

SERFF Tracking Number: HMRK-125711867 State: Arkansas
Filing Company: HM Life Insurance Company State Tracking Number: 39417
Company Tracking Number: HMP-DI 308
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.002 Short Term
Product Name: Disability
Project Name/Number: Disability Filing/HMP-DI 308

Filing at a Glance

Company: HM Life Insurance Company

Product Name: Disability

TOI: H11G Group Health - Disability Income

Sub-TOI: H11G.002 Short Term

Filing Type: Form

SERFF Tr Num: HMRK-125711867 State: ArkansasLH

SERFF Status: Closed

State Tr Num: 39417

Co Tr Num: HMP-DI 308

State Status: Approved-Closed

Co Status:

Reviewer(s): Rosalind Minor

Author: Jennifer Bayich

Disposition Date: 07/02/2008

Date Submitted: 06/26/2008

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name: Disability Filing

Project Number: HMP-DI 308

Requested Filing Mode:

Status of Filing in Domicile: Not Filed

Date Approved in Domicile:

Domicile Status Comments: Exempt from filing in Pennsylvania

Explanation for Combination/Other:

Market Type: Group

Submission Type: New Submission

Group Market Size: Small and Large

Overall Rate Impact:

Group Market Type: Employer, Association

Filing Status Changed: 07/02/2008

State Status Changed: 07/02/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

June 26, 2008

Arkansas Department of Insurance

120 West 3rd Street

Little Rock, AR 72201

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Re: HM Life Insurance Company

NAIC 93440

FEIN 06-1041332

Form Filing

Disability Income Policy HMP-DI 308

Disability Income Certificate HMC-DI 308

Dear Sir or Madam:

The above captioned forms are being filed for review and approval for use in Arkansas. This is a new filing, and will not replace any forms now on file with your department. We are submitting these forms in final print and in compliance with the filing guidelines in your state.

The forms contained in this filing represent HM Life's Disability Income product which offers a weekly benefit covered individuals for an accidental injury or sickness. This plan of insurance will be marketed by HM Life to employer, or similar, groups on a non-contributory, or contributory / voluntary, payroll deduction basis. These forms offer coverage to employees only. We will not market to any organization for which a filing is required in your state or that is not a group as defined by applicable law. There is no deviation from generally accepted standard insurance practices.

Bracketed items in this filing indicate variable information, and may be removed from some group plans developed. Any or all of the variables could be used in each plan, policy or certificate; please see the attached "Summary of Variables" document.

Please note that the Application for Group Insurance Form HMWA 308, approved for use by your Department on May 23, 2008, (SERFF Filing# HMRK-125652016), will be used with these forms.

These forms have been tested for readability. A readability certification is attached.

If you have any questions, please contact me at my direct dial of 412-544-0923, or if you prefer at either my fax number 412-544-1138, or e-mail address jennifer.bayich@hminsurancegroup.com.

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Thank you in advance for your attention to this filing.

Sincerely,

Jennifer L. Bayich, Esq.
 Compliance Analyst III

Attachments

Company and Contact

Filing Contact Information

Jennifer Bayich, Compliance Analyst II
 P.O. Box 535061
 Pittsburgh, PA 15235-5061

jennifer.bayich@hminsurancegroup.com
 (412) 544-0923 [Phone]
 (412) 544-1138[FAX]

Filing Company Information

HM Life Insurance Company
 PO Box 535065
 Suite P6504
 Pittsburgh, PA 15253-5065
 (412) 544-1139 ext. [Phone]

CoCode: 93440 State of Domicile: Pennsylvania
 Group Code: 812 Company Type:
 Group Name: HM Insurance Group State ID Number:
 FEIN Number: 06-1041332

Filing Fees

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: 2 forms x \$50
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
HM Life Insurance Company	\$100.00	06/26/2008	21106371

SERFF Tracking Number: HMRK-125711867 State: Arkansas
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Product Name: Disability
Project Name/Number: Disability Filing/HMP-DI 308

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	07/02/2008	07/02/2008

SERFF Tracking Number: *HMRK-125711867* *State:* *Arkansas*
Filing Company: *HM Life Insurance Company* *State Tracking Number:* *39417*
Company Tracking Number: *HMP-DI 308*
TOI: *H11G Group Health - Disability Income* *Sub-TOI:* *H11G.002 Short Term*
Product Name: *Disability*
Project Name/Number: *Disability Filing/HMP-DI 308*

Disposition

Disposition Date: 07/02/2008

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	Summary of Variables	Approved-Closed	Yes
Form	Group Disability Income Insurance Policy	Approved-Closed	Yes
Form	Group Disability Income Insurance Certificate	Approved-Closed	Yes

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Form Schedule

Lead Form Number: HMP-DI 308

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed	HMP-DI 308	Policy/Cont	Group Disability ract/Fratern Income Insurance al Policy Certificate	Initial		52	Microsoft Word - HM DIS Policy Revised Clean.pdf
Approved-Closed	HMC-DI 308	Certificate	Group Disability Income Insurance Certificate	Initial		52	Microsoft Word - HM DIS Cert Revised Clean.pdf

HM Life Insurance Company

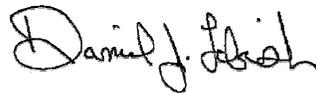
120 Fifth Avenue, Fifth Avenue Place, Pittsburgh, PA 15222

POLICYHOLDER: [*]
[PARTICIPATING ORGANIZATION] [*]
POLICY NUMBER: [*]
POLICY EFFECTIVE DATE: [*]
ANNIVERSARY DATE: [*]
STATE OF ISSUE: [*]

HM Life Insurance Company, herein called the Company or we, us or our, in consideration of the [Application for this Policy, if any, and the] timely payment of Premiums, agrees, subject to the terms and conditions of the Policy, to insure the [Policyholder]'s eligible [employee]s and their eligible dependents under this Policy. The [Policyholder] may add new [employee]s or dependents from time to time in accordance with the terms of the Policy. Subsequent anniversaries of the Policy will be the same date each year thereafter.

This Policy describes the terms and conditions of insurance. It goes into effect, subject to its applicable terms and conditions, at 12:01 AM on the Policy Effective Date shown above, at the [Policyholder]'s address. The laws of the State of Issue shown above govern this Policy. We and the [Policyholder] agree to all of the terms of this Policy

IN WITNESS WHEREOF **HM Life Insurance Company** has caused this Policy to be executed on the Date of Issue to take effect on the Effective Date.



President

GROUP DISABILITY INCOME POLICY • NON-PARTICIPATING NON-OCCUPATIONAL ONLY

NO RECOVERY FOR PRE-EXISTING CONDITIONS - READ CAREFULLY.

No benefits will be provided for the first twelve months a person is covered under the Policy for conditions for which medical advice or treatment was received or recommended during the [three] [six] [twelve] month period prior to the effective date of such person's coverage under the Policy.

Questions or Comments

We want to hear from you. If you have any questions about this Policy, its benefits, the filing of claims, a complaint or a compliment, write to us at the address on the front of this Policy. Thank you for your loyal patronage.

TABLE OF CONTENTS

SCHEDULE OF AFFILAITES	1
SCHEDULE OF BENEFITS	1
ELIGIBILITY, EFFECTIVE DATE AND TERMINATION	9
DISABILITY INCOME BENEFITS	11
CLAIM PROVISIONS	14
ADMINISTRATIVE PROVISIONS	17
GENERAL PROVISIONS	19

[SCHEDULE OF AFFILIATES

The following Affiliates are covered under this Policy on the effective dates listed below. A newly-acquired Affiliate may be covered under this Policy on the date it is acquired as long as the [Policyholder] notifies us within [30] [45] [60] [90] [180] days of its acquisition and pays the required premium. If we are not notified within the required time period, the Affiliate will be covered on the date we agree in writing to provide coverage and receive the required premium. Individuals who are [employed by] [members of] [associated with] the Affiliate on its effective date of coverage are eligible for coverage on that date.

[Affiliate Name	Location	Effective Date
[*]	[*]	[*]]

SCHEDULE OF BENEFITS

This Policy is intended to be read in its entirety. In order to understand how Disability Income Benefits are calculated and all the conditions, exclusions and limitations applicable to its benefits, please read all the Policy provisions carefully.

Unless otherwise stated in this Policy, benefits are payable per Covered Person per Benefit Period. No benefits are payable for any Covered Person until the Eligibility Waiting Period has been completed.

Eligibility Waiting Period

[For [employee]s hired [30] [31] [60] days [or more] before the Certificate Effective Date: [None] [30] [31] [45] [60] [90] [days] [The period determined by the [Policyholder's] personnel practices]]

[For [employee]s hired after the Certificate Effective Date: [None] [30] [31] [45] [60] [90] [days] [the [Policyholder]'s next Enrollment Period] [The period determined by the [Policyholder's] personnel practices]]

The Eligibility Waiting Period is the period of time that must lapse before an [Employee] is eligible for this insurance. It will be extended by the number of days the [Employee] is not in Active Service. We will not pay benefits for an Injury or Injuries sustained during the Eligibility Waiting Period.

[The Covered Person may elect to void any coverage applied for and receive a full refund of premium. Any such request must be in writing and made prior to the end of the Eligibility Waiting Period.]

Applying for Coverage

An [Employee] may only apply for coverage or for an increase in his Weekly Benefit during the following periods:

1. Within 31 days after the date he is first eligible for coverage under the [Policy]; or
2. During an Enrollment Period.

An [Employee] cannot apply for coverage or for a change in his Benefit Amount at any other time.

Benefit Amount

The Benefit Amount is the Weekly Benefit payable per week for any one Period of Disability.

The Weekly Benefit in effect on a Covered Person's last day of Active Service before he becomes Disabled is determined as follows:

1. Within 31 days of the date he is first eligible for coverage an [Employee] may elect a Weekly Benefit up to the amount he is eligible for based on his Weekly Earnings. An [Employee] must submit satisfactory Applicant Information to become insured for a Weekly Benefit over the Guarantee Issue Amount.
2. If an [Employee] does not apply for coverage within 31 days of the date he is first eligible, or elects coverage and subsequently voids coverage within that time period, he must wait until the next Enrollment Period. At that time he must submit satisfactory Applicant Information to become insured for a Weekly Benefit.
3. An [Employee] may also elect to increase or decrease his Weekly Benefit during the Enrollment Period. He may increase his Weekly Benefit up to an amount he is eligible for based on his Weekly Earnings by submitting satisfactory Applicant Information. An [Employee] does not have to submit Applicant Information to decrease his Weekly Benefit.

Any Benefit Amount elected over the Guarantee Issue Amount when first eligible is not effective until we approve the Applicant Information; thereafter the entire Benefit Amount elected will not be effective until the [date] [first day of the month coinciding with or next following] the Enrollment Period, or the date we approve the Applicant Information, if later.

The Guarantee Issue Amount is [\$50 to \$1750 in \$50 increments].

[An [Employee] can only elect a weekly benefit from one plan.] An [Employee] cannot elect an amount greater than the amount he is eligible for based on his Weekly Earnings.

[Class] [*]

{Option}

<u>Weekly Earnings</u>	<u>Weekly Benefit *</u>		
	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>
\$2500 or more	\$1250	\$1500	\$1750
2308 to 2499	1200	1450	1700
2077 to 2307	1100	1300	1550
1846 to 2076	1000	1200	1400
1615 to 1845	850	1050	1200
1385 to 1614	750	900	1050
1154 to 1384	650	750	900
923 to 1153	500	650	750
692 to 922	400	500	550
462 to 691	300	350	400
346 to 461	200	250	300
231 to 345	150	200	200
115 to 230	100	100	100
114 or less	50	50	50

* [Employee] can elect an amount less than the amount he is eligible for in \$50 increments.

{Option}

[Class] [*] [\$50 to 1750 per week in \$50 increments]

[If a benefit is payable for part of a week, the Disability Income Benefit will equal the number of calendar days for which Disability Income Benefits are payable times [1/5th] 1/6th] [1/7th] of the applicable weekly benefit.]

Elimination Period

[For Disability due to Sickness] [None] [7] [14] [30] [days] [The exhaustion of any accumulated sick leave days provided by the [Policyholder]

[For Disability due to Injury] [None] [7] [14] [30] [days] [End of [Employer] provided sick leave] [The exhaustion of any accumulated sick leave days provided by the [Policyholder]

The Elimination Period is the length of time a Covered Person must be continuously [Totally] Disabled before Disability Income Benefits become payable. The Elimination Period begins on the date a Covered Person becomes [Totally] Disabled. No Disability Income benefits are ever payable during the Elimination Period.

During the Elimination Period a Covered Person must be under the care of a Physician or Doctor. We reserve the right and opportunity to examine a Covered Person during the Elimination Period.

For purposes of serving the Elimination Period If a Covered Person Temporarily Recovers all separate periods of Disability from the same or a related cause will be added together and treated as one continuous period of Disability if they are separated by a period of Temporary Recovery. However, if a Covered Person Temporarily Recovers the full Elimination Period must be completed within seven consecutive days of the date the Elimination Period would have otherwise ended.

Benefit Period

[13] [26] [52] weeks

The Benefit Period is the longest period of time Disability Income Benefits are payable for any one continuous Period of Disability, whether from one or more causes. The Benefit Period begins at the end of the Elimination Period.

