

SERFF Tracking Number: CFLH-125802826 State: Arkansas
Filing Company: COUNTRY Life Insurance Company State Tracking Number: 40231
Company Tracking Number:
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.003 Long Term
Product Name: RCP Group Disability
Project Name/Number: /

Filing at a Glance

Company: COUNTRY Life Insurance Company

Product Name: RCP Group Disability

TOI: H11G Group Health - Disability Income

Sub-TOI: H11G.003 Long Term

Filing Type: Form

SERFF Tr Num: CFLH-125802826 State: ArkansasLH

SERFF Status: Closed

Co Tr Num:

Co Status:

Author: Brian Piercy

Date Submitted: 09/11/2008

State Tr Num: 40231

State Status: Approved-Closed

Reviewer(s): Rosalind Minor

Disposition Date: 09/17/2008

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name:

Project Number:

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 09/17/2008

State Status Changed: 09/17/2008

Corresponding Filing Tracking Number:

Filing Description:

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Group Market Size: Small and Large

Group Market Type: Employer

Deemer Date:

Enclosed for your review and approval are several policy forms for a new group disability income product. These forms are new and do not replace any other forms. This product will be available to any size group, although our emphasis will be on larger size groups.

This product is designed to satisfy a unique need in the group disability income market. Defined contribution retirement plans such as 401(k), 403B and 457 plans are an increasingly important part of retirement benefits as defined benefit retirement plans continue to decline. Many people have disability income coverage to help replace their income in the

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event they become disabled; however, contributions to their retirement plans will stop when they become disabled. Their retirement goals may be significantly affected by a period of no retirement plan contributions. This product is designed to help replace those lost contributions. Under this group policy, when a covered person becomes disabled, monthly benefits will be paid to replace the lost contributions to the retirement plan.

When an employer establishes a 401(k), 403B or 457 retirement plan, a trust is established by the employer to hold the plan assets. The group policy must be issued to the trust. The premiums are paid from the retirement plan assets held by the trust. Monthly benefits for disability of a covered participant are paid to the trust. The trust credits the participant's retirement account with the monthly benefits where they accumulate and can be received during retirement according to the retirement plan's provisions.

Policy form RCPMP(10/08) is the group master policy issued to the retirement plan trust. Form RCPAPP(10/08) is the application for the group policy. There are no individual enrollment forms. All persons who meet the eligibility requirements are automatically covered by the policy.

Form RCPCC(10/08) is a certificate of coverage which is issued to each participant showing when their coverage is effective and what benefits apply to them. The certificate of coverage is given together with one of the coverage booklets, RCPCBC(PP10/08) or RCPCBNC(PP10/08). The coverage booklets give details on eligibility, benefits and limitations. The only difference between the two coverage booklets is on page 4 in the fourth paragraph of the definition of Monthly Benefit. RCPCBC(PP10/08) contains a compound COLA adjustment during disability. Initially, we will offer this COLA benefit at 3%. These forms are also considered part of the group policy through the Entire Contract provision.

Please note that the forms have been submitted for general use, subject to minor modifications in paper size, stock, ink, font, border, company logo, officer's signatures and adaptations due to computer printing. We reserve the right to use certain forms such as the application in electronic media, including an internet web site. Upon doing so, there will not be any textual changes, but spacing may change as needed.

Company and Contact

Filing Contact Information

Brian Piercy, Supervisor, Life/Health Form Dev. brian.piercy@countryfinancial.com

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and Filing

1701 N. Towanda Avenue (309) 821-2706 [Phone]
Bloomington, IL 61702-2000 (309) 820-5352[FAX]

Filing Company Information

COUNTRY Life Insurance Company CoCode: 62553 State of Domicile: Illinois
1701 N. Towanda Avenue Group Code: 50 Company Type:
P. O. Box 2000
Bloomington, IL 61702-2000 Group Name: COUNTRY Ins & Fin State ID Number:
Serv
(309) 821-2706 ext. [Phone] FEIN Number: 37-0808781

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Filing Fees

Fee Required? Yes
Fee Amount: \$250.00
Retaliatory? Yes
Fee Explanation: 5 forms x \$50
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
COUNTRY Life Insurance Company	\$250.00	09/11/2008	22428360

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	09/17/2008	09/17/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Rosalind Minor	09/12/2008	09/12/2008	Brian Piercy	09/16/2008	09/16/2008

SERFF Tracking Number: *CFLH-125802826* *State:* *Arkansas*
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Company Tracking Number:
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Disposition

Disposition Date: 09/17/2008

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	PLR 200235043	Approved-Closed	Yes
Form	Group Disability Insurance Policy	Approved-Closed	Yes
Form	Application for RCP Group Disability Insurance Policy	Approved-Closed	Yes
Form	Certificate of Coverage	Approved-Closed	Yes
Form	Coverage Booklet	Approved-Closed	Yes
Form	Coverage Booklet	Approved-Closed	Yes

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Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 09/12/2008

Submitted Date 09/12/2008

Respond By Date

Dear Brian Piercy,

This will acknowledge receipt of the captioned filing.

