this Policy.

CLAIMS PROCEDURES
(Continued)

Delay Notice. If the Company needs more time to process a claim, due to special circumstances, an extension will be permitted. If needed, the Company will send the claimant a written delay notice:

(1) by the 15th day after receiving the first proof of claim; and
(2) every 30 days after that, until the claim is resolved.

The notice will explain:

(1) the special circumstances which require the delay; and
(2) when a decision can be expected.

In any event, the Company must send written notice of its decision within:

(1) 180 days after receiving the first proof of a death claim; or
(2) 105 days after receiving the first proof of a claim for any Extension of Death Benefit or Accelerated Death Benefit available under this Policy.

If the Company fails to do so, there is a right to an immediate review, as if the claim was denied.

Exception: If the Company needs more information from the claimant to process a claim, it must be supplied within 45 days after the Company requests it. The resulting delay will not count towards the above time periods for claim processing.

REVIEW PROCEDURE. The claimant may request a claim review, within:

(1) 60 days after receiving a denial notice of a death or dismemberment claim; or
(2) 180 days after receiving a denial notice of a claim for any Extension of Death Benefit or Accelerated Death Benefit available under this Policy.

To request a review, the claimant must send the Company:

(1) a written request; and
(2) any written comments or other items to support the claim.

Notice of Decision. The Company will review the claim and send the claimant a written notice of its decision. The notice will explain the reasons for the Company's decision, under the terms of this Policy and any internal guidelines. If the Company upholds the denial of all or part of the claim, the notice will also describe:

(1) any further appeal procedures available under this Policy;
(2) the claimant's right to access relevant claim information; and
(3) the right to bring legal action.

For a death claim, the notice will be sent:

(1) within 60 days after the Company receives the request for review; or
(2) within 120 days, if a special case requires more time.

For a claim for any Extension of Death Benefit or Accelerated Death Benefit available under this Policy, the notice will be sent:

(1) within 45 days after the Company receives the request for review; or
(2) within 90 days, if a special case requires more time.

Delay Notice. If the Company needs more time to process an appeal, in a special case, it will send the claimant a written delay notice by the 30th day after receiving the request for review. The notice will explain:

(1) the special circumstances which require the delay;
(2) whether more information is needed to review the claim; and
(3) when a decision can be expected.

Exception: The Company may need more information from the claimant to process an appeal. If so, it must be supplied within 45 days after the Company requests it. The resulting delay will not count towards the above time periods for appeal processing.

Claims Subject to ERISA (Employee Retirement Income Security Act of 1974). Before bringing a civil legal action under the federal labor law known as ERISA, an employee benefit plan participant or beneficiary must exhaust available administrative remedies. Under this Policy, the claimant must first seek two administrative reviews of the adverse claim decision, in accord with this provision. After the required reviews:

(1) an ERISA plan participant or beneficiary may bring legal action under Section 502(a) of ERISA; and
(2) the Company will waive any right to assert that he or she failed to exhaust administrative remedies.

RIGHT OF RECOVERY. If benefits have been overpaid on any claim, full reimbursement to the Company is required within 60 days. If reimbursement is not made, the Company has the right to:

(1) reduce future benefits until full reimbursement is made; and
(2) recover such overpayments from the Insured Person or his or her Beneficiary or estate.

Such reimbursement is required whether the overpayment is due to fraud, the Company's error in processing a claim, or any other reason.

LEGAL ACTIONS. No legal action to recover any benefits may be brought until 60 days after the required written proof of claim has been given. No such legal action may be brought more than three years after written proof of claim is required to be given.

CLAIMS PROCEDURES
FOR ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS

NOTICE OF CLAIM. Written notice of an accidental death or dismemberment claim must be given:
(1) within 30 days after the loss occurs; or
(2) as soon as reasonably possible after that.

The notice must be sent to the Company's Group Insurance Service Office. It should include the Insured Person's name and address and the number of this Policy.

Exception: Failure to give notice of claim within the required time period will not invalidate or reduce the claim if it is shown that the notice was furnished as soon as reasonably possible.

CLAIM FORMS. When notice of claim is received, the Company will send claim forms for filing the required proof. If the Company does not send the forms within 15 days, the Insured Person or Beneficiary (the claimant) may send the Company written proof of claim in a letter. It should state the nature, date and cause of the loss.

PROOF OF CLAIM. The Company must be given written proof of an accidental death or dismemberment claim:
(1) within 90 days after the date of the loss; or
(2) as soon as reasonably possible after that.

Proof of claim must be provided at the claimant's own expense. It must show the nature, date and cause of the loss. Documentation must include:
(1) a certified copy of the death certificate, for proof of death;
(2) a copy of any police report, for proof of accidental death or dismemberment;
(3) a signed authorization for the Company to obtain more information; and
(4) any other items the Company may reasonably require in support of the claim.