After Disability Income Benefits end, a Covered Person's Insurance will continue without any interruption if he is an [Employee] and immediately returns to Active Service for the [Policyholder] on his regularly scheduled work day.

If a Covered Person Temporarily Recovers after Disability Income Benefits become payable any two Periods of Disability from the same cause or causes will be added together and treated as one continuous Period of Disability if they are separated by a period of Temporary Recovery of less than 30 days. Thus, a new Elimination Period will not be required, the amount of your Disability Income Benefit will not change, and the Benefit Period will be the balance of the Benefit Period remaining unused before the period of Temporary Recovery.

Reduction Schedule

The Benefit Amount will be reduced by the appropriate percentage shown below if Covered Person is age 70 or older on the date the benefit becomes payable.

At age 70 by 35%

At age 75 by 50% of the amount in force immediately prior to age 70

At age 80 by 65% of the amount in force immediately prior to age 70

[At age 85 by 75% of the amount in force immediately prior to age 70]

Pre-Existing Conditions

[We will not pay benefits for any condition or illness starting within [3] [6] [12] months of the [Effective Date of the Certificate] [effective date of an [Employee's] insurance] which is caused by, contributed to, or resulting from a Pre-Existing Condition.]

[We will pay a benefits for a condition or illness starting within [3] [6] [12] months of the [Effective Date of the Certificate] [effective date of an [Employee's] insurance] which is caused by, contributed to, or resulting from a Pre-Existing Condition for six weeks. Payment is limited to 50% of a Covered Person's weekly benefit.]

A claim for benefits for loss starting after 12 months from the Effective Date of the Certificate [effective date of an [Employee's] insurance] will not be reduced or denied on the grounds that it is caused by a Pre-Existing Condition.

A condition will no longer be considered Pre-Existing at the end of 12 consecutive months beginning on the [Effective Date of the Certificate] [effective date of an [Employee's] insurance].

"Pre-Existing Condition" means a sickness or physical condition which, within the [3] [6] [12] month period prior to the Effective Date of the Certificate [effective date of an [Employee's] insurance] resulted in an insured receiving medical advice or treatment.

"Treatment" means consultation; care or services provided by a Physician including diagnostic measures and taking prescribed drugs and medicines.

[Option – for takeover plans:]

[If a Covered Person is not in Active Service on the effective date of a change, any change in his Disability Income Benefit will be postponed until he returns to Active Service for one full day.]

If an [Employee] was insured under a Prior Plan this limitation will not apply to their Disability from a Pre-Existing Condition if all of the following are true:

1. The [Employee] was insured under the Prior Plan on the last day before the effective date of [his Insurance under] the [Policy].
2. The [Employee] was continuously insured under the [Policy] from the effective date of his insurance] through the date he became Disabled from the Pr-Existing Condition.
3. Benefits would have been payable under the Prior Plan if the Prior Plan had remained in force, taking into consideration the Pre-Existing Condition exclusion or limitation, if any, of the Prior Plan.

However, we will pay the benefits payable under the [Policy] or the benefits which would have been payable under the Prior Plan if the Prior Plan had remained in force, whichever is less.

Minimum Participation Requirement [5] [Employees] or [15%] of [Employee's] eligible]

Rates and Premiums

Mode of Premium Payment [Weekly] [Bi-weekly][Monthly] [Quarterly] [Semi-annual] [Annual]

Premium Due Dates [Policy Effective Date and the first day of each month thereafter]

[Policy Effective Date and the first day of each calendar quarter thereafter]

Policy Effective Date and the first day of [July] [and] [January] thereafter]

Contributions The [entire] cost of this insurance is paid by [the] [[Policyholder]] [and] [Covered Persons].

Rates	[Weekly] [Bi-weekly][Monthly] [Quarterly] [Semi-annual] [Annual] Rate
Attained Age	
Under 30	[*]
30 - 34	[*]
35 - 39	[*]
40 - 44	[*]
45 - 49	[*]
50 - 54	[*]
55 - 59	[*]
60 - 64	[*]
65 - 69	[*]
70 and over	[*]
Composite	[*]

Any increase in premium due to a change in the Covered Person's age will become effective on the Anniversary Date.

DEFINITIONS

Please note that certain words used in this Policy have specific meanings. Other than references to he, him, his, you, your, yours, we, us or our, the words defined below and capitalized within the text of this Policy have the meanings set forth below.

Active Service means that the [Employee] is either:

1. at work on one of the [Employees] scheduled work days and is performing his regular duties on a scheduled basis, either at one of the [Employer's] usual places of business or at some other location to which the [Employer]'s business requires him to travel;
2. on a scheduled holiday[,] [or] vacation day [or period of [Employer]-approved paid leave of absence][, only if the [Employee] was in Active Service on the preceding scheduled workday].

A Covered Person is considered in Active Service if he is not one of the following:

1. an In-Patient in a Hospital, skilled nursing facility, rehabilitation hospital, convalescent / personal care facility or receiving out-patient care and/or therapy that affects a Covered Person's ability to perform his regular duties on a scheduled basis;
2. confined at home under the care of a Physician or Doctor for a treatment of an injury or sickness; or
3. [Totally] Disabled.

[Option – for takeover plans:]

If an [Employee] was insured under another group disability income plan administered by the [Policyholder] on the last day before the effective date of [his coverage under] the [Policy], he can become insured under the [Policy] on the [Effective Date of the Certificate] [effective date of an [Employee's] insurance] without meeting the Active Service requirement.

However, the benefits we pay for a new period of Disability beginning after he becomes insured under the [Policy], but before he meets the Active Service requirement, will be the benefits payable under the [Policy] or the benefits which would have been payable under the Prior Plan if the Prior Plan had remained in force, whichever are less, reduced by any benefits payable under the Prior Plan.]

Affiliate or Affiliated means a company, location, division, or organization that is subsidiary to, affiliated with or controlled by the [Policyholder].

Provide **Applicant Information** means an [Employee] must sign our enrollment form and complete the Applicant Information section of that form.

Benefit Amount means the Disability Income payable to a Covered Person according to the terms of the Policy.

Certificate means the document issued for delivery to the Covered Person that lists the benefits, conditions and limits of the Policy.

Company or we, us, our, means HM Life Insurance Company, domiciled in Pennsylvania.

Confined means a Covered Person is registered as an Inpatient in the Hospital upon recommendation of a Physician or Doctor, or as an outpatient in a Hospital because of surgery.

Covered Person means an [Employee] for whom an enrollment form has been accepted by us[, the required premium has been paid when due] and for whom coverage under this Policy remains in force

Disabled means a Covered Person is either Totally Disabled or Partially Disabled. A Covered Person will be considered Disabled during the Elimination Period [if he is Totally Disabled] and throughout the Benefit Period if he is either Totally Disabled or Partially Disabled, as defined below. A Covered Person will not be considered Disabled during a period of Temporary Recovery.

[Employee] means a [full-time] [employee] of the [Policyholder] [who works an average of [10] [15] [20] hours per week [or equivalent hours per month] [and who meets all of the requirements for one of the Covered Classes shown below].

- [[Class 1] [All [employee]s] of the [Policyholder] who are officers]
- [Class 2] [All [employee]s] of the [Policyholder] who are managers or supervisors]
- [Class 3] [All [employee]s] of the [Policyholder]] at [location]]
- [Class 4] All other [employee]s] of the [Policyholder]]]

Enrollment Period means a period of time agreed upon by the [Policyholder] and the Company, during which an [Employee] may apply for insurance.

He, him or his means an individual, male or female.

Hospital means an institution that meets all of the following:

1. it is licensed pursuant to applicable law; it is primarily and continuously engaged in providing medical care and treatment to sick and injured persons;
2. it is managed under the supervision of a staff of legally licensed physicians;
3. it provides 24-hour nursing services by or under the supervision of a graduate registered nurse (R.N.);
4. it has medical, diagnostic and treatment facilities, with major surgical facilities on its premises, or available on a prearranged basis;
5. it charges for its services.

The term Hospital does not include a clinic, facility, or unit of a Hospital for:

1. rehabilitation, convalescent or custodial care; or

2. the aged.

Injury means accidental bodily injury, which:

1. occurs while the Covered Person is insured under the Policy, and after any applicable Eligibility Waiting Period;
2. is not subject to the Pre-Existing Condition Limitation; and
3. is not otherwise excluded under the terms of the Policy.

In-Patient means a Covered Person who is confined [overnight] [,] [for at least] [one full day] [or] [twenty-four (24)] continuous hours in a Hospital and incurred room and board charges. The requirement that a person be charged for room and board does not apply to confinement in a Veteran's Administration Hospital or Federal Government Hospital and in such case the term "In-Patient" shall mean a Covered Person is required to be confined for a period determined by applicable law governing such facility.

Job means a group of similar positions within an establishment, which are identical with respect to their major or significant tasks. There may be one or many persons employed in the same Job. As used above an "establishment" is a public or private employing unit that produces, provides and/or sells goods or services at a single physical location. An establishment may range in size from a single self-employed worker to thousands of workers.

Occupation means a group of Jobs, found at more than one establishment, in which a common set of tasks are performed and related in terms of similar objectives, methodologies, materials, products, worker actions or worker characteristics.

Organic Mental Disorder means a psychological, cognitive, or behavioral abnormality associated with transient or permanent dysfunction of the brain, usually characterized by the presence of an Organic Brain Syndrome. Organic Brain Syndrome means any acute or chronic mental dysfunction (as delirium or senile dementia) resulting chiefly from physical changes in brain structure and characterized especially by impaired cognition.

Own Occupation means an occupation that involves Substantial and Material Duties of the same general character as the Covered Person's Job with his employer when he becomes [Totally] Disabled. A Covered Person's Own Occupation is not limited to the specific Job duties he was performing for his employer or to a job at the same location. A Covered Person will not be considered [Totally] Disabled from your Own Occupation if he is able to perform the Substantial and Material Duties of a Job within the same general occupation for his employer or another employer.

Partial Disability or Partially Disabled means that due to an accidental Injury or Sickness a Covered Person: is unable to perform at least one of the Substantial and Material Duties of his Own Occupation; can earn no more than half of his Weekly Earnings; and is under the regular care of a Physician or Doctor for the condition causing the Disability.

Physician or Doctor means a licensed health care provider practicing within the scope of his license and rendering care and treatment to a Covered Person that is appropriate for the condition and locality and who is not:

1. employed or retained by the [Policyholder];
2. living in the Covered Person's household; or
3. a parent, sibling, spouse[,], [domestic partner] or child of the Covered Person.

[Plan] Year or annual or annually means a period of twelve consecutive months beginning on the Policy Effective Date and subsequent Anniversary Dates.

Policyholder means the entity shown on the cover page of this Policy.

[Participating Organization] means the entity shown on the cover page of this Policy.]

Prior Plan means another group disability income plan on an insured or self funded basis administered by the Policyholder in effect on the day before effective date of [an [Employee's] insurance under] the [Policy].

Sickness means an illness, infection, disease or any other abnormal condition, which is not caused solely by or the result of an injury that:

1. is first manifested while the Covered Person is insured under the Policy, and after any applicable Eligibility Waiting Period;
2. is not subject to the Pre-Existing Condition Limitation; and
3. is not otherwise excluded under the terms of this Policy.

Pregnancy and complications of pregnancy are considered as sicknesses.

Substantial and Material Duties or Substantial and Material Duty means the duties which an employer normally requires for the performance of an occupation and which cannot be reasonably omitted or modified. Substantial and Material Duties include Working the number of hours required in a Covered Person's regularly scheduled work week, up to 40 hours per week. Any requirement that a person works in excess of 40 hours per week will not be considered a Substantial and Material Duty.

Temporary Recovery or Temporarily Recovered means any period that we do not consider a Covered Person to be Disabled. No Disability Income Benefits are payable during a period of Temporary Recovery.

A period of Temporary Recovery will not count toward satisfaction of the Elimination Period or reduce the Benefit Period for the same or a related condition.

Total Disability or Totally Disabled means a Covered Person is currently unable, as a result of an accidental Injury or Sickness to perform the Substantial and Material Duties of his Own Occupation, with or without reasonable accommodation by an employer, and he is not Working at all. Nothing in this definition extends the Benefit Period shown in the *Schedule of Benefits*.

[Option:]

[Weekly Earnings means a Covered Person's weekly rate of earnings from his employer including commissions and tax deferred contributions he makes to a qualified plan sponsored by his employer, but excluding bonuses, overtime pay, and any other extra compensation. The following rules apply to the computation of your weekly rate of earnings:

Commissions: A Covered Person's weekly rate of earnings on any date includes their average weekly commissions during the prior calendar year (or during their period of employment if less than one calendar year).

Monthly pay: Monthly earnings are divided by 4.333 to find a Covered Person's weekly rate of earnings.

Hourly pay: A Covered Person's hourly pay rate is multiplied by the number of hours they are regularly scheduled to work per week (but not more than 40) to find their weekly rate of earnings. If a Covered Person does not have regular work hours, their weekly rate of earnings on any date will be based on the average number of hours they worked per week during the prior calendar year (or during their period of employment if less than one calendar year), but not more than 40.]

[Option based on W-2 / 1099:]

[Weekly Earnings] means a Covered Person's [wages, tips and other compensation] [Medicare wages and tips] as reported on form W-2 and/or form 1099 from their employer during the prior calendar year divided by 52.