Objection 1

- Group Disability Insurance Policy (Form)

Comment:

Does this concept comply with the Federal Regulations for a 401(k), 403B and 457? If so, please provide the Federal Law that allows for replacement of lost contributions due to being disabled.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

Response Letter

Response Letter Status Submitted to State

Response Letter Date 09/16/2008

Submitted Date 09/16/2008

Dear Rosalind Minor,

Comments:

Response 1

Comments: Dear Rosalind Minor,

Under this concept benefits paid out by the group disability insurance policy are treated as income of the trust or as a return of investment, similar to dividends or capital gains received from mutual funds invested under the retirement plan. Thus, the disability benefits are not paid to the disabled participant, but instead are used as a de facto contribution to

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the retirement plan on behalf of the disabled participant.

I have attached under the Supporting Document tab Private Letter Ruling 200235043 which discusses these issues.

Thanks in advance for your kind consideration of this matter.

Brian Piercy

Related Objection 1

Applies To:

- Group Disability Insurance Policy (Form)

Comment:

Does this concept comply with the Federal Regulations for a 401(k), 403B and 457? If so, please provide the Federal Law that allows for replacement of lost contributions due to being disabled.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: PLR 200235043

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Brian Piercy

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Form Schedule

Lead Form Number: RCPMP(10/08)

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed	RCPMP(10/08)	Policy/Cont	Group Disability Insurance Policy Certificate	Initial			RCPMP(10_08).pdf
Approved-Closed	RCPAPP(10/08)	Application/Enrollment Form	Application for RCP Group Disability Insurance Policy	Initial			RCPAPP(10_08).pdf
Approved-Closed	RCPCC(10/08)	Data/Declaration Pages	Certificate of Coverage	Initial			RCPCC(10_08) AR.pdf
Approved-Closed	RPCBC(P10/08)	Certificate	Coverage Booklet	Initial			RPCBC(PP10_08).pdf
Approved-Closed	RPCBNC(PP10/08)	Certificate	Coverage Booklet	Initial			RPCBNC(PP10_08).pdf



GROUP MASTER POLICYHOLDER: ABC 401k Trust

POLICY NO: 87654321

EFFECTIVE DATE: January 1, 2009

ANNIVERSARY DATE: January 1

EMPLOYER: ABC Accounting Company

RETIREMENT PLAN: ABC 401k Retirement Plan

Initial Premium	[\$xx.xx per \$100 of Monthly Benefit]
Elimination Period	[180 or 365 days]
Own Occupation Period	[24 months or 60 months or entire Benefit Period]
[COLA Increase Rate:	3%]

COUNTRY Life Insurance Company has issued this Group Master Policy in consideration of Your application and the payment of the first premium. COUNTRY Life agrees to provide benefits for disability of covered Participants in accordance with the terms and provisions of this Group Master Policy.

The words "We", "Us" and "Our" and "Company" refer to COUNTRY Life Insurance Company. We may use "You" or "Your" in reference to the Policyholder. "Participant" refers to a person covered by this Group Master Policy.

This Policy is delivered in, and is governed by the laws of, the State of [Arkansas].

EFFECTIVE DATE AND TERM OF AGREEMENT

This Group Master Policy is effective on the Effective Date at 12:01 AM Standard Time at the main place of business of the Employer. It shall subsequently renew from year to year on the Anniversary Date, subject to all terms and provisions of the Group Master Policy unless terminated by either party pursuant to Section VI herein. COUNTRY Life Insurance Company reserves the right to change premium rates on any Anniversary Date beginning with the second Anniversary Date and in the event of a mandatory benefit required by either State or Federal legislation that requires immediate coverage. We will provide 31 days prior notice of any rate change.

Signed for COUNTRY Life Insurance Company at its home office in Bloomington, Illinois.

Secretary

President

GROUP DISABILITY INSURANCE POLICY
PARTICIPATING – NO DIVIDENDS ANTICIPATED

I. RECORD OF PARTICIPANTS INSURED

We keep a record of all Participants insured. The record shows names, effective dates of the Participant's insurance and other information required to administer the Policy.

You must furnish Us with the names of all Participants who are or become eligible to be insured. You must also furnish Us with the names of those whose coverage ends. This includes any data necessary to administer the program. At reasonable times, We may inspect the records You or the Employer keep for this insurance Policy.

II. CLERICAL ERROR

Clerical error or omission by You or Us will not:

- A. prevent a Participant from receiving coverage, if the Participant is entitled to coverage under the terms of this Policy; or
- B. cause coverage to begin or continue for a Participant when the coverage would not otherwise be effective.

If You give Us information about a Participant that is incorrect, We will:

- A. use the facts to decide whether the Participant has coverage under this Policy and in what amounts; and
- B. make a fair adjustment of the premium.