Exception: Failure to furnish proof of claim within the required time period will not invalidate or reduce the claim if it is shown that the notice was furnished as soon as reasonably possible.

EXAM OR AUTOPSY. At anytime while a claim is pending, the Company may have the Insured Person examined:
(1) by a Physician of the Company's choice;
(2) as often as reasonably required while a claim or appeal is pending.

The Company may delay benefits until an exam is completed, if:
(1) the Insured Person fails to cooperate with an examiner, fails to take an exam, or delays an exam scheduled by the Company; and
(2) the Company determines that the failure or delay is without good cause.

In case of death, the Company may also have an autopsy done, where it is not forbidden by law. Any such exam or autopsy will be at the Company's expense.

TIME OF PAYMENT OF CLAIMS. Any benefits payable under this Policy will be paid immediately after the Company receives complete proof of claim and confirms liability.

TO WHOM PAYABLE. Any benefits payable for the Insured Person's death will be paid to the Insured Person's Beneficiary. Any benefit (other than the Insured Person's death benefit) will be paid to the Insured Person.

Facility of Payment. All or part of the Insured Person's accidental death benefit may become payable to his or her estate when:

(1) there is no surviving Beneficiary to receive such benefit; or
(2) the Beneficiary is a minor or other person who is not considered competent to give a valid release.

In that event, the Company has the option to pay one or more of the following:

(1) the Insured Person's surviving spouse, parent(s), child or children; or
(2) the Insured Person's surviving brother(s) or sister(s).

No payment made under this Facility of Payment section may exceed $500. Any payment made in good faith under this section will fully discharge the Company, to the extent of the payment. Any remaining benefit will remain payable to the Insured Person's estate.

NOTICE OF CLAIM DECISION. The Company will send the claimant a written notice of its claim decision. If the Company denies any part of the claim, the written notice will:

(1) explain the reason for the denial, under the terms of this Policy and any internal guidelines;
(2) inform the claimant of the right to appeal the denial, and the procedure and time limit for doing so; and
(3) describe any additional information or items needed to support the claim.

The claim decision notice will be sent within 15 days after the Company resolves the claim. It will be sent within 60 days after the Company receives the first proof of claim, if reasonably possible.

Delay Notice. The Company may need more than 15 days to process the claim, due to matters beyond its control. If so, an extension will be permitted. In that event, the Company will send the claimant a written delay notice:

(1) by the 15th day after receiving the first proof of claim; and
(2) every 30 days after that, until the claim is resolved.

The notice will explain:

(1) the special circumstances which require the delay; and
(2) when a decision can be expected.

If the claimant does not receive a written decision by the 60th day after the Company receives the first proof of claim, there is a right to an immediate review, as if the claim was denied.

Exception: The Company may need more information from the claimant to process a claim. If so, it must be supplied within 45 days after the Company requests it. The resulting delay will not count towards the above 60-day time limit for claim processing.

REVIEW PROCEDURE. Within 60 days after receiving a denial notice, the claimant may request a claim review by sending the Company:

(1) a written request; and
(2) any written comments or other items to support the claim.

He or she may request certain non-privileged information relating to the request for review.

Notice of Decision. The Company will review the claim and send the claimant a written notice of its decision. The notice will state the reasons for the Company's decision, under the terms of this Policy and any internal guidelines. If the Company upholds the denial of all or part of the claim, the notice will also describe:

(1) any further appeal procedures available under this Policy;
(2) the claimant's right to access relevant claim information; and
(3) the right to bring legal action.

This notice will be sent within 60 days after the Company receives the request for review, if reasonably possible.

Delay Notice. If the Company needs more than 60 days to process an appeal, in a special case, it will send the claimant a written delay notice by the 30th day after receiving the request for review. The notice will explain:

(1) the special circumstances which require the delay;
(2) whether more information is needed to review the claim; and
(3) when a decision can be expected.

Exception: The Company may need more information from the claimant to process an appeal. If so, it must be supplied within 45 days after the Company requests it. The resulting delay will not count towards the above 60-day time limits for appeal processing.

Claims Subject to ERISA (Employee Retirement Income Security Act of 1974). Before bringing a civil legal action under the federal labor law known as ERISA, an employee benefit plan participant or beneficiary must exhaust available administrative remedies. Under this Policy, the claimant must first seek two administrative reviews of the adverse claim decision, in accord with this provision. After the required reviews:

(1) an ERISA plan participant or beneficiary may bring legal action under Section 502(a) of ERISA; and
(2) the Company will waive any right to assert that he or she failed to exhaust administrative remedies.