If a Covered Person was not an employee of the employer during the calendar year prior to the date they become [Totally] Disabled, Weekly Earnings means the Covered Person's gross pay from the employer before any deductions divided by the number of weeks employed prior to the date they become [Totally] Disabled.]

[Option – Partners:]

[Weekly Earnings] means a Covered Person's average weekly compensation from the partnership during the calendar year prior to the date they become [Totally] Disabled, as reported on the partnership federal income tax return as such person's "net earnings (loss) from self-employment" for that year.

If a Covered Person was not a partner during the calendar year prior to the date they become [Totally] Disabled, Weekly Earnings means their average weekly compensation (excluding dividends, capital gains, and return of capital) from the partnership prior to the date they become [Totally] Disabled, determined in accordance with the terms of their partnership agreement.]

[Option - Sole Proprietors or Shareholders:]

[Weekly Earnings] means a Covered Person's average weekly net taxable income (excluding dividends, capital gains, and return of capital) from the employer during the calendar year prior to the date they become [Totally] Disabled, as reported on their federal income tax return. A Covered Person's average weekly net taxable income equals: their average weekly taxable income paid by their employer during the prior calendar year (excluding dividends, capital gains, and return of capital), as reported on their federal income tax return; minus their average weekly deductible work expenses attributable to their work for their employer during the prior calendar year, as reported on their federal income tax return

If a Covered Person was not a sole proprietor or shareholder in a professional corporation during the calendar year prior to the date they become [Totally] Disabled, Weekly Earnings means their average weekly net taxable income from their employer during the period they were a sole proprietor or shareholder in a professional corporation prior to the date they become [Totally] Disabled. A Covered Person's average weekly net taxable income will be based on the taxable income paid to such person by the employer during the period they worked for the employer as a sole proprietor or shareholder in a professional corporation, taking into account the deductible work expenses attributable to their work for the employer during the same period.]

Working means a Covered Person is performing a Job or Occupation for an employer, or through self-employment for which he receives income.

ELIGIBILITY, EFFECTIVE DATE AND TERMINATION

Policy Effective Date

We agree to provide the Disability Income benefits described in this Policy in consideration of the payment of the premium when due. Insurance coverage begins on the Policy Effective Date shown on this Policy's first page as long as the Minimum Participation requirement shown in the *Schedule of Benefits* has been satisfied.

[Effective Date for Newly-Acquired Affiliates

Insurance becomes effective for any newly-acquired affiliate of the [Policyholder] on first of the month following the date it is acquired if we have been notified in writing within the time period specified in the *Schedule of Affiliates*, have agreed to provide insurance, and have received any additional premium due. If we are not so notified, insurance for the Affiliate will become effective on the first of the month following the date we agree in writing to insure it and receive any additional premium due.

Individuals who are [Employee]s of an Affiliate on its effective date of insurance under this Policy will be eligible for insurance on that date.]

Eligibility

An [Employee] is eligible provided he:

1. meets the applicable definition shown in *Definitions*; and
2. has completed the Eligibility Waiting Period, if any; and
- [3. is under age 70 [on the Effective Date of the Certificate] [date they complete the Eligibility Waiting Period]; and]
- [4.] meets the definition of Active Service in *Definitions*.

Effective Date

The Effective Date of the Policy and Certificate is shown on the applicable cover page.

An eligible [Employee]'s insurance becomes effective on the [day] [first of the month] following the date he[:]

- [1.] submits a complete enrollment form, if any [and we approve that form]; and]
- [2.] has paid the required first contribution, if any].

Deferred Effective Date

The effective date of insurance will be deferred for any [Employee] who is not in Active Service on the [day] [first of the month] following the date he would otherwise have become eligible. Coverage will become effective on the later of the [day] [first of the month] following the date he returns to Active Service and the [day] [first of the month] following the date coverage would otherwise have become effective.

Late Entrant

An [Employee] will be considered a late enrollee if he does not apply for insurance under this Policy within 31 days of the [day] [first of the month] following the date he is first eligible.

[If an [Employee] does not apply for insurance under this Policy when first eligible[, or applies for insurance within that period and subsequently voids his coverage in writing within 31 days,] he must wait until the [Policyholder]'s next Enrollment Period. At that time the [Employee] must provide a signed enrollment form with complete Applicant Information to become insured. Coverage for any late entrant will then become effective on the [first] day [of the month coinciding with or next] following the date we approve such person's Applicant Information.

Effective Date of Changes

Any increase in the amount of insurance for the Covered Person resulting from a change in the benefits provided by this Policy[, a change in the [Employee]'s Covered Class] or a change in the [Covered Person's] election will take effect on the [Anniversary Date] [day] [first of the month] following the Enrollment Period. Increases will take effect subject to any Active Service and Application Information requirement.

Any decrease in the amount of insurance for the Covered Person resulting from a change in the benefits provided by this Policy[, a change in the [Employee]'s election or] a change in the [Covered Person's] Weekly Earnings will take effect on the [Anniversary Date] [day] [first of the month] following the Enrollment Period.

Termination of Insurance

The insurance on a Covered Person will end on the earliest date below:

1. first of the month following the date this Policy or insurance for a Covered Class is terminated;
2. the [day] [next premium due date after first of the month] following the date the Covered Person is no longer in a Covered Class or satisfies eligibility requirements under this Policy;
- [3.] [the [day] [next premium due date after first of the month] following the date the Covered Person attains age 70;]
- [4.] the last day of the last period for which premium is paid;
- [5.] the end of any period of continuation approved by us; and

Termination will not affect a claim for benefits incurred after the Eligibility Waiting Period, if any, and while coverage was in effect. A Covered Person's right to receive a Disability Income Benefit for a Period of Disability which begins while he is insured under the Policy will not be affected by:

1. The termination of the Policy after the date he becomes Disabled.
2. The termination of his insurance while the Policy remains in force.
3. The termination of insurance for a Covered Class of which he is a member.
4. Any amendment to the Policy approved after the date he becomes Disabled.

DISABILITY INCOME BENEFITS

The Benefit Amount payable during a Period of Disability [for the plan selected] is shown in the *Schedule of Benefits*. Unless otherwise noted the amount shown in the *Schedule of Benefits* is the full amount payable per Covered Person during any one continuous Period of Disability.

A Covered Person's Benefit Period begins at the end of the Elimination Period shown in *the Schedule of Benefits*. Disability Income Benefits are not payable during the Elimination Period or for any period of Temporary Recovery.

Disability Income Benefits will stop at the death of a Covered Person or at any time during the Benefit Period when you no longer qualify for a Disability Income Benefit. Disability Income Benefits will stop at the end of the Benefit Period even if you are still Disabled.

[A Disability Income Benefit will not be paid during a period of Disability if a Covered Person is paid a benefit under any other group disability insurance policy. This rule prevents double coverage if a Covered Person becomes insured under another group policy while he is working during a period of Temporary Recovery.]

[If the *Schedule of Benefits* shows a Reduction Schedule any benefit payable after the attained age will be reduced by the rate shown in Reduction Schedule.] No benefits are payable for any Covered Person until the Eligibility Waiting Period and Elimination Period has been completed.

1. Regular Care

To receive a Disability Income Benefit, a Covered Person must be under the Regular Care of a Physician or Doctor.

A Covered Person is under the "Regular Care" of a Physician or Doctor if he is:

- a. seeing a Physician or Doctor as often as is medically necessary to effectively manage and treat his Disability in accordance with generally accepted medical standards; and
- b. actually receiving the most appropriate treatment and care for your disability in accordance with generally accepted medical standards.

2. Total Disability

We will pay a benefit for Total Disability during a Period of Disability as follows:

- a. Benefits start on the day following the Elimination Period shown in the *Schedule of Benefits*
- b. Benefits will continue to be paid for days of Total Disability; but they will not be paid beyond the applicable Benefit Period shown in the *Schedule of Benefits*, or the day following the day benefits are no longer payable for Partial Disability.

The amount of Weekly Benefit payable for Total Disability is shown in the *Schedule of Benefits*.

3. Partial Disability

We will pay a benefit for Partial Disability during a Period of Disability as follows:

- a. Benefits start on the day the Covered Person returns to work while Partially Disabled.
- b. Benefits will continue to be paid while the Covered Person is Partially Disabled and working but they will not be paid beyond the end of the applicable Benefit Period shown in the *Schedule of Benefits*.

[The amount of the benefit payable for Partial Disability is the Weekly Benefit payable for Total Disability reduced by income received while a Covered Person is working.]

A Covered Person is "working" if they receive income while performing a Job or Occupation for his employer, any other employer, or through self-employment.

[4. First Day Hospital Benefit

If a Covered Person is Confined in a Hospital during the Elimination Period, Disability Income Benefits:

1. will become payable on the first day of his Hospital confinement; and
2. the remainder of the Elimination Period will be waived; and
3. the Benefit Period will begin on the date the benefit becomes payable.

A Covered Person must be seen regularly and treated by a Physician or Doctor during such Hospital confinement.]

[5 Waiver of Premium

A Covered Person's Disability Income Benefit in effect when he becomes Disabled will be continued without payment of premiums during any period Disability Income Benefits are payable he has been continuously Disabled for 30 days.

If a period of continuous Disability is extended by a new cause while Disability Income Benefits are payable, A Covered Person's Disability Income Benefit will continue while he remains Disabled (subject to the terms of the Policy), but not beyond the end of the original Benefit Period.]

EXCLUSIONS

We will not pay benefits for loss contributed to, caused by, or resulting from the following unless specifically provided elsewhere in this Policy:

1. Suicide or any attempt or threat to commit suicide, while sane or insane, or any intentionally self-inflicted injury [, unless as a result of a medical condition or an act of domestic violence];
2. An Injury or Sickness while participating in a riot, civil commotion, civil disobedience, insurrection or unlawful assembly, unless a loss that occurs while a Covered Person is acting in a lawful manner within the scope of authority;
3. An Injury or Sickness while committing, attempting to commit, or taking part in a felony or assault; or engagement in any illegal occupation;
4. An Injury while participating in a contest of speed in power driven vehicles or a self propelled conveyance, parachuting, parasailing, bungee jumping, mountain climbing, spelunking, or hang gliding, operating an all terrain vehicle (ATV or dirt bike);
5. An Injury or Sickness while participating in or practicing for any professional or semi-professional sport for which the Covered Person receives compensation;] [or]
6. Occurring during air travel, except:
 - a. as a fare-paying passenger on a commercial airline on a regularly scheduled route
 - b. on a charter flight operated by a scheduled airline; or
 - c. as a passenger for transportation only and not as a pilot or crew member;
7. Due to the Covered Person being legally intoxicated as determined according to the laws of the United States of America;
8. Due to an Injury or Sickness resulting from the use of a controlled substance, or misuse of legal or illegal drugs, by a Covered Person that is not provided by or at the direction of a Physician or Doctor;
9. Due to an act of war, whether declared or undeclared, or while performing police duty as a member of any military or naval organization. This exclusion includes an Injury occurring or contracted while in the service of any military, naval or air force of any country engaged in war (the Company will refund the pro rata unearned premium for any such period the Covered Person is not covered);
10. Due to an Injury or Sickness arising out of and in the course of any occupation for compensation, wage or profit or expenses which are payable under Workers' Compensation, Occupational Disease or similar law, whether or not application for such benefits has been made;
11. Due to an Injury while driving any taxi, or long-distance or other commercial vehicle in the course of any occupation for compensation, wage or profit or expenses which are payable under Workers' Compensation, Occupational Disease or similar law, whether or not application for such benefits has been made.

12. Due to an Injury or Sickness during a period of time that insurance for a Covered Person is not in force;
13. Due to an Injury or Sickness after this Policy has terminated;
14. Due to an Injury or Sickness not provided by or at the direction of a Physician or Doctor, or is inconsistent with standards of medical practice for the applicable condition;
15. Any Injury or Sickness outside the United States or Canada;
16. Rendered by any person who is:
 - a. employed or retained by the [Policyholder];
 - b. living in the Covered Person's household;
 - c. a parent, sibling, spouse[,] [domestic partner] or child of a Covered [Employee] or of his spouse; or
 - d. a Covered Person treating himself.
17. An Injury or Sickness for which a Covered Person is eligible to receive benefits under any sick leave (sick days) plan;]
18. Due to an Injury or Sickness resulting from the voluntary inhalation of gas;
19. Dental examinations or dental care other than expenses resulting from a Covered Accident;
20. Cosmetic surgery or care, or treatment solely for cosmetic purposes, or complication thereof. This exclusion does not apply to:
 - a. cosmetic surgery resulting from an accident, if initial treatment of the Covered Person is begun within 12 months of the date of an Injury;
 - b. reconstruction incidental to or following surgery resulting from a covered Injury or Illness or from trauma, infection or other diseases of the involved part;
 - c. with respect to a mastectomy:
 - i. all stages of reconstruction of the breast on which the mastectomy has been performed;
 - ii. surgery and reconstruction of the other breast to produce a symmetrical appearance; and
 - iii. treatment of physical complications for all stages of the mastectomy, including lymphedema; or
21. Mental or emotional disorders without demonstrable organic disease or Organic Mental Disorder.]