III. INELIGIBLE PARTICIPANT

If a Participant becomes ineligible and We are not notified of such Participant ineligibility and premium payments have continued to be made for such Participant, such premium payment(s) will be credited by Us, provided We are given notice of the ineligibility no later than thirty-one (31) days after the date eligibility ceased.

IV. INDIVIDUAL CERTIFICATE OF COVERAGE

We will provide to You a Coverage Booklet and a Certificate of Coverage for each insured Participant. They describe the insurance protection to which each Participant is entitled including the date insurance begins and to whom the insurance benefits are payable. When a change in insurance is made which affects the benefit information, We will provide a new Certificate of Coverage or Coverage Booklet for each Participant affected.

V. RESPONSIBILITIES OF POLICYHOLDER

The Policyholder agrees to:

- A. Furnish to Us on a monthly basis, on Our approved forms, all information as required by Us for the administration of this insurance program and coverage provided hereunder, including, but not limited to, any change in a Participant's eligibility status.
- B. Comply with all policies and procedures established by Us in this Group Master Policy.
- C. Furnish all membership change notifications to Us on a timely basis on forms approved by Us.

- D. Distribute to Participants Our Coverage Booklets and/or Certificates of Coverage, when requested by Us. Such distribution must be made within 31 days from the later of the effective date of a Participant's coverage or the date on which We are provided completed notification of enrollment.
- E. Comply with all laws, regulations and orders applicable to You in connection with Your offering Our coverage to the Participants and Your administration of such Participants' coverage.
- F. Make this Policy available for inspection at Your office at any time during regular business hours.

VI. WHEN POLICY ENDS

This Policy ends on the earlier of:

- A. The end of the grace period when premiums are not paid; and
- B. The last day of the month specified by You. You must give Us 31 days advance written notice of termination at Our home office.

In addition, We may terminate the Policy upon written notice to You, if:

- A. You fail to comply with any terms of the Policy, or fail to fulfill any obligations under or pertaining to this insurance, or fail to comply with or cooperate with Us in satisfying the requirements of any applicable law or regulation pertaining to this insurance, this Policy will terminate on the 32nd day after We have given You written notice of Our intent to terminate.
- B. We determine that there has been a significant change in size, occupation or age of the eligible group as a result of a corporate transaction or otherwise.

VII. NOTICE

Any notice required to be given pursuant to the terms and provisions hereof shall be sent by certified mail, return receipt requested, postage prepaid to:

COUNTRY Life Insurance Company
1701 N. Towanda Ave., PO Box 2000
Bloomington, IL 61702-2000

VIII. THE CONTRACT

Entire Contract - This Group Master Policy, any endorsements, the Coverage Booklet, the Certificate of Coverage and any applications constitute the entire contract between You and Us.

Inconsistency – In the event of any inconsistency between this Group Master Policy and the Coverage Booklets, the terms of the Group Master Policy shall govern.

Assignment - This Policy may not be assigned.

Representations and Contestability – We rely on all statements made by You in any application for the Policy. The application must have been signed by You. These statements are considered to be representations and not warranties. No statement may be used in any contest unless a copy is or has been furnished to You.

We will not use any statement, except fraudulent statements, to void or reduce benefits under this Policy or any Certificate after it has been in force for two years from its effective date. Any increase in benefit amounts would be subject to a new two year contestable period for the increased amount only.

Changes – Only Our executive officers can approve a change. The change must be in writing and made a part of this Policy. No agent can change this Policy or waive any provision. The consent of the Participants or their beneficiaries is not required. Premium payment after a change is deemed acceptance of the change by You.

Legal Actions – No civil action shall be brought to recover on the Policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

Participation - This Policy is issued on a participating basis. Each year We determine if this Policy will share in any surplus earnings. We do not anticipate dividends to be paid from this Policy.

IX. PREMIUMS

Payment

Premiums are due on the first day of each month at Our home office. We will send You an invoice each month for the premium due.

If premium is underpaid, You must pay Us when notified. Return of unearned premium is limited to the 6 months before Our receipt of evidence that the return should be made.

Grace Period

Unless You have given Us written notice to end the Policy, a grace period of 31 days from the premium due date will be allowed for the payment of each premium. This coverage will remain in effect during the grace period. If no payment is received, the Policy will lapse at the end of the grace period. However, You will owe Us for the payment of all premiums due for the grace period.

During the grace period, You may give Us written notice to end the Policy. You will owe Us the unpaid premium for the grace period before the receipt by Us of Your notice to end the Policy or the date requested if later.

A grace period is not allowed for the first premium.

Misstatement of Material Facts

If material facts about a Participant are not correctly stated, a premium or benefit adjustment, or both, may be made by Us.

Waiver of Premium

A Participant's premium is waived if it is due on a day for which Monthly Benefits are paid for Disability of the Participant. Any premium that comes due during the Elimination Period must be paid. When the Participant's Disability ends and the Participant returns to the Eligible Class, premium payments must resume on the next premium due date.



