
LIFE INSURANCE COMPANY OF NORTH AMERICA
1601 CHESTNUT STREET
PHILADELPHIA, PA 19192-2235
(800) 732-1603 TDD (800) 552-5744
A STOCK INSURANCE COMPANY

GROUP POLICY

POLICYHOLDER: Lamoille North Supervisory Union
POLICY NUMBER: FLX-964791
POLICY EFFECTIVE DATE: July 1, 2012
POLICY ANNIVERSARY DATE: July 1

This Policy describes the terms and conditions of coverage. It is issued in Vermont and shall be governed by its laws. The Policy goes into effect on the Policy Effective Date, 12:01 a.m. at the Policyholder's address.

In return for the required premium, the Insurance Company and the Policyholder have agreed to all the terms of this Policy.



Scott Kern, Corporate Secretary



Matthew G. Manders, President

NOTICE

Benefits paid under the Accelerated Benefits provision will reduce the Death Benefit payable for life insurance.

Benefits payable under the Accelerated Benefits provision may be taxable. If so, the Employee or the Employee's beneficiary may incur a tax obligation. As with all tax matters, an Employee should consult with a personal tax advisor to assess the impact of this benefit. Accelerated Benefits are not payable if life insurance coverage under the Policy is not in force.

TL-004788

SCHEDULE OF BENEFITS FOR CLASS 1

Eligibility Waiting Period

The Eligibility Waiting Period is the period of time the Employee must be in Active Service to be eligible for coverage. It will be extended by the number of days the Employee is not in Active Service.

For Employees hired on or
before the Policy Effective Date: After 30 days of Active Service

For Employees hired after
the Policy Effective Date: After 30 days of Active Service

LIFE INSURANCE BENEFITS

Employee Benefits

Amount of Insurance	\$30,000
Guaranteed Issue Amount:	\$30,000
Maximum Benefit:	\$30,000

Age Based Reductions	Life Insurance Benefit for an Employee age 70 and over will reduce to the percentage shown below: 65% of the Life Insurance Benefit at age 70 50% of the Life Insurance Benefit at age 75
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Continuation Options

For Layoff	
Maximum Benefit Period:	12 months

For Leave of Absence	
Maximum Benefit Period:	12 months

For Furlough	
Maximum Benefit Period:	52 weeks

For Family Medical Leave	
Maximum Benefit Period:	12 weeks

"Furlough" means the temporary suspension or alteration of Active Service initiated by the Employer for a period of time specified in advance but not to exceed the Maximum Benefit Period at a time.

For Disability for Employees over Age 60	
Maximum Benefit Period:	6 months
Applicable Coverages:	Life Insurance Benefits for the Employee

Extended Death Benefit with Waiver of Premium	
Extended Death Benefit	
Applicable Coverages	Life Insurance Benefits for the Employee

Waiver of Premium	3 months from the date the Employee's Active Service ends
Waiver Waiting Period	To Age 65
Maximum Benefit Period	Life Insurance Benefits for the Employee
Applicable Coverages	
Portability Options For Employees	See the Former Employee sections in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$22,500.
Former Employee Benefits	
Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to an Employee, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance. Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as an Employee will be effective on the date the Insurance Company agrees in writing to insure him or her. The Maximum Benefit for Life Insurance Benefits is \$50,000.
Maximum Benefit Period	To Age 70
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$22,500.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 2

Eligibility Waiting Period

The Eligibility Waiting Period is the period of time the Employee must be in Active Service to be eligible for coverage. It will be extended by the number of days the Employee is not in Active Service.

For Employees hired on or
before the Policy Effective Date: After 30 days of Active Service

For Employees hired after
the Policy Effective Date: After 30 days of Active Service

LIFE INSURANCE BENEFITS

Employee Benefits

Amount of Insurance	\$50,000
Guaranteed Issue Amount:	\$50,000
Maximum Benefit:	\$50,000

Age Based Reductions	Life Insurance Benefit for an Employee age 70 and over will reduce to the percentage shown below: 65% of the Life Insurance Benefit at age 70 50% of the Life Insurance Benefit at age 75
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Continuation Options

For Layoff	
Maximum Benefit Period:	12 months

For Leave of Absence	
Maximum Benefit Period:	12 months

For Furlough	
Maximum Benefit Period:	52 weeks

For Family Medical Leave	
Maximum Benefit Period:	12 weeks

"Furlough" means the temporary suspension or alteration of Active Service initiated by the Employer for a period of time specified in advance but not to exceed the Maximum Benefit Period at a time.

For Disability for Employees over Age 60	
Maximum Benefit Period:	6 months
Applicable Coverages:	Life Insurance Benefits for the Employee

Extended Death Benefit with Waiver of Premium	
Extended Death Benefit	
Applicable Coverages	Life Insurance Benefits for the Employee

Waiver of Premium	3 months from the date the Employee's Active Service ends
Waiver Waiting Period	To Age 65
Maximum Benefit Period	Life Insurance Benefits for the Employee
Applicable Coverages	
Portability Options For Employees	See the Former Employee sections in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$37,500.
Former Employee Benefits	
Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to an Employee, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance. Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as an Employee will be effective on the date the Insurance Company agrees in writing to insure him or her. The Maximum Benefit for Life Insurance Benefits is \$50,000.
Maximum Benefit Period	To Age 70
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$37,500.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 3

Eligibility Waiting Period

The Eligibility Waiting Period is the period of time the Employee must be in Active Service to be eligible for coverage. It will be extended by the number of days the Employee is not in Active Service.