CLAIM PROVISIONS

Notice of Claim

Written or authorized electronic/telephonic notice of claim must be given to us within 31 days after the date a Covered Person becomes Disabled or as soon as reasonably possible. If written or authorized electronic/telephonic notice is not given in that time, the claim will not be invalidated or reduced if it is shown that written or authorized electronic/telephonic notice was given as soon as was reasonably possible. Notice can be given to us at our Administrative Office, such other place as we may designate for the purpose, or to our authorized agent. Notice should include the [Policyholder]'s name and the Covered Person's name, address, Policy and Policy Number.

Claim Forms

We will send claim forms for filing proof of loss when we receive notice of a claim. If such forms are not sent within 15 days after we receive notice, the proof requirements will be met by submitting, within the time fixed in this Policy for filing proof of loss, written or authorized electronic proof of the nature and extent of the loss for which the claim is made.

Proof of Loss

Written or authorized electronic proof of loss satisfactory to us must be given to us at our Administrative Office, such other place as we may designate for the purpose, or to our authorized agent within 90 days of the loss for which claim is made.

If (a) benefits are payable as periodic payments and (b) each payment is contingent upon continuing loss, then proof of loss must be submitted within 90 days after the termination of each period for which we are liable. If written or authorized electronic notice is not given within that time, no claim will be invalidated or reduced if it is shown that such notice was given as soon as reasonably possible. In any case, written or authorized electronic proof must be given not more than one year after the time it is otherwise required, except if proof is not given solely due to lack of legal capacity.

[Notice of Decision

We will send you written notice of our claim decision within 30 days after we receive due proof of your loss. If there are special circumstances that require more time (such as the need to hold a hearing), we will send you a written notice within this timeframe that an additional 30 days is needed. If more time is still needed to make a claim determination, we will send you written notice during this initial 30 day extension stating the special circumstances that require an additional 30 days. You will have 45 days to provide any additional information requested.

If the claim is wholly or partly denied, our notice will include:

1. Reasons for such denial;
2. Reference to specific certificate provisions, rules or guidelines on which the denial was based;
3. A description of the additional information needed to support your claim;
4. Information concerning your right to request that we review our decision; and
5. A description of our review procedures, time limits and notice of your right to bring civil action.

Review Of Denied Claims – This request must be in writing and must be received by us no more than 180 days after you receive notice of our claim decision. A request for a review of an urgent claim may be made over the phone. As part of this review, you may:

1. Send us written comments;
2. Review any non-privileged information relating to your claim; or
3. Provide us with other information or proof in support of your claim.

We will review your claim promptly after receiving your request. We will advise you of the results of our review within 60 days after we receive your request, or within 120 days if there are special circumstances that require more time (such as the need to hold a hearing). Our decision will be in writing and will include reference to specific policy provisions, rules or guidelines on which the decision was based, and notice of your right to bring a civil action.

Time of Payment of Claims

We will pay benefits due under this Policy for any loss immediately upon receipt of due written or authorized electronic proof of such loss.

Payment of Claims

All benefits will be paid in United States currency. All benefits payable under this Policy, unless otherwise stated, will be payable to the Covered Person. Any benefits unpaid at the time of a Covered Person's death will be paid in the following order:

1. to any approved assignee;
2. the Covered Person's beneficiary;
3. a Covered Person's surviving spouse;
4. a Covered Person's estate.

If we are to pay benefits to the Covered Person's estate or to a person who is incapable of giving a valid release, we may pay up to \$1,000 to a relative by blood or marriage that we believe is equitably entitled. Any payment made by us in good faith pursuant to this provision will fully discharge us to the extent of such payment and release us from all liability.

Change of Beneficiary

A Covered [Employee] may ask us to change his beneficiary at any time. [The request must be in writing and the change must be approved by us.] If approved, it will go into effect the day the Covered Person signs the request. The change will not have any bearing on payments made before we approved the request.

Claimant Cooperation Provision

Failure of a claimant to cooperate with us 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.

Claim Administration

For plans subject to the Employee Retirement Income Security Act (ERISA), the plan administrator of the employer's employee welfare benefit plan (the plan) has selected us as the plan fiduciary under federal law for the review of claims for benefits provided by this Policy and for deciding appeals of denied claims. In this role we shall have the authority, in our discretion, to interpret the terms of plan documents, to decide questions of eligibility for coverage or benefits under the plan, and to make any related findings of fact. All decisions made by us in this capacity shall be final and binding on participants and beneficiaries of the plan to the full extent permitted by state and federal law.

We will have no fiduciary responsibility with respect to the administration of the plan except as described above. It is understood that our sole liability to the plan and to participants and beneficiaries under the plan shall be for the payment of benefits provided under this Policy.

We may contract with another entity to perform this function on our behalf.

Payment of Claims to Foreign [Employees]

The [Policyholder] may, in a fiduciary capacity, receive and hold any benefits payable to Covered [Employee]s whose place of employment is other than:

1. the United States and its possessions; or
2. the Dominion of Canada.

We will not be responsible for the application or disposition by the [Policyholder] of any such benefits paid. Our payments to the [Policyholder] will constitute a full discharge of our liability for those payments under this Policy.

Physical Examination and Autopsy

We, at our own expense, have the right and opportunity to examine the Covered Person when and as often as we may reasonably require while a claim is pending and to make an autopsy in case of death where it is not forbidden by law.

Legal Actions

No action at law or in equity may be brought to recover under this Policy less than 60 days after written or authorized electronic proof of loss has been furnished as required by this Policy. No such action will be brought more than three years after the time such written proof of loss must be furnished.

Recovery of Overpayment

If benefits are overpaid, we have the right to recover the amount overpaid by either of the following methods.

1. A request for lump sum payment of the overpaid amount.
2. A reduction of any amounts payable under this Policy.

If there is an overpayment due when the Covered Person dies, we may recover the overpayment from the Covered Person's estate.

[Additional Coverage with the Company

We will only pay benefits under one Disability Income Policy or Certificate if a Covered Person is covered by more than one of our disability income Policies or Certificates. A Covered Person may choose which Certificate they wish to keep in force by sending us written notice of their choice. We will return the premiums paid for any of our other disability income Policies or Certificates during the period there was more than one Policy or Certificate in force.]

Unpaid Premium – When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

ADMINISTRATIVE PROVISIONS

Cancellation

We or the [Policyholder] may cancel this Policy, after the first year as of any Premium Due Date, by giving the other party [31] [45] [60] [90] [120] [180] days advance written notice.

If a premium is not paid when due, we will cancel this Policy at the end of the last period for which premium was paid, subject to the Grace Period provision. Premium Due Dates are shown in the *Schedule of Benefits*. The [Policyholder] has the sole responsibility to notify Covered Person's of such termination.

Grace Period

A Policy Grace Period of [31] [60] [90] days will be granted for payment of required premiums due after the first premium, unless:

1. we do not intend to renew the coverage provided by the Certificate beyond the period for which premium has been accepted; and

2. written notice of our intention not to renew is delivered to the [Policyholder] at least [30] [45] [60] [90] [120] [180] days before the premium is due.

This Policy will be in force during the Policy Grace Period. If the required premiums are not paid during the Policy Grace Period, insurance will end on the last day of the Grace Period. The [Policyholder] is liable to us for any unpaid premium for the time this Policy was in force.

We will reduce any benefits payable for any claims incurred during the Grace Period by the amount of premium due. If no such claims are incurred and premium is not paid during the grace period, insurance will end on the last day of the period for which premiums were paid.

Premiums

All premium rates are expressed in, and all premiums are payable in, United States currency. The premiums for this Policy will be based on the rates, as set forth in the *Schedule of Benefits* or subsequently changed, the plan and amounts of insurance in effect for Covered Persons and the premium mode selected, as shown in the *Schedule of Benefits*. We will provide notifications of premiums due or premium changes, by mail to the most current address in our files, to the [Policyholder].

Premium Payment

The total premium for this Policy is the sum of premiums paid by the [Policyholder] for all Covered Persons, including any amounts contributed toward the cost of this coverage by Covered Persons. If any premium is not paid when due, this Policy will be cancelled as of the Premium Due Date of the unpaid premiums, except as provided in the Grace Period provision.

Changes in Premium Rates

We may change the premium rates from time to time with at least 60 days advance written notice to the [Policyholder]. No change in rates will be made until 12 months after the Policy Effective Date. An increase in rates will not be made more often than once in a 12-month period. However, we reserve the right to change rates at any time if any of the following events take place:

1. the terms of this Policy change;
2. the number of Covered Persons eligible for coverage increases or decreases by more than 10% since the latter of the Policy Effective Date and the date of the last renewal of this Policy;
3. coverage is reinstated following failure to pay premium during the Grace Period;
4. acquisition, merger, consolidation, divestiture, corporate reorganization or purchase or sale of assets affecting, increasing or decreasing by 10% or more the number of eligible individuals;
5. a change in the number of eligible individuals which would, on a manual rate basis, require a change of 10% or more in the premium rate;
6. a change in any federal or state law or regulation is enacted, adopted or amended to the extent that it affects our benefit obligations under this Policy; or
7. the [Policyholder] fails to provide sufficient information, as required by us, to confirm adequacy of premiums and rates currently being paid.

Any increase or decrease in rate, other than an increase due to a change in a Covered Person's age, will take effect on the date of the applicable change specified above. A pro-rata adjustment will apply from the date of the change to the end of any period for which premium has been paid.

Any increase in the rate charged due to a change in a Covered Person's age will take effect on the Anniversary Date of the [Policy]. A pro-rata adjustment due to a change in the Covered Person's age is limited to 12 months from the effective date of the person's coverage under the [Policy] or the last Anniversary Date of the [Policy], if later.

Premium Audit

We will have the right to audit books and records of the [Policyholder] at its place of business and during regularly-scheduled business hours, in order to determine the accuracy of premium paid.

GENERAL PROVISIONS

Entire Contract; Changes

This Policy, including [the application (if any)], [the Certificate, [individual enrollment forms (if any)], [endorsements, amendments and any attached papers constitutes the entire contract of insurance. No change in this Policy will be valid until approved by one of our executive officers and endorsed on or attached to this Policy. No agent has authority to change this Policy or to waive any of its provisions.

Misstatement of Age

If an age has been misstated on the enrollment form, the Benefits will be those the premium paid would have purchased at the correct age.

Certificates

Where required by law, we will provide a certificate of insurance to the Policyholder for delivery to the Covered Person. Each certificate will list the benefits, conditions and limits of this Policy. It will state to whom benefits will be paid.

Assignment

The rights and benefits under this Policy may be assigned under certain circumstances. Any Covered Person that wants to make an assignment of his insurance should see the [Policyholder] for the conditions and further information.

We assume no responsibility for the validity, sufficiency, or effect of any assignment of a Covered Person's insurance (including an assignment on a form furnished by us or by the [Policyholder]).

Incontestability

1. Of This Policy

All statements made by the [Policyholder] to obtain this Policy are considered representations and not warranties.

No statement will be used to deny or reduce benefits or be used as a defense to a claim, or to deny the validity of this Policy unless a copy of the instrument containing the statement is, or has been, furnished to the [Policyholder]. After two years from the Policy Effective Date, no such statement will cause this Policy to be contested except for fraud.

2. Of A Covered Person's Insurance

All statements made by a Covered Person are considered representations and not warranties. No statement will be used to deny or reduce benefits or be used as a defense to a claim unless a copy of the instrument containing the statement is, or has been, furnished to the claimant. In the event of a claimant's death or incapacity, his applicable representative shall be given a copy.

After two years from a Covered Person's effective date of insurance, or from the effective date of increased benefits, no such statement will cause insurance or the increased benefits to be contested except for fraud.

Reporting Requirements

The [Policyholder] or its authorized agent must report all of the following to us by the premium due date:

1. the number of persons insured on the Policy Effective Date;
2. the number of persons who are insured after the Policy Effective Date;
3. the number of persons whose insurance has terminated;
4. any additional information required by us.

Clerical Error

A Covered Person's insurance will not be affected by error or delay in keeping records of insurance under this Policy. If such error or delay is found, we will adjust the premium fairly.

Conformity with Statutes

Any provisions in conflict with the requirements of any state or federal law that applies to this Policy are automatically changed to satisfy the minimum requirements of such laws.

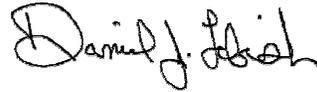
Compensation Insurance

This Policy is not in place of and does not affect any requirements for coverage under any Workers' Compensation, Occupational Disease or similar law.

HM Life Insurance Company

120 Fifth Avenue, Fifth Avenue Place, Pittsburgh, PA 15222

HM Life Insurance Company certifies that you will be insured under the Policy Number issued to the Policyholder named below during the time, in the manner, and for the amounts provided in the Group Policy.



President

POLICYHOLDER:	[*]
POLICY NUMBER:	[*]
[PARTICIPATING ORGANIZATION:]	[*]
CERTIFICATE EFFECTIVE DATE:	[*]
STATE OF ISSUE:	[*]

Your coverage under the Policy **HM Life Insurance Company** issued to the Policyholder is shown in this Certificate. If your coverage is changed by an amendment to the Policy, we will provide the [Policyholder] with a revised Certificate or other notice to be given to you.