**Application for Retirement
Contributions ProtectorSM Group
Disability Insurance Policy**

COUNTRY Life Insurance Company
1701 N. Towanda Avenue, PO Box 2000
Bloomington, IL 61702-2000
Phone (309) 821-3000

APPLICANT INFORMATION

1. Proposed Group Master Policyholder		
2. Address		
3. Contact Person		Title
eMail	Phone	Fax
4. Name of Retirement Plan		
5. Name and address of employer and any subsidiaries and affiliates to be included		
6. Type of Organization <input type="checkbox"/> Corporation <input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Other		
7. Tax ID		8. Standard Industrial Classification (SIC) Code
9. Nature of Business		

PLAN OF INSURANCE

1. Elimination Period <input type="checkbox"/> 180 Days <input type="checkbox"/> 365 Days	2. Own Occupation Period <input type="checkbox"/> 24 months <input type="checkbox"/> 60 months <input type="checkbox"/> entire Benefit Period	3. COLA - [3% compound] <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Other		

The undersigned applicant does hereby apply to COUNTRY Life Insurance Company for Group Disability Insurance Benefits for those participants in the retirement plan as listed above that are eligible for such insurance. The applicant agrees that:

1. Conditions of eligibility for insurance, amounts of insurance payable and other contractual terms shall be in accordance with the Group Master Policy.
2. Answers and details given in this application are true and complete to the best of my/our knowledge and belief. I/we have not knowingly withheld or misstated any facts that might be material to COUNTRY Life in its underwriting of this risk. Any false statement or misrepresentation could result in the cancellation of this plan.
3. The Group Master Policy shall become effective provided:
 - a. this application is approved by COUNTRY Life Insurance Company at its Home Office; and
 - b. sufficient premium is received by COUNTRY Life Insurance Company at its Home Office.

The applicant further agrees to:

1. pay monthly premiums when due and maintain a record of participants who may be insured.
2. notify COUNTRY Life promptly of termination of insurance on any participant.
3. inform COUNTRY Life concerning new participants and those entering the class eligible for insurance.
4. distribute to participants Coverage Booklets, Certificates of Coverage, announcements and notices issued by COUNTRY Life which affect their insurance.
5. assist claimants in the presentation of claims.
6. save COUNTRY Life harmless for any liabilities incurred as a result of the applicant's failure to advise participants with respect to their rights and privileges under the Group Master Policy.

The applicant requests any insurance issued pursuant to this application becomes effective on the _____ day of _____, _____ or the date thereafter on which COUNTRY Life's requirements for effecting the plan have been met. The Effective Date of insurance on any participant will be determined solely by the provisions of any Group Master Policy issued by COUNTRY Life under the plan. COUNTRY Life agrees to furnish the applicant with any information required for proper administration of the plan.

Dated at _____ this _____ day of _____, _____

Proposed Group Master Policyholder

Signed By Title

Agent Signature Agent Number

Certificate of Coverage
John Doe
Certificate # 12345678
Created on: 01/01/2009

Group Master Policy # 87654321

Insured:

John Doe
123 Main St
Hometown, IL 61234

Employer:

ABC Accounting Company
456 West Parkway
Hometown, IL 61234

Group Master Policyholder:

ABC 401k Trust
789 Division St
Hometown, IL 61234

Retirement Plan:

ABC 401k Retirement Plan

You have the following Benefit:

Retirement Contributions ProtectorSM Group Disability Insurance:

Effective Date: 01/01/2009

Covered: Insured only

Elimination Period: [180 days or 365 days]

Own Occupation Period: [24 months or 60 months or entire Benefit Period]

[COLA Increase Rate: 3%]

[For additional information or assistance You may contact Us at:

RCP Complaints & Appeals
COUNTRY Life Insurance Company
P.O. Box 2000
Bloomington, IL 61702-2000
800-676-0319

If We at COUNTRY Life Insurance Company fail to provide You with reasonable and adequate service,
You should feel free to contact:

Arkansas Insurance Department
Consumer Services Division
1200 West Third Street
Little Rock, Arkansas 72201-1904
800-852-5494]



FINANCIAL

COUNTRY Life Insurance Company
1701 N. Towanda Ave., PO Box 2000
Bloomington, IL 61702-2000
tel (309) 821-3000

RETIREMENT CONTRIBUTIONS PROTECTORSM

GROUP DISABILITY INSURANCE POLICY

Coverage Booklet

Terms Of Coverage For Benefits Insured By
COUNTRY Life Insurance Company

We have issued a Group Master Policy to the Policyholder shown on the Certificate of Coverage. This Coverage Booklet describes the benefits and provisions of the Policy. The Coverage Booklet includes the Certificate of Coverage and any other forms made a part of this Coverage Booklet. This Coverage Booklet replaces any other Coverage Booklet We may have given to You earlier under the Policy.