For Employees hired on or
before the Policy Effective Date: After 30 days of Active Service

For Employees hired after
the Policy Effective Date: After 30 days of Active Service

LIFE INSURANCE BENEFITS

Employee Benefits

Amount of Insurance	\$70,000
Guaranteed Issue Amount:	\$70,000
Maximum Benefit:	\$70,000

Age Based Reductions	Life Insurance Benefit for an Employee age 70 and over will reduce to the percentage shown below: 65% of the Life Insurance Benefit at age 70 50% of the Life Insurance Benefit at age 75
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Continuation Options

For Layoff	
Maximum Benefit Period:	12 months

For Leave of Absence	
Maximum Benefit Period:	12 months

For Furlough	
Maximum Benefit Period:	52 weeks

For Family Medical Leave	
Maximum Benefit Period:	12 weeks

"Furlough" means the temporary suspension or alteration of Active Service initiated by the Employer for a period of time specified in advance but not to exceed the Maximum Benefit Period at a time.

For Disability for Employees over Age 60	
Maximum Benefit Period:	6 months
Applicable Coverages:	Life Insurance Benefits for the Employee

Extended Death Benefit with Waiver of Premium	
Extended Death Benefit	
Applicable Coverages	Life Insurance Benefits for the Employee

Waiver of Premium	3 months from the date the Employee's Active Service ends
Waiver Waiting Period	To Age 65
Maximum Benefit Period	Life Insurance Benefits for the Employee
Applicable Coverages	
Portability Options For Employees	See the Former Employee sections in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$52,500.
Former Employee Benefits	
Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to an Employee, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance. Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as an Employee will be effective on the date the Insurance Company agrees in writing to insure him or her. The Maximum Benefit for Life Insurance Benefits is \$50,000.
Maximum Benefit Period	To Age 70
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$52,500.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 4

Eligibility Waiting Period

The Eligibility Waiting Period is the period of time the Employee must be in Active Service to be eligible for coverage. It will be extended by the number of days the Employee is not in Active Service.

For Employees hired on or
before the Policy Effective Date: After 30 days of Active Service

For Employees hired after
the Policy Effective Date: After 30 days of Active Service

LIFE INSURANCE BENEFITS

Employee Benefits

Amount of Insurance	\$90,000
Guaranteed Issue Amount:	\$90,000
Maximum Benefit:	\$90,000

Age Based Reductions	Life Insurance Benefit for an Employee age 70 and over will reduce to the percentage shown below: 65% of the Life Insurance Benefit at age 70 50% of the Life Insurance Benefit at age 75
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Continuation Options

For Layoff	
Maximum Benefit Period:	12 months

For Leave of Absence	
Maximum Benefit Period:	12 months

For Furlough	
Maximum Benefit Period:	52 weeks

For Family Medical Leave	
Maximum Benefit Period:	12 weeks

"Furlough" means the temporary suspension or alteration of Active Service initiated by the Employer for a period of time specified in advance but not to exceed the Maximum Benefit Period at a time.

For Disability for Employees over Age 60	
Maximum Benefit Period:	6 months
Applicable Coverages:	Life Insurance Benefits for the Employee

Extended Death Benefit with Waiver of Premium	
Extended Death Benefit	
Applicable Coverages	Life Insurance Benefits for the Employee

Waiver of Premium	3 months from the date the Employee's Active Service ends
Waiver Waiting Period	To Age 65
Maximum Benefit Period	Life Insurance Benefits for the Employee
Applicable Coverages	
Portability Options For Employees	See the Former Employee sections in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$67,500.
Former Employee Benefits	
Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to an Employee, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance. Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as an Employee will be effective on the date the Insurance Company agrees in writing to insure him or her. The Maximum Benefit for Life Insurance Benefits is \$50,000.
Maximum Benefit Period	To Age 70
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$67,500.

TL-004774

SCHEDULE OF BENEFITS FOR CLASS 5

Eligibility Waiting Period

The Eligibility Waiting Period is the period of time the Employee must be in Active Service to be eligible for coverage. It will be extended by the number of days the Employee is not in Active Service.

For Employees hired on or
before the Policy Effective Date: After 30 days of Active Service

For Employees hired after
the Policy Effective Date: After 30 days of Active Service

LIFE INSURANCE BENEFITS

Employee Benefits

Amount of Insurance	\$100,000
Guaranteed Issue Amount:	\$100,000
Maximum Benefit:	\$100,000

Age Based Reductions	Life Insurance Benefit for an Employee age 70 and over will reduce to the percentage shown below: 65% of the Life Insurance Benefit at age 70 50% of the Life Insurance Benefit at age 75
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Continuation Options

For Layoff	
Maximum Benefit Period:	12 months

For Leave of Absence	
Maximum Benefit Period:	12 months

For Furlough	
Maximum Benefit Period:	52 weeks

For Family Medical Leave	
Maximum Benefit Period:	12 weeks

"Furlough" means the temporary suspension or alteration of Active Service initiated by the Employer for a period of time specified in advance but not to exceed the Maximum Benefit Period at a time.