PLEASE READ THIS CERTIFICATE CAREFULLY

This Certificate of Insurance has a Table of Contents to help you find specific provisions. It goes into effect, subject to its applicable terms and conditions, at 12:01 AM on the Certificate Effective Date shown above, at the [Policyholder]'s address. The laws of the State of Issue shown above govern this Certificate.

"You" and "your" refer to the Covered Employee. The "Company", we", "us", and "our" refer to **HM Life Insurance Company**. Other defined terms are printed with an initial capital letter.

GROUP DISABILITY INCOME CERTIFICATE NON-OCCUPATIONAL ONLY

NO RECOVERY FOR PRE-EXISTING CONDITIONS - READ CAREFULLY.

No benefits will be provided for the first twelve months a person is covered under this Certificate for conditions for which medical advice or treatment was received or recommended during the [three] [six] [twelve] month period prior to the effective date of such person's coverage under this Certificate.

Questions or Comments

We want to hear from you. If you have any questions about this Certificate, its benefits, the filing of claims, a complaint or a compliment, write to us at the address on the front of this Certificate. Thank you for your loyal patronage.

TABLE OF CONTENTS

SCHEDULE OF AFFILAITES	1
SCHEDULE OF BENEFITS	1
ELIGIBILITY, EFFECTIVE DATE AND TERMINATION	9
DISABILITY INCOME BENEFITS	11
CLAIM PROVISIONS	14
ADMINISTRATIVE PROVISIONS	17
GENERAL PROVISIONS	19

[SCHEDULE OF AFFILIATES

The following Affiliates are covered under the Policy on the effective dates listed below. A newly-acquired Affiliate may be covered under the Policy on the date it is acquired as long as the [Policyholder] notifies us within [30] [45] [60] [90] [180] days of its acquisition and pays the required premium. If we are not notified within the required time period, the Affiliate will be covered on the date we agree in writing to provide coverage and receive the required premium. Individuals who are [employed by] [members of] [associated with] the Affiliate on its effective date of coverage are eligible for coverage on that date.

[Affiliate Name	Location	Effective Date
[*]	[*]	[*]]

SCHEDULE OF BENEFITS

This Certificate is intended to be read in its entirety. In order to understand how Disability Income Benefits are calculated and all the conditions, exclusions and limitations applicable to its benefits, please read all of this Certificate's provisions carefully.

Unless otherwise stated in this Certificate, benefits are payable per Covered Person per Benefit Period. No benefits are payable for any Covered Person until the Eligibility Waiting Period has been completed.

Eligibility Waiting Period

[For [employee]s hired [30] [31] [60] days [or more] before the Certificate Effective Date: [None] [30] [31] [45] [60] [90] [days] [The period determined by the [Policyholder's] personnel practices]]

[For [employee]s hired after the Certificate Effective Date: [None] [30] [31] [45] [60] [90] [days] [the [Policyholder]'s next Enrollment Period] [The period determined by the [Policyholder's] personnel practices]]

The Eligibility Waiting Period is the period of time that must lapse before an [Employee] is eligible for this insurance. It will be extended by the number of days the [Employee] is not in Active Service. We will not pay benefits for an Injury or Injuries sustained during the Eligibility Waiting Period.

[The Covered Person may elect to void any coverage applied for and receive a full refund of premium. Any such request must be in writing and made prior to the end of the Eligibility Waiting Period.]

Applying for Coverage

An [Employee] may only apply for coverage or for an increase in his Weekly Benefit during the following periods:

1. Within 31 days after the date he is first eligible for coverage under this Certificate; or
2. During an Enrollment Period.

An [Employee] cannot apply for coverage or for a change in his Benefit Amount at any other time.

Benefit Amount

The Benefit Amount is the Weekly Benefit payable per week for any one Period of Disability.

The Weekly Benefit in effect on a Covered Person's last day of Active Service before he becomes Disabled is determined as follows:

1. Within 31 days of the date he is first eligible for coverage an [Employee] may elect a Weekly Benefit up to the amount he is eligible for based on his Weekly Earnings. An [Employee] must submit satisfactory Applicant Information to become insured for a Weekly Benefit over the Guarantee Issue Amount.
2. If an [Employee] does not apply for coverage within 31 days of the date he is first eligible, or elects coverage and subsequently voids coverage within that time period, he must wait until the next Enrollment Period. At that time he must submit satisfactory Applicant Information to become insured for a Weekly Benefit.
3. An [Employee] may also elect to increase or decrease his Weekly Benefit during the Enrollment Period. He may increase his Weekly Benefit up to an amount he is eligible for based on his Weekly Earnings by submitting satisfactory Applicant Information. An [Employee] does not have to submit Applicant Information to decrease his Weekly Benefit.

Any Benefit Amount elected over the Guarantee Issue Amount when first eligible is not effective until we approve the Applicant Information; thereafter the entire Benefit Amount elected will not be effective until the [date] [first day of the month coinciding with or next following] the Enrollment Period, or the date we approve the Applicant Information, if later.

The Guarantee Issue Amount is [\$50 to \$1750 in \$50 increments].

[An [Employee] can only elect a weekly benefit from one plan.] An [Employee] cannot elect an amount greater than the amount he is eligible for based on his Weekly Earnings.

[Class] [*]

{Option}

<u>Weekly Earnings</u>	<u>Weekly Benefit *</u>		
	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>
\$2500 or more	\$1250	\$1500	\$1750
2308 to 2499	1200	1450	1700
2077 to 2307	1100	1300	1550
1846 to 2076	1000	1200	1400
1615 to 1845	850	1050	1200
1385 to 1614	750	900	1050
1154 to 1384	650	750	900
923 to 1153	500	650	750
692 to 922	400	500	550
462 to 691	300	350	400
346 to 461	200	250	300
231 to 345	150	200	200
115 to 230	100	100	100
114 or less	50	50	50

* An [Employee] can elect an amount less than the amount he is eligible for in \$50 increments.

{Option}

[Class] [*] [\$50 to 1750 per week in \$50 increments]

[If a benefit is payable for part of a week, the Disability Income Benefit will equal the number of calendar days for which Disability Income Benefits are payable times [1/5th] 1/6th] [1/7th] of the applicable weekly benefit.]

Elimination Period

[For Disability due to Sickness] [None] [7] [14] [30] [days] [The exhaustion of any accumulated sick leave days provided by the [Policyholder]

[For Disability due to Injury] [None] [7] [14] [30] [days] [End of [Employer] provided sick leave] [The exhaustion of any accumulated sick leave days provided by the [Policyholder]

The Elimination Period is the length of time a Covered Person must be continuously [Totally] Disabled before Disability Income Benefits become payable. The Elimination Period begins on the date a Covered Person becomes [Totally] Disabled. No Disability Income benefits are ever payable during the Elimination Period.

During the Elimination period a Covered Person must be under the care of a Physician or Doctor. We reserve the right and opportunity to examine a Covered Person during the Elimination Period.

For purposes of serving the Elimination Period If a Covered Person Temporarily Recovers all separate periods of Disability from the same or a related cause will be added together and treated as one continuous period of Disability if they are separated by a period of Temporary Recovery. However, if a Covered Person Temporarily Recovers the full Elimination Period must be completed within seven consecutive days of the date the Elimination Period would have otherwise ended.

Benefit Period

[13] [26] [52] weeks

The Benefit Period is the longest period of time Disability Income Benefits are payable for any one continuous Period of Disability, whether from one or more causes. The Benefit Period begins at the end of the Elimination Period.

After Disability Income Benefits end, a Covered Person's Insurance will continue without any interruption if he is an [Employee] and immediately returns to Active Service for the [Policyholder] on his regularly scheduled work day.

If a Covered Person Temporarily Recovers after Disability Income Benefits become payable any two Periods of Disability from the same cause or causes will be added together and treated as one continuous Period of Disability if they are separated by a period of Temporary Recovery of less than 30 days. Thus, a new Elimination Period will not be required, the amount of your Disability Income Benefit will not change, and the Benefit Period will be the balance of the Benefit Period remaining unused before the period of Temporary Recovery.

Reduction Schedule

The Benefit Amount will be reduced by the appropriate percentage shown below if Covered Person is age 70 or older on the date the benefit becomes payable.

At age 70 by 35%

At age 75 by 50% of the amount in force immediately prior to age 70

At age 80 by 65% of the amount in force immediately prior to age 70

[At age 85 by 75% of the amount in force immediately prior to age 70]

Pre-Existing Conditions

[We will not pay benefits for any condition or illness starting within [3] [6] [12] months of the [Effective Date of the Certificate] [effective date of an [Employee's] insurance] which is caused by, contributed to, or resulting from a Pre-Existing Condition.]

[We will pay a benefits for a condition or illness starting within [3] [6] [12] months of the [Effective Date of the Certificate] [effective date of an [Employee's] insurance] which is caused by, contributed to, or resulting from a Pre-Existing Condition for six weeks. Payment is limited to 50% of a Covered Person's weekly benefit.]

A claim for benefits for loss starting after 12 months from the Effective Date of the Certificate [effective date of an [Employee's] insurance] will not be reduced or denied on the grounds that it is caused by a Pre-Existing Condition.

A condition will no longer be considered Pre-Existing at the end of 12 consecutive months beginning on the [Effective Date of the Certificate] [effective date of an [Employee's] insurance].

"Pre-Existing Condition" means a sickness or physical condition which, within the [3] [6] [12] month period prior to the Effective Date of the Certificate [effective date of an [Employee's] insurance] resulted in an insured receiving medical advice or treatment.

"Treatment" means consultation; care or services provided by a Physician including diagnostic measures and taking prescribed drugs and medicines.

[Option – for takeover plans:]

[If a Covered Person is not in Active Service on the effective date of a change, any change in his Disability Income Benefit will be postponed until he returns to Active Service for one full day.]

If an [Employee] was insured under a Prior Plan this limitation will not apply to their Disability from a Pre-Existing Condition if all of the following are true:

1. The [Employee] was insured under the Prior Plan on the last day before the effective date of [his Insurance under] this Certificate.
2. The [Employee] was continuously insured under this Certificate from the effective date of [his insurance] through the date he became Disabled from the Pre-Existing Condition.
3. Benefits would have been payable under the Prior Plan if the Prior Plan had remained in force, taking into consideration the Pre-Existing condition exclusion or limitation, if any, of the Prior Plan.

However, we will pay the benefits payable under this Certificate or the benefits which would have been payable under the Prior Plan if the Prior Plan had remained in force, whichever is less.

Minimum Participation Requirement [5] [Employees] or [15%] of [Employee's] eligible]

Rates and Premiums

Mode of Premium Payment [Weekly] [Bi-weekly][Monthly] [Quarterly] [Semi-annual] [Annual]

Premium Due Dates [Certificate Effective Date and the first day of each month thereafter]

[Certificate Effective Date and the first day of each calendar quarter thereafter]

[Certificate Effective Date and the first day of [July] [and] [January] thereafter]

Contributions The [entire] cost of this insurance is paid by [the] [[Policyholder]] [and] [Covered Persons].

Rates	[Weekly] [Bi-weekly][Monthly] [Quarterly] [Semi-annual] [Annual] Rate
Attained Age	
Under 30	[*]
30 - 34	[*]
35 - 39	[*]
40 - 44	[*]
45 - 49	[*]
50 - 54	[*]
55 - 59	[*]
60 - 64	[*]
65 – 69	[*]
70 and over	[*]
Composite	[*]

Any increase in premium due to a change in the Covered Person's age will become effective on the Anniversary Date.

DEFINITIONS

Please note that certain words used in this Certificate have specific meanings. Other than references to he, him, his, you, your, yours, we, us or our, the words defined below and capitalized within the text of this Certificate have the meanings set forth below.

Active Service means that the [Employee] is either:

1. at work on one of the [Employees] scheduled work days and is performing his regular duties on a scheduled basis, either at one of the [Employer's] usual places of business or at some other location to which the [Employer]'s business requires him to travel;
2. on a scheduled holiday[,] [or] vacation day [or period of [Employer]-approved paid leave of absence][, only if the [Employee] was in Active Service on the preceding scheduled workday].

A Covered Person is considered in Active Service if he is not one of the following:

1. an In-Patient in a Hospital, skilled nursing facility, rehabilitation hospital, convalescent / personal care facility or receiving out-patient care and/or therapy that affects a Covered Person's ability to perform his regular duties on a scheduled basis;
2. confined at home under the care of a Physician or Doctor for a treatment of an injury or sickness; or
3. [Totally] Disabled.

[Option – for takeover plans:]

If an [Employee] was insured under another group disability income plan administered by the [Policyholder] on the last day before the effective date of [his coverage under] this Certificate, he can become insured under this Certificate on the [Effective Date of the Certificate] [effective date of an [Employee's] insurance] without meeting the Active Service requirement.

However, the benefits we pay for a new period of Disability beginning after he becomes insured under this Certificate, but before he meets the Active Service requirement, will be the benefits payable under this Certificate or the benefits which would have been payable under the Prior Plan if the Prior Plan had remained in force, whichever are less, reduced by any benefits payable under the Prior Plan.]

Affiliate or Affiliated means a company, location, division, or organization that is subsidiary to, affiliated with or controlled by the [Policyholder].

Provide **Applicant Information** means an [Employee] must sign our enrollment form and complete the Applicant Information section of that form.