The Policy alone is the only contract under which payment will be made. Any difference between the Policy and this Coverage Booklet will be settled according to the provisions of the Policy. Your coverage may be changed or cancelled in whole or in part under the terms and provisions of the Policy. The Policy may be inspected at the office of the Policyholder.

Signed for COUNTRY Life Insurance Company at its home office in Bloomington, Illinois.

Secretary

President

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DEFINITIONS

Age: age on last birthday.

Condition: an injury or illness that is diagnosed upon medical or psychological examination using generally accepted medical criteria.

Contribution: money credited to Your Retirement Account by Employer contributions, Your deferrals and catch-up contributions, and Monthly Benefits. Rollover contributions, repayment of loans and investment earnings are excluded.

Disability or Disabled: Disability or Disabled means the incapacity to perform the material duties of Your occupation because of physical or mental impairment due to Your Condition(s). You must be under the continuing treatment of a Doctor. There must be objective evidence of impairment.

After payments have been made for the Own Occupation Period shown on the Certificate of Coverage, Disability or Disabled means the incapacity to perform the duties of any and all occupations because of physical or mental impairment due to Your Condition(s). The occupations are limited to those for which You are, or could readily become, reasonably qualified to perform. We consider Your education, training and experience. You must be under the continuing treatment of a Doctor. There must be objective evidence of impairment.

The Disability must begin while You are covered by this insurance. Disability beginning during retirement is not covered.

Disability also exists when You suffer two or more dismemberments while You are covered by this insurance. A dismemberment is the entire loss of a hand, a foot or the sight of an eye. Disability also exists when You suffer the entire loss of speech or hearing.

Doctor: a doctor of medicine or osteopathy who is duly licensed to practice within the scope of his/her licensure in the state where services are rendered. The Doctor must not be You, Your spouse, or the parent, child, brother or sister of You or Your spouse.

Eligible Class: all persons who are eligible to participate in the Retirement Plan and who are actively and directly employed by the Employer on a regular, year-round basis. Temporary employees and seasonal employees are excluded.

Elimination Period: the period of continuous Disability before benefits begin. The number of consecutive calendar days of Disability required for the Elimination Period is shown on the Certificate of Coverage. It does not include any period in which you are not under a Doctor's care. It does not include any days when You are at work. You must not be performing any job for which You are receiving compensation. The Elimination Period must be satisfied while You are covered by this insurance.

Employer: the Employer named on the Certificate of Coverage and any affiliates and subsidiaries listed on the application for the Group Master Policy.

Mental or Nervous Disorder: any mental or nervous disease or disorder of either functional or organic origin as classified by the American Psychiatric Association or the International Classification of Diseases. It includes treatment of alcoholism, chemical dependency, drug addiction and substance abuse.

Monthly Benefit: Your Monthly Benefit is calculated for each calendar month. It is Your average monthly Contributions for the 12 calendar month period ending two months before the current month. However, there is a minimum Monthly Benefit for the first 12 months after You become eligible for Your Retirement Plan. The minimum is 3% of Monthly Income.

In calculating Your Monthly Benefit, the Contribution for any month before the effective date of the Group Master Policy will be Your total Contributions in the 12 months before the effective date of the Group Master Policy divided by 12.

If no Contributions have been credited to Your Retirement Account in the previous 12 months, then Your Monthly Benefit is zero.

If You become Disabled, Your Monthly Benefit during the first year of Disability remains the same as it was on the day You became Disabled. While Your Disability continues, Your Monthly Benefit will increase on each anniversary of the date Your Disability began. It will be [3%] more than it was one year earlier. If Your Disability ends and You return to the Eligible Class, Your Monthly Benefit will be calculated as defined in the paragraphs above.

Monthly Income: The monthly average of Your compensation considered eligible under the Retirement Plan. As of any date, the average is computed for the period after You became eligible for the Retirement Plan.

Retirement Account: an account for Contributions under the Retirement Plan.

Retirement Plan: the retirement plan listed on the Certificate of Coverage

We, Us, Our: COUNTRY Life Insurance Company.

You, Your: the person named as Insured on the Certificate of Coverage.

ELIGIBILITY

If You are in the Eligible Class on the effective date of the Group Master Policy, You are eligible for coverage on that date.

If You are not in the Eligible Class on the effective date of the Group Master Policy, You are eligible for coverage on the date You enter the Eligible Class.

EFFECTIVE DATE

If You are eligible and have had a Contribution in the 12 months before Your eligibility date, Your coverage is effective on Your eligibility date.

If You are eligible but have not had a Contribution in the 12 months before Your eligibility date, Your coverage is effective on the first day of the [first] calendar month after a Contribution is made.