For Disability for Employees over Age 60	
Maximum Benefit Period:	6 months
Applicable Coverages:	Life Insurance Benefits for the Employee

Extended Death Benefit with Waiver of Premium

Extended Death Benefit	
Applicable Coverages	Life Insurance Benefits for the Employee

Waiver of Premium	3 months from the date the Employee's Active Service ends
Waiver Waiting Period	To Age 65
Maximum Benefit Period	Life Insurance Benefits for the Employee
Applicable Coverages	
Portability Options	
For Employees	See the Former Employee sections in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$75,000.
Former Employee Benefits	
Amount of Insurance	An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to an Employee, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance.
	Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as an Employee will be effective on the date the Insurance Company agrees in writing to insure him or her.
	The Maximum Benefit for Life Insurance Benefits is \$50,000.
Maximum Benefit Period	To Age 70
Terminal Illness Benefit	75% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of \$75,000.

TL-004774

ELIGIBILITY FOR INSURANCE

Classes of Eligible Persons

A person may be insured only once under the Policy as an Employee, even though he or she may be eligible under more than one class.

Employee

An Employee in one of the Classes of Eligible Employees shown in the Schedule of Benefits is eligible to be insured on the Policy Effective Date or the day after he or she completes the applicable Eligibility Waiting Period, if later. The Eligibility Waiting Period will not apply to an Employee, in Active Service on the Policy Effective Date, who was covered under the Prior Plan and satisfied the Eligibility Waiting Period, if any, of that plan. Credit will be given for any time that was satisfied.

If a person has previously converted his or her insurance under the Policy, he or she will not become eligible until the converted policy is surrendered. This does not apply to any amount of insurance that was previously converted under the Policy due to a reduction in the Employee's Life Insurance Benefits based on age or a change in class unless those conditions no longer affect the amount of coverage available to the Employee.

Except as noted in the Reinstatement Provision, if an Employee terminates coverage and later wishes to reapply, or if a former Employee is rehired, a new Eligibility Waiting Period must be satisfied. An Employee is not required to satisfy a new Eligibility Waiting Period if insurance ends because he or she is no longer in a Class of Eligible Employees, but continues to be employed by the Employer, and within one year becomes a member of an eligible class.

TL-004710

EFFECTIVE DATE OF INSURANCE

An Employee will be insured for an amount not to exceed the Guaranteed Issue Amount on the date he or she becomes eligible, if the Employee is not required to contribute to the cost of this insurance.

If an eligible Employee is not in Active Service on the date insurance would otherwise be effective, it will be effective on the date he or she returns to Active Service.

TL-004712

Takeover Provision

Special Terms Applicable to Previously Insured Employees Not in Active Service

Employees not in Active Service on the Policy Effective Date are not covered under the Policy.

However, the Insurance Company agrees to provide a death benefit equal to the lesser of:

1. the amount due under this Policy (without regard to the Active Service provision), or
2. the amount that would have been due under the Prior Plan had it remained in force.

The benefit amount will be reduced by any amount paid by the Prior Plan, or that would have been paid had this Policy not been issued and had timely filing of the claim been made under the Prior Plan.

These special terms will end on the earliest of the following dates:

1. the date the Employee meets the Active Service requirements;
2. the date insurance terminates for one of the reasons stated in the Termination of Insurance provision;
3. 12 months after the Policy Effective Date; or
4. the last day the Employee would have been covered under the Prior Plan if that plan was still in force.

TL-009020

TERMINATION OF INSURANCE

An Insured's coverage will end on the earliest of the following dates:

1. the date the Employee is eligible for coverage under a plan intended to replace this coverage;
2. the date the Policy is terminated by the Insurance Company;
3. the date the Insured is no longer in an eligible class;
4. the date coinciding with the end of the last period for which premiums are paid;
5. the date an Employee is no longer in Active Service; and
6. for an Employee, the date the Employer cancels participation under the Policy.

TL-004714

CONTINUATION OF INSURANCE

If an Employee is no longer in Active Service, he or she may be eligible to continue insurance. The following provisions explain the continuation options available under the Policy. Please see the Schedule of Benefits to determine the applicability of these benefits on a class level.

Continuation for Layoff, Temporary Leave of Absence, Furlough or Family Medical Leave

If an Employee's Active Service ends due to a layoff, Employer approved unpaid leave of absence, furlough or family medical leave of absence, insurance will continue for up to the Maximum Benefit Period shown in the Schedule of Benefits, if the required premium is paid.

Continuation for Disability for Employees over Age 60

If an Employee becomes Disabled and is age 60 or over, the Life Insurance Benefits shown in the Schedule of Benefits will be continued, provided premiums are paid, until the earlier of the following dates:

1. The date the Employee is no longer Disabled.
2. The date following the Maximum Benefit Period shown in the Schedule of Benefits.
3. The date coinciding with the end of the last period for which premiums are paid.
4. The date the Policy is terminated by the Insurance Company.