Benefit Amount means the Disability Income payable to a Covered Person according to the terms of this Certificate.

Certificate means the document issued for delivery to the Covered Person that lists the benefits, conditions and limits of the Policy.

Company or we, us, our, means HM Life Insurance Company, domiciled in Pennsylvania.

Confined means a Covered Person is registered as an Inpatient in the Hospital upon recommendation of a Physician or Doctor, or as an outpatient in a Hospital because of surgery.

Covered Person means an [Employee] for whom an enrollment form has been accepted by us[, the required premium has been paid when due] and for whom coverage under this Certificate remains in force

Disabled means a Covered Person is either Totally Disabled or Partially Disabled. A Covered Person will be considered Disabled during the Elimination Period [if he is Totally Disabled] and throughout the Benefit Period if he is either Totally Disabled or Partially Disabled, as defined below. A Covered Person will not be considered Disabled during a period of Temporary Recovery.

[Employee] means a [full-time] [employee] of the [Policyholder] [who works an average of [10] [15] [20] hours per week [or equivalent hours per month] [and who meets all of the requirements for one of the Covered Classes shown below].

- | | |
|-------------|--|
| [[Class 1] | [All [employee]s] of the [Policyholder] who are officers] |
| [Class 2] | [All [employee]s] of the [Policyholder] who are managers or supervisors] |
| [Class 3] | [All [employee]s] of the [Policyholder]] at [location]] |
| [Class 4] | All other [employee]s] of the [Policyholder]]] |

Enrollment Period means a period of time agreed upon by the [Policyholder] and the Company, during which an [Employee] may apply for insurance.

He, him or his means an individual, male or female.

Hospital means an institution that meets all of the following:

1. it is licensed pursuant to applicable law; it is primarily and continuously engaged in providing medical care and treatment to sick and injured persons;
2. it is managed under the supervision of a staff of legally licensed physicians;
3. it provides 24-hour nursing services by or under the supervision of a graduate registered nurse (R.N.);
4. it has medical, diagnostic and treatment facilities, with major surgical facilities on its premises, or available on a prearranged basis;
5. it charges for its services.

The term Hospital does not include a clinic, facility, or unit of a Hospital for:

1. rehabilitation, convalescent or custodial care; or
2. the aged.

Injury means accidental bodily injury, which:

1. occurs while the Covered Person is insured under this Certificate, and after any applicable Eligibility Waiting Period;
2. is not subject to the Pre-Existing Condition Limitation; and
3. is not otherwise excluded under the terms of this Certificate.

In-Patient means a Covered Person who is confined [overnight] [,] [for at least] [one full day] [or][[twenty-four (24)] continuous hours in a Hospital and incurred room and board charges. The requirement that a person be charged for room and board does not apply to confinement in a Veteran's Administration Hospital or Federal Government Hospital and in such case the term "In-Patient" shall mean a Covered Person is required to be confined for a period determined by applicable law governing such facility.

Job means a group of similar positions within an establishment, which are identical with respect to their major or significant tasks. There may be one or many persons employed in the same Job. As used above an "establishment" is a public or private employing unit that produces, provides and/or sells goods or services at a single physical location. An establishment may range in size from a single self-employed worker to thousands of workers.

Occupation means a group of Jobs, found at more than one establishment, in which a common set of tasks are performed and related in terms of similar objectives, methodologies, materials, products, worker actions or worker characteristics.

Organic Mental Disorder means a psychological, cognitive, or behavioral abnormality associated with transient or permanent dysfunction of the brain, usually characterized by the presence of an Organic Brain Syndrome. Organic Brain Syndrome means any acute or chronic mental dysfunction (as delirium or senile dementia) resulting chiefly from physical changes in brain structure and characterized especially by impaired cognition.

Own Occupation means an occupation that involves Substantial and Material Duties of the same general character as the Covered Person's Job with his employer when he becomes [Totally] Disabled. A Covered Person's Own Occupation is not limited to the specific Job duties he was performing for his employer or to a job at the same location. A Covered Person will not be considered [Totally] Disabled from your Own Occupation if he is able to perform the Substantial and Material Duties of a Job within the same general occupation for his employer or another employer.

Partial Disability or Partially Disabled means that due to an accidental Injury or Sickness a Covered Person: is unable to perform at least one of the Substantial and Material Duties of his Own Occupation; can earn no more than half of his Weekly Earnings; and is under the regular care of a Physician or Doctor for the condition causing the Disability.

Physician or Doctor means a licensed health care provider practicing within the scope of his license and rendering care and treatment to a Covered Person that is appropriate for the condition and locality and who is not:

1. employed or retained by the [Policyholder];
2. living in the Covered Person's household; or
3. a parent, sibling, spouse[,] [domestic partner] or child of the Covered Person.

[Plan] Year or annual or annually means a period of twelve consecutive months beginning on the Policy Effective Date and subsequent Anniversary Dates.

Policyholder means the entity shown on the cover page of this Certificate.

[Participating Organization] means the entity shown on the cover page of this Certificate.]

Prior Plan means another group disability income plan on an insured or self funded basis administered by the Policyholder in effect on the day before effective date of [an [Employee's] insurance under] this Certificate.

Sickness means an illness, infection, disease or any other abnormal condition, which is not caused solely by or the result of an injury that:

1. is first manifested while the Covered Person is insured under this Certificate, and after any applicable Eligibility Waiting Period;
2. is not subject to the Pre-Existing Condition Limitation; and
3. is not otherwise excluded under the terms of this Certificate.

Pregnancy and complications of pregnancy are considered as sicknesses.

Substantial and Material Duties or Substantial and Material Duty means the duties which an employer normally requires for the performance of an occupation and which cannot be reasonably omitted or modified. Substantial and Material Duties include Working the number of hours required in a Covered Person's regularly scheduled work week, up to 40 hours per week. Any requirement that a person works in excess of 40 hours per week will not be considered a Substantial and Material Duty.

Temporary Recovery or Temporarily Recovered means any period that we do not consider a Covered Person to be Disabled. No Disability Income Benefits are payable during a period of Temporary Recovery.

A period of Temporary Recovery will not count toward satisfaction of the Elimination Period or reduce the Benefit Period for the same or a related condition.

Total Disability or Totally Disabled means a Covered Person is currently unable, as a result of an accidental Injury or Sickness to perform the Substantial and Material Duties of his Own Occupation, with or without reasonable accommodation by an employer, and he is not Working at all. Nothing in this definition extends the Benefit Period shown in the *Schedule of Benefits*.

[Option:]

[Weekly Earnings means a Covered Person's weekly rate of earnings from his employer including commissions and tax deferred contributions he makes to a qualified plan sponsored by his employer, but excluding bonuses, overtime pay, and any other extra compensation. The following rules apply to the computation of your weekly rate of earnings:

Commissions: A Covered Person's weekly rate of earnings on any date includes their average weekly commissions during the prior calendar year (or during their period of employment if less than one calendar year).

Monthly pay: Monthly earnings are divided by 4.333 to find a Covered Person's weekly rate of earnings.

Hourly pay: A Covered Person's hourly pay rate is multiplied by the number of hours they are regularly scheduled to work per week (but not more than 40) to find their weekly rate of earnings. If a Covered Person does not have regular work hours, their weekly rate of earnings on any date will be based on the average number of hours they worked per week during the prior calendar year (or during their period of employment if less than one calendar year), but not more than 40.]

[Option based on W-2 / 1099:]

[Weekly Earnings] means a Covered Person's [wages, tips and other compensation] [Medicare wages and tips] as reported on form W-2 and/or form 1099 from their employer during the prior calendar year divided by 52.

If a Covered Person was not an employee of the employer during the calendar year prior to the date they become [Totally] Disabled, Weekly Earnings means the Covered Person's gross pay from the employer before any deductions divided by the number of weeks employed prior to the date they become [Totally] Disabled.]

[Option – Partners:]

[Weekly Earnings] means a Covered Person's average weekly compensation from the partnership during the calendar year prior to the date they become [Totally] Disabled, as reported on the partnership federal income tax return as such person's "net earnings (loss) from self-employment" for that year.

If a Covered Person was not a partner during the calendar year prior to the date they become [Totally] Disabled, Weekly Earnings means their average weekly compensation (excluding dividends, capital gains, and return of capital) from the partnership prior to the date they become [Totally] Disabled, determined in accordance with the terms of their partnership agreement.]

[Option - Sole Proprietors or Shareholders:]

[Weekly Earnings] means a Covered Person's average weekly net taxable income (excluding dividends, capital gains, and return of capital) from the employer during the calendar year prior to the date they become [Totally] Disabled, as reported on their federal income tax return. A Covered Person's average weekly net taxable income equals: their average weekly taxable income paid by their employer during the prior calendar year (excluding dividends, capital gains, and return of capital), as reported on their federal income tax return; minus their average weekly deductible work expenses attributable to their work for their employer during the prior calendar year, as reported on their federal income tax return

If a Covered Person was not a sole proprietor or shareholder in a professional corporation during the calendar year prior to the date they become [Totally] Disabled, Weekly Earnings means their average weekly net taxable income from their employer during the period they were a sole proprietor or shareholder in a professional corporation prior to the date they become [Totally] Disabled. A Covered Person's average weekly net taxable income will be based on the taxable income paid to such person by the employer during the period they worked for the employer as a sole proprietor or shareholder in a professional corporation, taking into account the deductible work expenses attributable to their work for the employer during the same period.]

Working means a Covered Person is performing a Job or Occupation for an employer, or through self-employment for which he receives income.

ELIGIBILITY, EFFECTIVE DATE AND TERMINATION

Policy Effective Date

We agree to provide the Disability Income benefits described in this Certificate in consideration of the payment of the premium when due. Insurance coverage begins on the Certificate Effective Date shown on this Certificate's first page as long as the Minimum Participation requirement shown in the *Schedule of Benefits* has been satisfied.

[Effective Date for Newly-Acquired Affiliates

Insurance becomes effective for any newly-acquired affiliate of the [Policyholder] on first of the month following the date it is acquired if we have been notified in writing within the time period specified in the *Schedule of Affiliates*, have agreed to provide insurance, and have received any additional premium due. If we are not so notified, insurance for the Affiliate will become effective on the first of the month following the date we agree in writing to insure it and receive any additional premium due.

Individuals who are [Employee]s of an Affiliate on its effective date of insurance under this Certificate will be eligible for insurance on that date.]

Eligibility

An [Employee] is eligible provided he:

1. meets the applicable definition shown in *Definitions*; and
2. has completed the Eligibility Waiting Period, if any; and
- [3. is under age 70 [on the Effective Date of the Certificate] [date they complete the Eligibility Waiting Period]; and]
- [4.] meets the definition of Active Service in *Definitions*.

Effective Date

The Effective Date of the Policy and Certificate is shown on the applicable cover page.

An eligible [Employee]'s insurance becomes effective on the [day] [first of the month] following the date he[:]

- [1.] submits a complete enrollment form, if any [and we approve that form]; and]
- [2.] has paid the required first contribution, if any].

Deferred Effective Date

The effective date of insurance will be deferred for any [Employee] who is not in Active Service on the [day] [first of the month] following the date he would otherwise have become eligible. Coverage will become effective on the later of the [day] [first of the month] following the date he returns to Active Service and the [day] [first of the month] following the date coverage would otherwise have become effective.

Late Entrant

An [Employee] will be considered a late enrollee if he does not apply for insurance under this Certificate within 31 days of the [day] [first of the month] following the date he is first eligible.

[If an [Employee] does not apply for insurance under this Policy when first eligible[, or applies for insurance within that period and subsequently voids his coverage in writing within 31 days,] he must wait until the [Policyholder]'s next Enrollment Period. At that time the [Employee] must provide a signed enrollment form with complete Applicant Information to become insured. Coverage for any late entrant will then become effective on the [first] day [of the month coinciding with or next] following the date we approve such person's Applicant Information.

Effective Date of Changes

Any increase in the amount of insurance for the Covered Person resulting from a change in the benefits provided by this Certificate[, a change in the [Employee]'s Covered Class] or a change in the [Covered Person's] election will take effect on the [Anniversary Date] [day] [first of the month] following the Enrollment Period. Increases will take effect subject to any Active Service and Application Information requirement.

Any decrease in the amount of insurance for the Covered Person resulting from a change in the benefits provided by this Certificate[, a change in the [Employee]'s election or] a change in the [Covered Person's] Weekly Earnings will take effect on the [Anniversary Date] [day] [first of the month] following the Enrollment Period.

Termination of Insurance

The insurance on a Covered Person will end on the earliest date below:

1. first of the month following the date the Policy, this Certificate or insurance for a Covered Class is terminated;
2. the [day] [next premium due date after first of the month] following the date the Covered Person is no longer in a Covered Class or satisfies eligibility requirements under this Certificate;
- [3.] [the [day] [next premium due date after first of the month] following the date the Covered Person attains age 70;]
- [4.] the last day of the last period for which premium is paid;
- [5.] the end of any period of continuation approved by us; and

Termination will not affect a claim for benefits incurred after the Eligibility Waiting Period, if any, and while coverage was in effect. A Covered Person's right to receive a Disability Income Benefit for a Period of Disability which begins while he is insured under this Certificate will not be affected by:

1. The termination of the Policy or Certificate after the date he becomes Disabled.
2. The termination of his insurance while this Certificate remains in force.
3. The termination of insurance for a Covered Class of which he is a member.
4. Any amendment to the Policy or Certificate approved after the date he becomes Disabled.