If You are eligible but Your coverage ended because no Contributions were credited to Your Retirement Account in a 12-month period, You may become covered again. A new Contribution must be made to Your Retirement Account. Your coverage will be effective on the first day of the month after the new Contribution is made. Your new Effective Date will be used in applying the Pre-existing Conditions Limitation and the maximum lifetime limit of 24 months of Monthly Benefits for Disability due to Mental or Nervous Disorders.

You must be at work on the day coverage is effective. If Your coverage is to be effective on a non-work day, You must have worked the previous scheduled work day. If You are not at work due to a Condition, layoff or leave of absence, Your coverage is effective on the day after You have returned to work for one full day.

CHANGES IN THE POLICY

You must be at work on the day a change in the Policy takes effect. If You are not at work due to a Condition, layoff or leave of absence on the day a change in the Policy takes effect, the change takes effect for You on the day after You have returned to work for one full day.

BENEFITS

We pay the Monthly Benefit for each month of continuous Disability after the Elimination Period is satisfied. If the payment period is less than one month, We will pay 1/30th of the Monthly Benefit for each day of continuing Disability. Monthly Benefits will not be paid for any period of Disability after the Benefit Period ends or after death.

Monthly Benefits are paid to the Policyholder stated on the Certificate of Coverage for the benefit of Your Retirement Account. No Monthly Benefits are paid directly to You.

Covered Disabilities separated by six months or less are considered one Disability. The Disabilities must be due to the same or a related condition. The subsequent period of Disability must last at least 30 days. A new Elimination Period is not required. No benefits are paid during the separation interval. This paragraph does not apply during the Elimination Period.

Monthly Benefits for Disability due to Mental or Nervous Disorders are limited to a maximum lifetime limit of 24 months.

BENEFIT PERIOD

The Benefit Period is the maximum period of time for which Monthly Benefits may be paid. The Benefit Period ends as follows:

Age When Disabled

Age 62 and under
Age 63
Age 64
Age 65
Age 66
Age 67
Age 68
Age 69 and over

Benefit Period Ends

At Normal Retirement Age (see table below)
After 48 months of Monthly Benefits
After 42 months of Monthly Benefits
After 36 months of Monthly Benefits
After 30 months of Monthly Benefits
After 24 months of Monthly Benefits
After 18 months of Monthly Benefits
After 12 months of Monthly Benefits

Year of Birth	Normal Retirement Age
1937 or before	65
1938	65 + 2 months
1939	65 + 4 months
1940	65 + 6 months
1941	65 + 8 months
1942	65 + 10 months
1943 through 1954	66
1955	66 + 2 months
1956	66 + 4 months
1957	66 + 6 months
1958	66 + 8 months
1959	66 + 10 months
1960 or after	67

PRE-EXISTING CONDITIONS LIMIT

Pre-existing Condition means a Condition for which medical advice, diagnosis, care or treatment was recommended by or received from a health practitioner in the three months before Your Effective Date.

A Disability caused by a Pre-existing Condition is covered only if the Disability begins more than 12 months after Your Effective Date.

WHAT THIS INSURANCE DOES NOT COVER

This insurance does not cover a Disability caused by:

1. An act of war (declared or undeclared) or participation in a riot or civil disorder;
2. Commission of a crime for which You have been convicted;
3. Engaging in an illegal occupation;
4. Service in the armed forces;
5. Intentionally self-inflicted harm while either sane or insane; or
6. Treatment to improve appearance, except when caused by a Condition. Any related Conditions or complications of such treatment would also be ineligible.

No Monthly Benefits for Disability are payable while You are incarcerated.

This insurance does not cover any disability due to a Mental or Nervous Disorder after the lifetime maximum 24 month benefit period has been exhausted.

WHEN YOUR DISABILITY INSURANCE COVERAGE ENDS

Your insurance coverage ends on the last day of the month when one of the following first occurs:

1. You are no longer in the Eligible Class;
2. No Contributions have been credited to Your Retirement Account in the previous 12 months;
3. Premium is not paid for Your coverage when due; or
4. The Group Master Policy ends.

BENEFITS WHEN THE POLICY ENDS

If You are Disabled and receiving benefits when the Policy ends, benefits will continue until the earliest of:

1. the end of the Benefit Period;
2. the date You are no longer Disabled; and
3. Your death.

Insurance is not continued for new Disabilities that begin after insurance coverage ends. For purposes of this section, Disabilities separated by less than six consecutive months, whether or not caused by the same Condition(s), are not considered one Disability and insurance ends.

PRIOR POLICY DISABILITY INSURANCE TRANSITIONAL PROVISIONS

Prior Policy means a group policy issued to the Policyholder providing similar disability insurance in effect on the day prior to the effective date of the Policy and replaced by the Policy. If You were covered by a Prior Policy on the day before the effective date of the Policy, then these provisions apply to You.

It will be necessary for the prior carrier to furnish a statement of benefits available, benefits paid, and pertinent information sufficient to permit a determination of benefits under this insurance.