Amount of Insurance

If an Employee dies while he or she is Disabled and coverage is continued under this provision, the Insurance Company will pay a Death Benefit equal to the amount in effect on the date the Employee became Disabled. However, the Life Insurance Benefit will be subject to the provisions of the Policy that reduce the coverage amount because of age, retirement, payment of an Accelerated Benefit or a change in class. Automatic increases in Life Insurance Benefits will end while coverage is continued under this provision. The Insurance Company will pay benefits only if due proof of the Employee's continuous Disability is received within one year of the date of the loss.

"Disability"/"Disabled" means because of Injury or Sickness the Employee is unable to perform all the material duties of his or her Regular Occupation; or is receiving disability benefits under the Employer's plan.

"Regular Occupation" means the occupation the Employee routinely performs at the time the Disability begins. The Insurance Company will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

Extended Death Benefit with Waiver of Premium

Extended Death Benefit

If an Employee becomes Disabled and is less than age 60, the Life Insurance Benefits shown in the Schedule of Benefits will be extended without premium payment until the earlier of the following dates:

1. The date the Employee is no longer Disabled; or
2. 12 months after the end of Active Service.

Amount of Insurance

If an Employee dies while he or she is Disabled and coverage is extended under this provision, the Insurance Company will pay a Death Benefit equal to the amount in effect on the date the Employee became Disabled. However, the Life Insurance Benefit will be subject to the provisions of the Policy that reduce the coverage amount because of age, retirement, payment of an Accelerated Benefit or a change in class. Automatic increases in Life Insurance Benefits will end while premiums are waived. The Insurance Company will pay benefits only if due proof of the Employee's continuous Disability is received within one year of the date of the loss.

"Disability"/"Disabled" means because of Injury or Sickness the Employee is unable to perform the material duties of his or her Regular Occupation; or is receiving disability benefits under the Employer's plan.

"Regular Occupation" means the occupation the Employee routinely performs at the time the Disability begins. The Insurance Company will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

Waiver of Premium

If such an Employee submits satisfactory proof that he or she has been continuously Disabled for the Waiver Waiting Period shown in the Schedule of Benefits, coverage will be extended up to the Maximum Benefit Period shown in the Schedule of Benefits.

Such proof must be submitted to the Insurance Company no later than 3 months after the date the Waiver Waiting Period ends. Premiums will be waived from the date the Insurance Company agrees in writing to waive premiums for that Employee.

After premiums have been waived for 12 months, they will be waived for future periods of 12 months, if the Employee remains Disabled and submits satisfactory proof that Disability continues. Satisfactory proof must be submitted to the Insurance Company 3 months before the end of the 12-month period.

Amount of Insurance

If an Employee dies while he or she is Disabled and coverage is continued under this provision, the Insurance Company will pay a Death Benefit equal to the amount in effect on the date the Employee became Disabled. However, the Life Insurance Benefit will be subject to the provisions of the Policy that reduce the coverage amount because of age, retirement, payment of an Accelerated Benefit or a change in class. Automatic increases in Life Insurance Benefits will end while premiums are waived. The Insurance Company will pay benefits only if due proof of the Employee's continuous Disability is received within one year of the date of the loss.

Termination of Waiver

Insurance will end for any Employee whose premiums are waived on the earliest of the following dates.

1. The date he or she is no longer Disabled.
2. The date he or she refuses to submit to any physical examination required by the Insurance Company.
3. The date he or she refuses to participate in a Rehabilitation Plan for which the Insurance Company determines him or her to be eligible.

4. The last day of the 12-month period of Disability during which he or she fails to submit satisfactory proof of continued Disability.
5. The date following the end of the Maximum Benefit Period shown in the Schedule of Benefits.

"Disability/Disabled" means because of Injury or Sickness an Employee is unable to perform the material duties of his or her Regular Occupation, or is receiving disability benefits under the Employer's plan, during the initial 12 months of Disability. Thereafter, the Employee must be unable to perform all of the material duties of any occupation which he or she may reasonably become qualified based on education, training or experience, or is subject to the terms of a Rehabilitation Plan approved by the Insurance Company.

"Regular Occupation" means the occupation the Employee routinely performs at the time the Disability begins. The Insurance Company will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

Rehabilitation During a Period of Disability

If the Insurance Company determines that a Disabled Employee is a suitable candidate for rehabilitation, the Insurance Company may require the Employee to participate in an assessment and Rehabilitation Plan, not to exceed 18 months, at our expense. The Insurance Company has the sole discretion to approve the Employee's participation in a Rehabilitation Plan and to approve a program as a Rehabilitation Plan. If an Employee fails to fully cooperate in all required phases of the Rehabilitation Plan and assessment without Good Cause, insurance under the Policy will end.

"Good Cause" means a medical reason preventing participation, in whole or in part, in the Rehabilitation Plan. Satisfactory proof of Good Cause must be provided to the Insurance Company.

"Rehabilitation Plan" means a written plan designed to enable the Employee to return to work. The Rehabilitation Plan will consist of one or more of the following phases:

1. Rehabilitation, under which the Insurance Company may provide, arrange or authorize educational, vocational or physical rehabilitation or other appropriate services;
2. Work, which may include modified work and work on a Part-time basis.