DISABILITY INCOME BENEFITS

The Benefit Amount payable during a Period of Disability [for the plan selected] is shown in the *Schedule of Benefits*. Unless otherwise noted the amount shown in the *Schedule of Benefits* is the full amount payable per Covered Person during any one continuous Period of Disability.

A Covered Person's Benefit Period begins at the end of the Elimination Period shown in *the Schedule of Benefits*. Disability Income Benefits are not payable during the Elimination Period or for any period of Temporary Recovery.

Disability Income Benefits will stop at the death of a Covered Person or at any time during the Benefit Period when you no longer qualify for a Disability Income Benefit. Disability Income Benefits will stop at the end of the Benefit Period even if you are still Disabled.

[A Disability Income Benefit will not be paid during a period of Disability if a Covered Person is paid a benefit under any other group disability insurance policy. This rule prevents double coverage if a Covered Person becomes insured under another group policy while he is working during a period of Temporary Recovery.]

[If the *Schedule of Benefits* shows a Reduction Schedule any benefit payable after the attained age will be reduced by the rate shown in Reduction Schedule.] No benefits are payable for any Covered Person until the Eligibility Waiting Period and Elimination Period has been completed.

1. Regular Care

To receive a Disability Income Benefit, a Covered Person must be under the Regular Care of a Physician or Doctor.

A Covered Person is under the "Regular Care" of a Physician or Doctor if he is:

- a. seeing a Physician or Doctor as often as is medically necessary to effectively manage and treat his Disability in accordance with generally accepted medical standards; and
- b. actually receiving the most appropriate treatment and care for your disability in accordance with generally accepted medical standards.

2. Total Disability

We will pay a benefit for Total Disability during a Period of Disability as follows:

- a. Benefits start on the day following the Elimination Period shown in the *Schedule of Benefits*.
- b. Benefits will continue to be paid for days of Total Disability; but they will not be paid beyond the applicable Benefit Period shown in the *Schedule of Benefits*, or the day following the day benefits are no longer payable for Partial Disability.

The amount of Weekly Benefit payable for Total Disability is shown in the *Schedule of Benefits*.

3. Partial Disability

We will pay a benefit for Partial Disability during a Period of Disability as follows:

- a. Benefits start on the day the Covered Person returns to work while Partially Disabled.
- b. Benefits will continue to be paid while the Covered Person is Partially Disabled and working but they will not be paid beyond the end of the applicable Benefit Period shown in the *Schedule of Benefits*.

[The amount of the benefit payable for Partial Disability is the Weekly Benefit payable for Total Disability reduced by income received while a Covered Person is working.]

A Covered Person is "working" if they receive income while performing a Job or Occupation for his employer, any other employer, or through self-employment.

[4. First Day Hospital Benefit

If a Covered Person is Confined in a Hospital during the Elimination Period, Disability Income Benefits:

1. will become payable on the first day of his Hospital confinement; and
2. the remainder of the Elimination Period will be waived; and
3. the Benefit Period will begin on the date the benefit becomes payable.

A Covered Person must be seen regularly and treated by a Physician or Doctor during such Hospital confinement.]

[5 Waiver of Premium

A Covered Person's Disability Income Benefit in effect when he becomes Disabled will be continued without payment of premiums during any period Disability Income Benefits are payable he has been continuously Disabled for 30 days.

If a period of continuous Disability is extended by a new cause while Disability Income Benefits are payable, A Covered Person's Disability Income Benefit will continue while he remains Disabled (subject to the terms of this Certificate), but not beyond the end of the original Benefit Period.]

EXCLUSIONS

We will not pay benefits for loss contributed to, caused by, or resulting from the following unless specifically provided elsewhere in this Certificate:

1. Suicide or any attempt or threat to commit suicide, while sane or insane, or any intentionally self-inflicted injury [, unless as a result of a medical condition or an act of domestic violence];
2. An Injury or Sickness while participating in a riot, civil commotion, civil disobedience, insurrection or unlawful assembly, unless a loss that occurs while a Covered Person is acting in a lawful manner within the scope of authority;
3. An Injury or Sickness while committing, attempting to commit, or taking part in a felony or assault; or engagement in any illegal occupation;
4. An Injury while participating in a contest of speed in power driven vehicles or a self propelled conveyance, parachuting, parasailing, bungee jumping, mountain climbing, spelunking, or hang gliding, operating an all terrain vehicle (ATV or dirt bike);
5. An Injury or Sickness while participating in or practicing for any professional or semi-professional sport for which the Covered Person receives compensation;] [or]
6. Occurring during air travel, except:
 - a. as a fare-paying passenger on a commercial airline on a regularly scheduled route
 - b. on a charter flight operated by a scheduled airline; or
 - c. as a passenger for transportation only and not as a pilot or crew member;
7. Due to the Covered Person being legally intoxicated as determined according to the laws of the United States of America;
8. Due to an Injury or Sickness resulting from the use of a controlled substance, or misuse of legal or illegal drugs, by a Covered Person that is not provided by or at the direction of a Physician or Doctor;
9. Due to an act of war, whether declared or undeclared, or while performing police duty as a member of any military or naval organization. This exclusion includes an Injury occurring or contracted while in the service of any military, naval or air force of any country engaged in war (the Company will refund the pro rata unearned premium for any such period the Covered Person is not covered);
10. Due to an Injury or Sickness arising out of and in the course of any occupation for compensation, wage or profit or expenses which are payable under Workers' Compensation, Occupational Disease or similar law, whether or not application for such benefits has been made;
11. Due to an Injury while driving any taxi, or long-distance or other commercial vehicle in the course of any occupation for compensation, wage or profit or expenses which are payable under Workers' Compensation, Occupational Disease or similar law, whether or not application for such benefits has been made.

12. Due to an Injury or Sickness during a period of time that insurance for a Covered Person is not in force;
13. Due to an Injury or Sickness after this Policy has terminated;
14. Due to an Injury or Sickness not provided by or at the direction of a Physician or Doctor, or is inconsistent with standards of medical practice for the applicable condition;
15. Any Injury or Sickness outside the United States or Canada;
16. Rendered by any person who is:
 - a. employed or retained by the [Policyholder];
 - b. living in the Covered Person's household;
 - c. a parent, sibling, spouse[,] [domestic partner] or child of a Covered [Employee] or of his spouse; or
 - d. a Covered Person treating himself.
17. An Injury or Sickness for which a Covered Person is eligible to receive benefits under any sick leave (sick days) plan;]
18. Due to an Injury or Sickness resulting from the voluntary inhalation of gas;
19. Dental examinations or dental care other than expenses resulting from a Covered Accident;
20. Cosmetic surgery or care, or treatment solely for cosmetic purposes, or complication thereof. This exclusion does not apply to:
 - a. cosmetic surgery resulting from an accident, if initial treatment of the Covered Person is begun within 12 months of the date of an Injury;
 - b. reconstruction incidental to or following surgery resulting from a covered Injury or Illness or from trauma, infection or other diseases of the involved part;
 - c. with respect to a mastectomy:
 - i. all stages of reconstruction of the breast on which the mastectomy has been performed;
 - ii. surgery and reconstruction of the other breast to produce a symmetrical appearance; and
 - iii. treatment of physical complications for all stages of the mastectomy, including lymphedema; or
21. Mental or emotional disorders without demonstrable organic disease or Organic Mental Disorder.]

CLAIM PROVISIONS

Notice of Claim

Written or authorized electronic/telephonic notice of claim must be given to us within 31 days after the date a Covered person becomes Disabled or as soon as reasonably possible. If written or authorized electronic/telephonic notice is not given in that time, the claim will not be invalidated or reduced if it is shown that written or authorized electronic/telephonic notice was given as soon as was reasonably possible. Notice can be given to us at our Administrative Office, such other place as we may designate for the purpose, or to our authorized agent. Notice should include the [Policyholder]'s name and the Covered Person's name, address, Policy and Policy Number.

Claim Forms

We will send claim forms for filing proof of loss when we receive notice of a claim. If such forms are not sent within 15 days after we receive notice, the proof requirements will be met by submitting, within the time fixed in this Certificate for filing proof of loss, written or authorized electronic proof of the nature and extent of the loss for which the claim is made.

Proof of Loss

Written or authorized electronic proof of loss satisfactory to us must be given to us at our Administrative Office, such other place as we may designate for the purpose, or to our authorized agent within 90 days of the loss for which claim is made.

If (a) benefits are payable as periodic payments and (b) each payment is contingent upon continuing loss, then proof of loss must be submitted within 90 days after the termination of each period for which we are liable. If written or authorized electronic notice is not given within that time, no claim will be invalidated or reduced if it is shown that such notice was given as soon as reasonably possible. In any case, written or authorized electronic proof must be given not more than one year after the time it is otherwise required, except if proof is not given solely due to lack of legal capacity.

[Notice of Decision

We will send you written notice of our claim decision within 30 days after we receive due proof of your loss. If there are special circumstances that require more time (such as the need to hold a hearing), we will send you a written notice within this timeframe that an additional 30 days is needed. If more time is still needed to make a claim determination, we will send you written notice during this initial 30 day extension stating the special circumstances that require an additional 30 days. You will have 45 days to provide any additional information requested.

If the claim is wholly or partly denied, our notice will include:

1. Reasons for such denial;
2. Reference to specific certificate provisions, rules or guidelines on which the denial was based;
3. A description of the additional information needed to support your claim;
4. Information concerning your right to request that we review our decision; and
5. A description of our review procedures, time limits and notice of your right to bring civil action.

Review Of Denied Claims – This request must be in writing and must be received by us no more than 180 days after you receive notice of our claim decision. A request for a review of an urgent claim may be made over the phone. As part of this review, you may:

1. Send us written comments;
2. Review any non-privileged information relating to your claim; or
3. Provide us with other information or proof in support of your claim.

We will review your claim promptly after receiving your request. We will advise you of the results of our review within 60 days after we receive your request, or within 120 days if there are special circumstances that require more time (such as the need to hold a hearing). Our decision will be in writing and will include reference to specific policy or certificate provisions, rules or guidelines on which the decision was based, and notice of your right to bring a civil action.

Time of Payment of Claims

We will pay benefits due under this Certificate for any loss immediately upon receipt of due written or authorized electronic proof of such loss.

Payment of Claims

All benefits will be paid in United States currency. All benefits payable under this Certificate, unless otherwise stated, will be payable to the Covered Person. Any benefits unpaid at the time of a Covered Person's death will be paid in the following order:

1. to any approved assignee;
2. the Covered Person's beneficiary;
3. a Covered Person's surviving spouse;
4. a Covered Person's estate.

If we are to pay benefits to the Covered Person's estate or to a person who is incapable of giving a valid release, we may pay up to \$1,000 to a relative by blood or marriage that we believe is equitably entitled. Any payment made by us in good faith pursuant to this provision will fully discharge us to the extent of such payment and release us from all liability.

Change of Beneficiary

A Covered [Employee] may ask us to change his beneficiary at any time. [The request must be in writing and the change must be approved by us.] If approved, it will go into effect the day the Covered Person signs the request. The change will not have any bearing on payments made before we approved the request.

Claimant Cooperation Provision

Failure of a claimant to cooperate with us 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.

Claim Administration

For plans subject to the Employee Retirement Income Security Act (ERISA), the plan administrator of the employer's employee welfare benefit plan (the plan) has selected us as the plan fiduciary under federal law for the review of claims for benefits provided by this Certificate and for deciding appeals of denied claims. In this role we shall have the authority, in our discretion, to interpret the terms of plan documents, to decide questions of eligibility for coverage or benefits under the plan, and to make any related findings of fact. All decisions made by us in this capacity shall be final and binding on participants and beneficiaries of the plan to the full extent permitted by state and federal law.

We will have no fiduciary responsibility with respect to the administration of the plan except as described above. It is understood that our sole liability to the plan and to participants and beneficiaries under the plan shall be for the payment of benefits provided under this Certificate.

We may contract with another entity to perform this function on our behalf.

Payment of Claims to Foreign [Employees]

The [Policyholder] may, in a fiduciary capacity, receive and hold any benefits payable to Covered [Employee]s whose place of employment is other than:

1. the United States and its possessions; or
2. the Dominion of Canada.

We will not be responsible for the application or disposition by the [Policyholder] of any such benefits paid. Our payments to the [Policyholder] will constitute a full discharge of our liability for those payments under this Certificate.

Physical Examination and Autopsy

We, at our own expense, have the right and opportunity to examine the Covered Person when and as often as we may reasonably require while a claim is pending and to make an autopsy in case of death where it is not forbidden by law.

Legal Actions

No action at law or in equity may be brought to recover under this Certificate less than 60 days after written or authorized electronic proof of loss has been furnished as required by this Certificate. No such action will be brought more than three years after the time such written proof of loss must be furnished.

Recovery of Overpayment

If benefits are overpaid, we have the right to recover the amount overpaid by either of the following methods.

1. A request for lump sum payment of the overpaid amount.
2. A reduction of any amounts payable under this Certificate.

If there is an overpayment due when the Covered Person dies, we may recover the overpayment from the Covered Person's estate.