If this insurance is replacing a Prior Policy for which You were eligible for Disability benefits prior to the discontinuance of the Policyholder's prior Disability insurance policy and are a member of the Eligible Class, coverage under this insurance will be as follows:

1. If You are not covered under an extension of Disability benefits under the Prior Policy, this insurance will pay what would have been paid under Your Prior Policy had it remained in force. These benefits will be subject to the same provisions and limits as indicated in the Prior Policy.
2. If You are covered by an extension of Disability benefits under the Prior Policy, no benefits will be eligible under this insurance policy.

CLAIMS

Notice Of Claim

We must receive written notice of any claim. It must be given within 20 days after the beginning of Disability or as soon as reasonably possible. Notice must be given to Us at Our home office in Bloomington, IL. It must contain enough information to identify You.

Claim Forms

We provide claim forms after We receive notice of claim. Our usual claim forms are provided. We have 15 days after Your giving notice to provide Our claim forms. If We do not provide the forms, a claim may be filed without using them. Such claim must contain written proof of loss. It must cover the occurrence, type and extent of the loss. It must be provided within the time allowed in the next provision.

Proof Of Loss

You must provide Us written proof of loss. It must be provided to Our home office within 90 days of the loss or as soon as reasonably possible. Proof of loss provided more than one year after the time proof is otherwise required may invalidate or reduce Your claim. However, proof of loss is accepted if You had no legal capacity in that year.

We may request additional information in evaluating Your initial claim or whether a Disability is continuing including information about Your daily activities and other sources of income. You must cooperate and assist in our investigation of the claim, must provide truthful and complete information, and must submit to examinations under oath at Our request and at the place of Our choosing in Your area. You must provide any additional information within 30 days of Our request. You must also authorize Us to obtain medical records, records of income and expenses and other personal records.

We may make an investigation concerning Your disability at any time without regard to whether benefits are being paid. We may require examinations, including, without limitation: medical examinations, functional capacity examinations, diagnostic testing, and vocational testing by professionals at facilities We select in Your area. We pay the fees and costs of examinations and testing We request. We will pay approved expenses You incur for attendance at requested examinations and testing. Our approval must be obtained before the expense is incurred.

Time of Payment of Claims

Payments of accrued Monthly Benefits begin within 30 days after we receive proper proof of loss. They are paid at the end of each month during the period for which we are liable. If payment is not made on time, we pay interest as required by law.

Payment of Claims

Benefits are paid to the Policyholder stated on the Certificate of Coverage for the benefit of Your Retirement Account. No benefits are paid directly to You.

Legal Actions

No civil action shall be brought to recover on the Policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the Policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

If We Deny A Claim

If We deny all or part of a claim, written notice is given. The notice states:

1. The reasons for the denial;
2. What Policy provision the denial is based on;
3. What additional information, if any, is needed to complete the claim; and
4. How to submit the claim for review.

This notice is given within 45 days after We receive Your signed proof of loss with signed authorizations to obtain medical records. If We determine that more time is necessary due to matters beyond Our control, written notice of an extension is given before the 45th day. The notice of extension describes the special circumstances requiring additional time and the date We expect to make a decision. The extension of time will not exceed another 30 days and no more than one additional extension may be required, except that the time limit to decide Your claim is suspended and no days are counted while We are waiting for additional information requested from You. If the claim is not paid or denied during these time periods, it is considered denied.

Right of Appeal

You or Your authorized representative may make a written appeal of a claim denial. The appeal must be submitted to:

Group Claims Review
COUNTRY Life Insurance Company
P.O. Box 2000
Bloomington, IL 61702-2000

It must be submitted within 180 days after the claim is denied. You may review plan documents and copies of documents and records used and considered in deciding Your claim as well as any other documents required by applicable U.S. Department of Labor regulations. You may submit additional evidence, explanations, or comments within the 180-day period. The review of the claim denial takes into account all new information whether or not presented or available at the initial determination. No deference is afforded to the initial determination.

Our decision in an appeal is given in writing. It includes the reasons for the decision. It also refers to the Policy provisions on which the decision is based. The decision is made within 45 days of receipt of Your request for appeal. Under special circumstances, another 45 days may be required for the review of an appealed claim. Notice of this extension is given before the end of the first 45 days. If a decision on the appeal is not made within these time periods, the claim is considered denied.

If an extension is necessary due to Your failure to submit the information necessary to decide the appeal, the notice of extension will specifically describe the required information, and you will be afforded at least 45 days from receipt of the notice to provide the specified information. If you deliver the requested information within the time specified, the 45 day extension of the appeal period will begin after you have provided that information. If you fail to deliver the requested information within the time specified, We may decide Your appeal without that information.

All rights of appeal under the plan must be exhausted before suit can be filed regarding the claim. Suit must be filed within two years after the date We give notice of any decision on appeal. If you fail to appeal the initial determination, no suit may later be filed regarding the claim.