"Part-time" means regularly working less than the number of full time hours set by the Employer as a regular work day for Employees in an Eligible Class of Employees in the Policy.

TL-009745 as modified by TL-009745-1

Portability Options

For Employees

If an Employee's employment with the Employer ends prior to age 70, he or she may continue Life Insurance Benefits up to the Maximum Benefit shown in the Schedule of Benefits for this option. To continue coverage, the Employee must submit an application to the Insurance Company and pay the required premium. If an Employee does not elect to continue insurance within 31 days after employment ends, he or she may not elect this coverage at a later date.

An Employee who continues coverage in this manner will become a Former Employee. Coverage will be effective on the first of the month following the date the Employee's coverage ends, provided the Insurance Company receives the completed application and the required premium is paid.

Coverage continued in this manner will end on the earliest of the following dates.

1. The date the Insurance Company cancels coverage for all members of the Insured's class.
2. The day after the end of the period for which premiums are paid.
3. The date an Insured is age 70.
4. The date the Maximum Benefit Period for this option ends.

DESCRIPTION OF BENEFITS

The following provisions explain the benefits available under the Policy. Please see the Schedule of Benefits for the applicability of these benefits on a class level.

LIFE INSURANCE BENEFITS

Death Benefit

If an Insured dies, the Insurance Company will pay the Life Insurance Benefit in force for that Insured on the date of his or her death.

TL-004730

Accelerated Benefits

Any benefits payable under this Accelerated Benefits provision will reduce the Death Benefit payable for Life Insurance. Any automatic increases in Life Insurance Benefits will end when benefits are payable under this provision.

Terminal Illness Benefit

The Insurance Company will pay a Terminal Illness Benefit to an Insured who has been determined by the Insurance Company to be Terminally Ill.

The Terminal Illness Benefit is payable only once in an Insured's lifetime.

Determination of Terminal Illness

For the purpose of determining the existence of a Terminal Illness, the Insurance Company will require the Insured submit the following proof.

1. A written diagnosis and prognosis by two Physicians licensed to practice in the United States.
2. Supportive evidence satisfactory to the Insurance Company, including but not limited to radiological, histological or laboratory reports documenting the Terminal Illness.

The Insurance Company may require, at its expense, an examination of the Insured and a review of the documented evidence by a Physician of its choice.

"Terminal Illness" means a person has a prognosis of 12 months or less to live, as diagnosed by a Physician.

TL-004748

Conversion Privilege for Life Insurance

Each Insured may convert all or any portion of his or her Life Insurance that would end under the Policy due to:

1. termination of employment;
2. termination of membership in an eligible class under the Policy;
3. termination of the Policy.

The Insured may apply for any type of life insurance the Insurance Company offers to persons of the same age in the amount applied for, except the Insured may not:

1. choose term insurance;
 2. apply for an amount of insurance greater than the coverage amount terminating under the Policy (also, the conversion policy will not provide accident, disability or other benefits); or
 3. apply for more than \$10,000 of insurance if the Policy is terminated or amended to terminate the insurance for any class of Insureds, or the Employer cancels participation under the Policy.
- Conversion in these cases is only permitted if the Insured has been covered by the Policy or, any group life insurance policy issued to the Employer which the Policy replaced, for at least 3 years.

If the Insured becomes eligible for coverage under any group life policy within 31 days of termination of coverage under this Policy, the Insured may not convert an amount of insurance greater than the amount of coverage terminating under the Policy less the amount for which he or she may be covered under the other policy.

To apply for conversion insurance, the Insured must, within 31 days after coverage under the Policy ends:

1. submit an application to the Insurance Company; and
2. pay the required premium.

Evidence of insurability is not required.

Premium for the conversion insurance will be based on the age and class of risk of the Insured and the type and amount of coverage issued.

If the Insured has assigned ownership of his group coverage, the owner/assignee must apply for the individual policy.

Conversion insurance will become effective on the 31st day after the date coverage under the Policy ends provided the application is received by the Insurance Company and the required premium has been paid.

If the Insured dies during the 31-day conversion period, the Life Insurance benefits will be paid under the Policy regardless of whether he or she applied for conversion insurance. If a conversion policy is issued, it will be in exchange for any further benefits for that type and amount of insurance from this Policy.

Extension of Conversion Period

If an Insured is eligible for conversion insurance and is not notified of this right at least 15 days prior to the end of the 31-day conversion period, the conversion period will be extended. The Insured will have 15 days from the date notice is given to apply for conversion insurance. In no event will the conversion period be extended beyond 90 days. Notice, for the purpose of this section, means written notice presented to the Insured by the Employer or mailed to the Insured's last known address as reported by the Employer.

If the Insured dies during the extended conversion period, but more than 31 days after his or her coverage under the Policy terminates, Life Insurance benefits:

1. will not be paid under the Policy; and
2. will be payable under the conversion insurance; provided:
 - a. the Insured's application for conversion insurance has been received by the Insurance Company; and
 - b. the required premium has been paid.

Prior Conversion Limitation

If an Insured is covered under a life insurance conversion policy previously issued by the Insurance Company, he or she will not be eligible for this Conversion Privilege unless the prior coverage has ended.