RIGHT OF RECOVERY. If benefits have been overpaid on any claim, full reimbursement to the Company is required within 60 days. If reimbursement is not made, the Company has the right to:

(1) reduce future benefits until full reimbursement is made; or
(2) recover such overpayments from the Insured Person or his or her Beneficiary or estate.

Such reimbursement is required whether the overpayment is due to fraud, the Company's error in processing a claim, or any other reason.

LEGAL ACTIONS. No legal action to recover any benefits may be brought until 60 days after the required written proof of claim has been given. No such legal action may be brought more than three years after written proof of claim is required to be given.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

BENEFIT. If an Insured Person sustains an accidental bodily injury, and the injury directly causes one of the following losses within 365 days of the date of that injury; then the Company will pay the benefit listed:

LOSS	BENEFIT
Loss of one hand by severance at or above the wrist	One-half the Principal Sum
Loss of one foot by severance at or above the ankle	One-half the Principal Sum
Irrecoverable loss of the sight in one eye	One-half the Principal Sum
Any combination of two or more of the losses listed above	Principal Sum
Loss of life	Principal Sum

The total benefit for all losses resulting from the same accident may not exceed the Principal Sum. The Principal Sum for the Insured Person's classification is shown in the Schedule of Insurance.

TO WHOM PAYABLE. Benefits for loss of life will be paid in accord with the Beneficiary Section. All other benefits will be paid to the Insured Person.

LIMITATIONS. Benefits are not payable for any loss to which a contributing cause is:

(1) suicide, attempted suicide, or intentional self-inflicted injury;
(2) disease, bodily or mental infirmity, or medical or surgical treatment of these;
(3) the Insured Person's participation in a riot;
(4) duty as a member of any military, naval or air force;
(5) war or any act of war, declared or undeclared;
(6) the Insured Person's participation in the commission of a felony;
(7) aviation; except as a fare-paying passenger on a scheduled or charter flight operated by a scheduled airline;
(8) the Insured Person's being under the influence of any narcotic; unless administered on the advice of a Physician; or
(9) the Insured Person's driving a motor vehicle while intoxicated.

"Intoxicated" shall be as defined by the jurisdiction where the accident occurs.

"Narcotic" means any substance which:

(1) is classified as such by the American Psychiatric Association; and
(2) is subject to legal restriction or requires a Physician's written prescription.

The term includes (but is not limited to) cannabis, cocaine, opiates, amphetamines, hallucinogens, sedatives, hypnotics and anxiolytics.

SAFE DRIVER BENEFIT

BENEFIT. If an Insured Person dies as a direct result of a covered auto accident, for which Accidental Death and Dismemberment Benefits are payable; then:

(1) an additional Seat Belt Benefit will be payable, if the Insured Person was wearing a properly fastened seat belt at the time of the accident; and

(2) an additional Air Bag Benefit will be payable, if the auto was equipped with air bag(s).

The Seat Belt Benefit equals $10,000 or 10% of the Principal Sum, whichever is less; and the Air Bag Benefit equals $10,000 or 10% of the Principal Sum, whichever is less. The Seat Belt Benefit and the Air Bag Benefit will not be less than $1,000 per Insured Person. The Principal Sum is the amount payable because of the Insured Person's accidental death.

A copy of the police report must be submitted with the claim. The position of the seat belt or presence of an air bag must be certified by:

(1) the official accident report; or

(2) the coroner, traffic officer or other investigating officer.

Upon receipt of satisfactory written proof, the additional benefit will be paid in accord with the Beneficiary section.

DEFINITIONS. As used in this provision:

"Auto" means a 4-wheel passenger car, station wagon, jeep, pick-up truck or van-type car. It must be licensed for use on public highways. It includes a car owned or leased by the Group Policyholder.

"Intoxicated" shall be defined as by the jurisdiction where the accident occurs.

"Narcotic" means any substance which:

(1) is classified as such by the American Psychiatric Association; and

(2) is subject to legal restriction or requires a Physician's written prescription.

The term includes (but is not limited to) cannabis, cocaine, opiates, amphetamines, hallucinogens, sedatives, hypnotics and anxiolytics.

"Seat Belt" means a properly installed:

(1) seat belt or lap and shoulder restraint; or

(2) other restraint approved by the National Highway Traffic Safety Administration.

LIMITATIONS. Safe Driver Benefits will not be paid if:

(1) the Accidental Death and Dismemberment Benefit is not paid under this Policy for the Insured Person's death;

(2) at the time of the accident, the Insured Person was driving while intoxicated; or

(3) at the time of the accident, the Insured Person was driving under the influence of any narcotic (except when taken on the advice of a Physician).