[Additional Coverage with the Company

We will only pay benefits under one Disability Income Policy or Certificate if a Covered Person is covered by more than one of our disability income Policies or Certificates. A Covered Person may choose which Certificate they wish to keep in force by sending us written notice of their choice. We will return the premiums paid for any of our other disability income Policies or Certificates during the period there was more than one Policy or Certificate in force.]

Unpaid Premium – When a claim is paid, any premium due and unpaid may be deducted from the claim payment.

ADMINISTRATIVE PROVISIONS

Cancellation

We or the [Policyholder] may cancel the Policy or this Certificate, after the first year as of any Premium Due Date, by giving the other party [31] [45] [60] [90] [120] [180] days advance written notice.

If a premium is not paid when due, we will cancel the Policy or this Certificate at the end of the last period for which premium was paid, subject to the Grace Period provision. Premium Due Dates are shown in the *Schedule of Benefits*. The [Policyholder] has the sole responsibility to notify Covered Person's of such termination.

Grace Period

A Policy Grace Period of [31] [60] [90] days will be granted for payment of required premiums due after the first premium, unless:

1. we do not intend to renew the coverage provided by the Certificate beyond the period for which premium has been accepted; and
2. written notice of our intention not to renew is delivered to the [Policyholder] at least [30] [45] [60] [90] [120] [180] days before the premium is due.

The Policy and this Certificate will be in force during the Policy Grace Period. If the required premiums are not paid during the Policy Grace Period, insurance will end on the last day of the Grace Period. The [Policyholder] is liable to us for any unpaid premium for the time this Certificate was in force.

We will reduce any benefits payable for any claims incurred during the Grace Period by the amount of premium due. If no such claims are incurred and premium is not paid during the grace period, insurance will end on the last day of the period for which premiums were paid.

Premiums

All premium rates are expressed in, and all premiums are payable in, United States currency. The premiums for this Certificate will be based on the rates, as set forth in the *Schedule of Benefits* or subsequently changed, the plan and amounts of insurance in effect for Covered Persons and the premium mode selected, as shown in the *Schedule of Benefits*. We will provide notifications of premiums due or premium changes, by mail to the most current address in our files, to the [Policyholder].

Premium Payment

The total premium for this Certificate is the sum of premiums paid by the [Policyholder] for all Covered Persons, including any amounts contributed toward the cost of this coverage by Covered Persons. If any premium is not paid when due, this Certificate will be cancelled as of the Premium Due Date of the unpaid premiums, except as provided in the Grace Period provision.

Changes in Premium Rates

We may change the premium rates from time to time with at least 60 days advance written notice to the [Policyholder]. No change in rates will be made until 12 months after this Certificate's Effective Date. An increase in rates will not be made more often than once in a 12-month period. However, we reserve the right to change rates at any time if any of the following events take place:

1. the terms of the Policy or this Certificate change;
2. the number of Covered Persons eligible for coverage increases or decreases by more than 10% since the latter of the Policy Effective Date and the date of the last renewal of this Policy;
3. coverage is reinstated following failure to pay premium during the Grace Period;
4. acquisition, merger, consolidation, divestiture, corporate reorganization or purchase or sale of assets affecting, increasing or decreasing by 10% or more the number of eligible individuals;
5. a change in the number of eligible individuals which would, on a manual rate basis, require a change of 10% or more in the premium rate;
6. a change in any federal or state law or regulation is enacted, adopted or amended to the extent that it affects our benefit obligations under the Policy or this Certificate; or

7. the [Policyholder] fails to provide sufficient information, as required by us, to confirm adequacy of premiums and rates currently being paid.

Any increase or decrease in rate, other than an increase due to a change in a Covered Person's age, will take effect on the date of the applicable change specified above. A pro-rata adjustment will apply from the date of the change to the end of any period for which premium has been paid.

Any increase in the rate charged due to a change in a Covered Person's age will take effect on the Anniversary Date of this Certificate. A pro-rata adjustment due to a change in the Covered Person's age is limited to 12 months from the effective date of the person's coverage under this Certificate or the last Anniversary Date of this Certificate, if later.

Premium Audit

We will have the right to audit books and records of the [Policyholder] at its place of business and during regularly-scheduled business hours, in order to determine the accuracy of premium paid.

GENERAL PROVISIONS

Entire Contract; Changes

The Policy including [the [application (if any)],[.] the Certificate, [individual enrollment forms (if any)],[.] endorsements, amendments and any attached papers constitutes the entire contract of insurance. No change in this Policy will be valid until approved by one of our executive officers and endorsed on or attached to this Policy. No agent has authority to change this Policy or to waive any of its provisions.

Misstatement of Age

If an age has been misstated on the enrollment form, the Benefits will be those the premium paid would have purchased at the correct age.

Certificates

Where required by law, we will provide a certificate of insurance to the Policyholder for delivery to the Covered Person. Each certificate will list the benefits, conditions and limits of the Policy and this Certificate. It will state to whom benefits will be paid.

Assignment

The rights and benefits under this Certificate may be assigned under certain circumstances. Any Covered Person that wants to make an assignment of his insurance should see the [Policyholder] for the conditions and further information.

We assume no responsibility for the validity, sufficiency, or effect of any assignment of a Covered Person's insurance (including an assignment on a form furnished by us or by the [Policyholder]).

Incontestability

1. Of This Certificate

All statements made by the [Policyholder] to obtain the Policy are considered representations and not warranties.

No statement will be used to deny or reduce benefits or be used as a defense to a claim, or to deny the validity of the Policy or this Certificate unless a copy of the instrument containing the statement is, or has been, furnished to the [Policyholder]. After two years from this Certificate's Effective Date, no such statement will cause this Certificate to be contested except for fraud.

2. Of A Covered Person's Insurance

All statements made by a Covered Person are considered representations and not warranties. No statement will be used to deny or reduce benefits or be used as a defense to a claim unless a copy of the instrument containing the statement is, or has been, furnished to the claimant. In the event of a claimant's death or incapacity, his applicable representative shall be given a copy.

After two years from a Covered Person's effective date of insurance, or from the effective date of increased benefits, no such statement will cause insurance or the increased benefits to be contested except for fraud.

Reporting Requirements

The [Policyholder] or its authorized agent must report all of the following to us by the premium due date:

1. the number of persons insured on this Certificate's Effective Date;
2. the number of persons who are insured after this Certificate's Effective Date;
3. the number of persons whose insurance has terminated;
4. any additional information required by us.

Clerical Error

A Covered Person's insurance will not be affected by error or delay in keeping records of insurance under the Policy. If such error or delay is found, we will adjust the premium fairly.

Conformity with Statutes

Any provisions in conflict with the requirements of any state or federal law that applies to the Policy or this Certificate are automatically changed to satisfy the minimum requirements of such laws.

Compensation Insurance

The Policy and this Certificate are not in place of and does not affect any requirements for coverage under any Workers' Compensation, Occupational Disease or similar law.

<i>SERFF Tracking Number:</i>	<i>HMRK-125711867</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>HM Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>39417</i>
<i>Company Tracking Number:</i>	<i>HMP-DI 308</i>		
<i>TOI:</i>	<i>H11G Group Health - Disability Income</i>	<i>Sub-TOI:</i>	<i>H11G.002 Short Term</i>
<i>Product Name:</i>	<i>Disability</i>		
<i>Project Name/Number:</i>	<i>Disability Filing/HMP-DI 308</i>		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: HMRK-125711867 State: Arkansas
Filing Company: HM Life Insurance Company State Tracking Number: 39417
Company Tracking Number: HMP-DI 308
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.002 Short Term
Product Name: Disability
Project Name/Number: Disability Filing/HMP-DI 308

Supporting Document Schedules

Satisfied -Name: Certification/Notice **Review Status:** Approved-Closed 07/02/2008
Comments:
Attachment:
AR Readability Certification.pdf

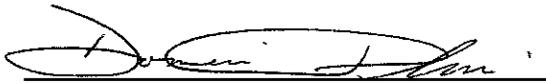
Satisfied -Name: Application **Review Status:** Approved-Closed 07/02/2008
Comments:
Previously Approved form on May 23, 3008 SERFF Tracking Number HMRK-125652016.
Attachment:
HMWA 308.pdf

Satisfied -Name: Summary of Variables **Review Status:** Approved-Closed 07/02/2008
Comments:
Attachment:
Summary of Variables HM-DI 308.pdf

STATE OF ARKANSAS
READABILITY CERTIFICATION

This is to certify that the following forms comply with the requirements of Ark. Stat. Ann. 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act and have achieved a Flesch Reading Ease Score of:

<u>FORM NO.</u>	<u>DESCRIPTION</u>	<u>FLESCH SCORE</u>
HMP-DI 308	Group Disability Income Policy	51.6
HMC-DI 308	Group Disability Income Certificate	51.8


Signed by Company Officer

June 24, 2008
Date

Domenic Palmieri
Name
Senior Vice President – Finance
Title

APPLICANT AGREES THAT

The insurance coverage requested and requested effective date must be approved by **HM Life Insurance Company** under its current rules and practices including Active Work, Evidence of Insurability and Pre-existing Condition provisions. All options and special requests are subject to Home Office approval.

No insurance agent or broker has authority to guarantee acceptability of requested insurance coverage. All materials describing this coverage must be approved in writing by **HM Life** prior to distribution. Note: Coverage will not be in effect until notified in writing by the Home Office. Do not cancel prior coverage until notified.

Premium rates quoted were based on the data submitted to **HM Life**. Final premium rates will be determined on the basis of the actual composition of the group of persons who become insured.

I represent that the statements contained in this application are true and complete to the best of my knowledge and belief, and I understand that they form the basis for **HM Life's** approval of the coverage requested.

Print Name of Applicant's Authorized Representative

Signature of Applicant's Authorized Representative

Date

Title

Signature of Witness and/or Agent

Location, City/State

Name of Witness and/or Agent

Agent License Number

FRAUD NOTICE *(Please read carefully)*

Any person who knowingly and with intent to defraud or deceive any insurance company submits an insurance application or statement of claim containing any false, incomplete or misleading information may be subject to civil or criminal penalties, depending upon state law.

In **Arkansas**, any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

For your protection, California requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in a state prison.

In the **District of Columbia**, **WARNING:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

In **Florida**, any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree."

In **Kentucky**, any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime. Any application for insurance in writing by the applicant shall be altered solely by the applicant or by his written consent; except that insertions may be made by the insurer for administrative purposes only in such manner as to indicate clearly that such insertions are not to be ascribed to the applicant.

In **Maryland** any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

In **New Jersey**, any person who includes any false or misleading information on an application for insurance is subject to criminal and civil penalties.

In **Ohio**, any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

In **Oklahoma**, **WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

In **Pennsylvania**, any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

In **Washington**, it is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

VARIABLES, CUSTOMIZED PROVISIONS, AND FORMAT
HM Life Insurance Company
HMP- DI 308, et al

HM Life's policy forms are constructed in a way that allows us to select appropriate variables for each client either upon request or as required by applicable.

Policy forms will only be issued to eligible groups as defined by applicable law. Certificates of Insurance are issued to all group policyholders and/or participating employers for distribution to eligible members.

The enclosed policy form filing includes standard and variable provisions – there are several kinds of variables which are bracketed:

- Optional benefit provisions provided upon request and contract provisions, which are used in specific situations depending upon the requested plan design.
- Variable amounts, periods, and/or durations, all of which are shown in brackets. Such amount, period or duration used will depend on the product design requested by the client, subject to underwriting approval.
- Optional wording within a sentence or paragraph – where alternate wording is available, each variation is bracketed and shown in the enclosed policy forms.

An asterisk within bracket may be used to designate a form number, form type and/or applicable class in the footer; a name, number or date on the cover page; an affiliate name, location or effective date; or the dollar value of the premium due.

Common terms within the form may be substituted with similar terms, for example:

[Policyholder] – Employer, Participating Organization Association, Union, Indian Nation, etc. or similar term may be substituted for Policyholder provided benefits are provided on a group basis in a manner that precludes individual selection.

[Employee] – Associate, Member, Participant, etc. or similar term may be substituted for Employee

[Plan] – Calendar or Benefit may be substituted.

References to time periods, such as 180 days, may be converted to their monthly equivalent where practical upon request.

All exclusions and limitations may be included or deleted in their entirety. Optional wording within the exclusion or limitation is shown in brackets. Definitions that do not apply to the benefit description may be deleted in their entirety.

The policyholder generally determines eligibility and service waiting periods, if any, for their employees. Thus the definition of any insured person, and/or any service waiting period associated with such person's eligibility for benefits is subject to change. We will not agree to a definition of employee or a service waiting period that is not applied consistently to all employees within a given class.

Additional variations not shown in the enclosed policy form may be agreed upon as a result of negotiations between HM Life and the Policyholder. However, we will not agree to any provision, which is, to the best of our knowledge and belief, ambiguous or unclear, or inconsistent with any law or regulation of the state or federal government.

The attached forms are submitted in final printed form in 10-point type on 8 1/2 by 11 pages. The certificate may be printed in a booklet format (5 1/2 by 8 1/2 pages), if requested by the Policyholder. We may issue certificates in a foreign language, based on a direct translation of the filed wording.