CLAIM PROVISIONS

Notice of Claim

Written notice, or notice by any other electronic/telephonic means authorized by the Insurance Company, must be given to the Insurance Company within 31 days after a covered loss occurs or begins or as soon as reasonably possible. If written notice, or notice by any other electronic/telephonic means authorized by the Insurance Company, is not given in that time, the claim will not be invalidated or reduced if it is shown that notice was given as soon as was reasonably possible. Notice can be given at our home office in Philadelphia, Pennsylvania or to our agent. Notice should include the Employer's Name, the Policy Number and the claimant's name and address.

Written notice or any other electronic/telephonic means authorized by the Insurance Company of a diagnosis of a Terminal Illness on which claim is based must be given to us within 60 days after the diagnosis. If notice is not given in that time, the claim will not be invalidated or reduced if it is shown that written notice or any other electronic/telephonic means authorized by the Insurance Company was given as soon as reasonably possible.

Claim Forms

When the Insurance Company receives notice of claim, the Insurance Company will send claim forms for filing proof of loss. If claim forms are not sent within 15 days after notice is received by the Insurance Company, the proof requirements will be met by submitting, within the time required under the "Proof of Loss" section, written proof, or proof by any other electronic/telephonic means authorized by the Insurance Company, of the nature and extent of the loss.

Claimant Cooperation Provision

Failure of a claimant to cooperate with the Insurance Company in the administration of the claim may result in termination 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.

Insurance Data

The Employer is required to cooperate with the Insurance Company in the review of claims and applications for coverage. Any information the Insurance Company provides in these areas is confidential and may not be used or released by the Employer if not permitted by applicable privacy laws.

Proof of Loss

Written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, must be given to the Insurance Company within 90 days after the date of the loss for which a claim is made. If written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, is not given in that 90 day period, the claim will not be invalidated nor reduced if it is shown that it was given as soon as was reasonably possible. In any case, written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, must be given not more than one year after that 90 day period. If written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, is provided outside of these time limits, the claim will be denied. These time limits will not apply while the person making the claim lacks legal capacity.

Written proof, or any other electronic/telephonic means authorized by the Insurance Company, of loss for Accelerated Benefits must be furnished 90 days after the date of diagnosis. This proof must describe the occurrence, character and diagnosis for which claim is made.

In case of claim for any other loss, proof must be furnished within 90 days after the date of such loss.

If it is not reasonably possible to submit proof of loss within these time periods, the Insurance Company will not deny or reduce any claim if proof is furnished as soon as reasonably possible. Proof must, in any case, be furnished not more than a year later, except for lack of legal capacity.

Time of Payment

Benefits due under the Policy for a loss, other than a loss for which the Policy provides installment payments, will be paid immediately upon receipt of due written proof of such loss.

Subject to the receipt of satisfactory written proof of loss, all accrued benefits for loss for which the Policy provides installments will be paid monthly; any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof, unless otherwise stated in the Description of Benefits.

To Whom Payable

Death Benefits will be paid to the Insured's named beneficiary, if any, on file at the time of payment. If there is no named beneficiary or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives: spouse; child or children; mother or father; brothers or sisters; or to the executors or administrators of the Insured's estate. The Insurance Company may reduce the amount payable by any indebtedness due.

All benefits payable under the Accelerated Benefits section are payable to the Insured, if living. If the Insured dies prior to the payment of an eligible claim for an Accelerated Benefit, benefits will be paid in accordance with the provisions applicable to the payment of Life Insurance proceeds, unless the Insured has directed us otherwise in writing. However, any payment made by us prior to notice of the Insured's death shall discharge us of any benefit that was paid.

All other benefits, unless otherwise stated in the Policy, will be payable to the Insured or the certificate owner if other than the Insured.

Any other accrued benefits which are unpaid at the Insured's death may, at the Insurance Company's option, be paid either to the Insured's beneficiary or to the executor or administrator of the Insured's estate.

If there is no beneficiary living on the date of the Insured's death, the Insurance Company may pay up to \$500 to any person whom it believes is equitably entitled by reason of having incurred funeral and other expenses incident to the last illness or death of the Insured. This good faith payment satisfies the Insurance Company's legal duty to the extent of that payment.

Change of Beneficiary

The Insured may change the beneficiary at any time by giving written notice to the Employer or the Insurance Company. The beneficiary's consent is not required for this or any other change which the Insured may make unless the designation of beneficiary is irrevocable.

No change in beneficiary will take effect until the form is received by the Employer or the Insurance Company. When this form is received, it will take effect as of the date of the form. If the Insured dies before the form is received, the Insurance Company will not be liable for any payment that was made before receipt of the form.

Physical Examination and Autopsy

The Insurance Company, at its expense, will have the right to examine any person for whom a claim is pending as often as it may reasonably require. The Insurance Company may, at its expense, require an autopsy unless prohibited by law.

Legal Actions

No action at law or in equity may be brought to recover benefits under the Policy less than 60 days after written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, has been furnished as required by the Policy. No such action shall be brought more than 3 years after the time satisfactory proof of loss is required to be furnished.

Time Limitations

If any time limit stated in the Policy for giving notice of claim or proof of loss, or for bringing any action at law or in equity, is less than that permitted by the law of the state in which the Employee lives when the Policy is issued, then the time limit provided in the Policy is extended to agree with the minimum permitted by the law of that state.

Physician/Patient Relationship

The Insured will have the right to choose any Physician who is practicing legally. The Insurance Company will in no way disturb the Physician/patient relationship.

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ADMINISTRATIVE PROVISIONS

Premiums

The premiums for this Policy will be based on the rates currently in force, the plan and the amount of insurance in effect.

If the Insured's coverage amount is reduced due to acceleration of his or her Death Benefit, his or her premium will be based on the amount of coverage he or she has in force on the day before the reduction took place. If the Insured's coverage amount is reduced due to his or her attained age, premium will be based on the amount of coverage in force on the day after the reduction took place.

Changes in Premium Rates

The premium rates may be changed by the Insurance Company from time to time with at least 31 days advance written notice. No change in rates will be made until 24 months after the Policy Effective Date. An increase in rates will not be made more often than once in a 12 month period. However, the Insurance Company reserves the right to change the rates even during a period for which the rate is guaranteed if any of the following events take place.

1. The terms of the Policy change.
2. A division, subsidiary, affiliated company or eligible class is added or deleted from the Policy.
3. There is a change in the factors bearing on the risk assumed.
4. Any federal or state law or regulation is amended to the extent it affects the Insurance Company's benefit obligation.
5. The Insurance Company determines that the Employer has failed to promptly furnish any necessary information requested by the Insurance Company, or has failed to perform any other obligations in relation to the Policy.

If an increase or decrease in rates takes place on a date that is not a Premium Due Date, a pro rata adjustment will apply from the date of the change to the next Premium Due Date.

Reporting Requirements

The Employer must, upon request, give the Insurance Company any information required to determine who is insured, the amount of insurance in force and any other information needed to administer the plan of insurance.

Payment of Premium

The first premium is due on the Policy Effective Date. After that, premiums will be due monthly unless the Employer and the Insurance Company agree on some other method of premium payment.

If any premium is not paid when due, the plan will be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.

Notice of Cancellation

The Employer or the Insurance Company may cancel the Policy as of any Premium Due Date by giving 31 days advance written notice. If a premium is not paid when due, the Policy will automatically be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.

Policy Grace Period

A Policy Grace Period of 31 days will be granted for the payment of the required premiums under this Policy. This Policy will be in force during the Policy Grace Period. The Employer is liable to the Insurance Company for any unpaid premium for the time this Policy was in force.

Reinstatement of Insurance

Coverage may be reinstated without satisfying the Insurability Requirement, if an Employee's insurance ends because he or she is on an unpaid leave of absence and he or she applies for Reinstatement within 31 days of his return to Active Service.

After an Insured's coverage has ceased, it may be reinstated at any date prior to five years after the date of termination if the following conditions are met:

1. The Policy is still in force.
2. The Insured is eligible under the Policy.
3. A written request for reinstatement and a new enrollment form are sent to the Insurance Company.
4. The required premium is paid.
5. The Insurability Requirement, if any, is satisfied.

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SCHEDULE OF RATES

The following monthly rates apply to all Classes of Eligible Persons unless otherwise indicated.

FOR EMPLOYEE BENEFITS

Basic Life Insurance \$.135 Per \$1,000

FOR FORMER EMPLOYEE BENEFITS

Monthly Rates are based on units of \$1,000.

Under Age 20	\$.153	Age 45 - 49	\$.384
Age 20 - 24	\$.144	Age 50 - 54	\$.726
Age 25 - 29	\$.153	Age 55 - 59	\$1.347
Age 30 - 34	\$.177	Age 60 - 64	\$2.461
Age 35 - 39	\$.190	Age 65 - 69	\$4.065
Age 40 - 44	\$.243		

A change in rates due to a change in the Former Employee's age will become effective on the Policy Anniversary Date coinciding with or following the Former Employee's birthday.

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GENERAL PROVISIONS

Entire Contract

The entire contract will be made up of the Policy, the application of the Employer, a copy of which is attached to the Policy, and the applications, if any, of the Insureds.

Incontestability

All statements made by the Employer or by an Insured are representations not warranties. No statement will be used to deny or reduce benefits or as a defense to a claim, unless a copy of the written instrument containing the statement has been signed by the Insured and furnished to the claimant. In the event of death or legal incapacity, the beneficiary or representative must receive the copy.

After two years from an Insured's effective date of insurance, no such statement will cause insurance to be contested.

Misstatement of Age

If an Insured's age has been misstated, the Insurance Company will adjust all benefits to the amounts that would have been purchased for the correct age.

Policy Changes

No change in the Policy will be valid until approved by an executive officer of the Insurance Company. This approval must be endorsed on, or attached to, the Policy. No agent may change the Policy or waive any of its provisions.

Workers' Compensation Insurance

The Policy is not in lieu of and does not affect any requirements for insurance under any Workers' Compensation Insurance Law.

Certificates

A certificate of insurance will be delivered to the Employer for delivery to Insureds. Each certificate will list the benefits, conditions and limits of the Policy. It will state to whom benefits will be paid, and the rights of the Insured upon termination of the Policy or upon termination of the Insured's eligibility under the Policy.

Assignment of Benefits

The Insurance Company will not be affected by the assignment of an Insured's certificate until the original assignment or a certified copy of the assignment is filed with the Insurance Company. The Insurance Company will not be responsible for the validity or sufficiency of an assignment. An assignment of benefits will operate so long as the assignment remains in force provided insurance under the Policy is in effect. This insurance may not be levied on, attached, garnisheed, or otherwise taken for a person's debts. This prohibition does not apply where contrary to law.

Clerical Error

A person's insurance will not be affected by error or delay in keeping records of insurance under the Policy. If such an error is found, the premium will be adjusted fairly.

Agency

The Employer and Plan Administrator are agents of the Employee for transactions relating to insurance under the Policy. The Insurance Company is not liable for any of their acts or omissions.

Ownership of Records

All records maintained by the Insurance Company are, and shall remain, the property of the Insurance Company.

DEFINITIONS

Please note, certain words used in this document have specific meanings. These terms will be capitalized throughout this document. The definition of any word, if not defined in the text where it is used, may be found either in this Definitions section or in the Schedule of Benefits.

Accident

An Accident is a sudden, unforeseeable external event that causes bodily Injury to an Insured while coverage is in force under the Policy.

Active Service

An Employee will be considered in Active Service with the Employer on a day which is one of the Employer's scheduled work days if either of the following conditions are met.

1. He or she is actively at work. This means the Employee is performing his or her regular occupation for the Employer on a Full-time basis, either at one of the Employer's usual places of business or at some location to which the Employer's business requires the Employee to travel.
2. The day is a scheduled holiday, vacation day or period of Employer approved paid leave of absence, other than disability or sick leave after 7 days.

An Employee is considered in Active Service on a day which is not one of the Employer's scheduled work days only if he or she was in Active Service on the preceding scheduled work day.

Employee

For eligibility purposes, an Employee is an employee of the Employer in one of the "Classes of Eligible Employees." Otherwise, Employee means an employee of the Employer who is insured under the Policy.

Employer

The Policyholder and any affiliates or subsidiaries covered under the Policy. The Employer is acting as an agent of the Insured for transactions relating to this insurance. The actions of the Employer shall not be considered the actions of the Insurance Company.

Full-time

Full-time means the number of hours set by the Employer as a regular work day for Employees in the Employee's eligibility class.

Injury

Any accidental loss or bodily harm which results directly and independently of all other causes from an Accident.

Insurability Requirement

An eligible person will satisfy the Insurability Requirement for an amount of coverage on the day the Insurance Company agrees in writing to accept him or her as insured for that amount. To determine a person's acceptability for coverage, the Insurance Company will require evidence of good health and may require it be provided at the Employee's expense.

Insurance Company

The Insurance Company underwriting the Policy is named on the Policy cover page.

Insured

A person who is eligible for insurance under the Policy, for whom insurance is elected, the required premium is paid and coverage is in force under the Policy.

Physician

Physician means a licensed doctor practicing within the scope of his or her license and rendering care and treatment to an Insured that is appropriate for the condition and locality. The term does not include an Employee, an Employee's spouse, the immediate family (including parents, children, siblings or spouses of any of the foregoing, whether the relationship derives from blood or marriage), of an Employee or spouse, or a person living in an Employee's household.

Prior Plan

The Prior Plan refers to the plan of insurance providing similar benefits sponsored by the Employer in effect directly prior to the Policy Effective Date.

Sickness

Any physical or mental illness.

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IMPORTANT CHANGES FOR STATE REQUIREMENTS

If an Employee resides in one of the following states, the provisions of the certificate are modified for residents of the following states. The modifications listed apply only to residents of that state.

California Residents:

Conversion Privilege for Life Insurance

Insured Employees and Insured Spouses may convert to an individual policy of life insurance for an amount not greater than the Conversion Amount shown below when the Policy ends, without regard to any requirement that the person be insured under the policy for a specified period of time, if all of the following apply.

- a. The Insured became Totally Disabled while covered for the Life Benefit of the Policy. Totally Disabled means the person is unable to perform all the material duties of any occupation for which he or she may reasonably be qualified based on training, education and experience.
- b. The Insured remained Totally Disabled until the Policy ended while covered for the Life Benefit of this Policy.
- c. The Policy does not provide a Waiver of Premium, Extended Death Benefit Provision or monthly payments to Totally Disabled Insureds for the Life Benefit.
- d. The person meets all other conditions for converting the insurance.

Conversion Amount - Insured's life insurance amount under the Policy on the date the Policy ends minus the amount for which the Insured is insured under a group policy that provides life coverage to employees of the Insured Employee's Employer covered under this Policy. The dollar limit that applies to the amount for conversion at Policy termination does not apply.

The requirement that the Insured be covered under the Policy for the stated number of years in order to convert life insurance does not apply.

North Dakota residents:

The Suicide exclusion, if any, is limited to one year from the effective date of insurance. The suicide exclusion with respect to any increase in death benefits which results from an application of the insured subsequent to the effective date, if any, is limited to one year from the effective date of the increase.