FINANCIAL

COUNTRY Life Insurance Company
1701 N. Towanda Ave., PO Box 2000
Bloomington, IL 61702-2000
tel (309) 821-3000

RETIREMENT CONTRIBUTIONS PROTECTORSM

GROUP DISABILITY INSURANCE POLICY

Coverage Booklet

Terms Of Coverage For Benefits Insured By
COUNTRY Life Insurance Company

We have issued a Group Master Policy to the Policyholder shown on the Certificate of Coverage. This Coverage Booklet describes the benefits and provisions of the Policy. The Coverage Booklet includes the Certificate of Coverage and any other forms made a part of this Coverage Booklet. This Coverage Booklet replaces any other Coverage Booklet We may have given to You earlier under the Policy.

The Policy alone is the only contract under which payment will be made. Any difference between the Policy and this Coverage Booklet will be settled according to the provisions of the Policy. Your coverage may be changed or cancelled in whole or in part under the terms and provisions of the Policy. The Policy may be inspected at the office of the Policyholder.

Signed for COUNTRY Life Insurance Company at its home office in Bloomington, Illinois.

Secretary

President

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DEFINITIONS

Age: age on last birthday.

Condition: an injury or illness that is diagnosed upon medical or psychological examination using generally accepted medical criteria.

Contribution: money credited to Your Retirement Account by Employer contributions, Your deferrals and catch-up contributions, and Monthly Benefits. Rollover contributions, repayment of loans and investment earnings are excluded.

Disability or Disabled: Disability or Disabled means the incapacity to perform the material duties of Your occupation because of physical or mental impairment due to Your Condition(s). You must be under the continuing treatment of a Doctor. There must be objective evidence of impairment.

After payments have been made for the Own Occupation Period shown on the Certificate of Coverage, Disability or Disabled means the incapacity to perform the duties of any and all occupations because of physical or mental impairment due to Your Condition(s). The occupations are limited to those for which You are, or could readily become, reasonably qualified to perform. We consider Your education, training and experience. You must be under the continuing treatment of a Doctor. There must be objective evidence of impairment.

The Disability must begin while You are covered by this insurance. Disability beginning during retirement is not covered.

Disability also exists when You suffer two or more dismemberments while You are covered by this insurance. A dismemberment is the entire loss of a hand, a foot or the sight of an eye. Disability also exists when You suffer the entire loss of speech or hearing.

Doctor: a doctor of medicine or osteopathy who is duly licensed to practice within the scope of his/her licensure in the state where services are rendered. The Doctor must not be You, Your spouse, or the parent, child, brother or sister of You or Your spouse.

Eligible Class: all persons who are eligible to participate in the Retirement Plan and who are actively and directly employed by the Employer on a regular, year-round basis. Temporary employees and seasonal employees are excluded.

Elimination Period: the period of continuous Disability before benefits begin. The number of consecutive calendar days of Disability required for the Elimination Period is shown on the Certificate of Coverage. It does not include any period in which you are not under a Doctor's care. It does not include any days when You are at work. You must not be performing any job for which You are receiving compensation. The Elimination Period must be satisfied while You are covered by this insurance.

Employer: the Employer named on the Certificate of Coverage and any affiliates and subsidiaries listed on the application for the Group Master Policy.

Mental or Nervous Disorder: any mental or nervous disease or disorder of either functional or organic origin as classified by the American Psychiatric Association or the International Classification of Diseases. It includes treatment of alcoholism, chemical dependency, drug addiction and substance abuse.

Monthly Benefit: Your Monthly Benefit is calculated for each calendar month. It is Your average monthly Contributions for the 12 calendar month period ending two months before the current month. However, there is a minimum Monthly Benefit for the first 12 months after You become eligible for Your Retirement Plan. The minimum is 3% of Monthly Income.

In calculating Your Monthly Benefit, the Contribution for any month before the effective date of the Group Master Policy will be Your total Contributions in the 12 months before the effective date of the Group Master Policy divided by 12.

If no Contributions have been credited to Your Retirement Account in the previous 12 months, then Your Monthly Benefit is zero.

If You become Disabled, Your Monthly Benefit during that Disability remains the same as it was on the day You became Disabled.

Monthly Income: The monthly average of Your compensation considered eligible under the Retirement Plan. As of any date, the average is computed for the period after You became eligible for the Retirement Plan.

Retirement Account: an account for Contributions under the Retirement Plan.

Retirement Plan: the retirement plan listed on the Certificate of Coverage

We, Us, Our: COUNTRY Life Insurance Company.

You, Your: the person named as Insured on the Certificate of Coverage.

ELIGIBILITY

If You are in the Eligible Class on the effective date of the Group Master Policy, You are eligible for coverage on that date.

If You are not in the Eligible Class on the effective date of the Group Master Policy, You are eligible for coverage on the date You enter the Eligible Class.

EFFECTIVE DATE

If You are eligible and have had a Contribution in the 12 months before Your eligibility date, Your coverage is effective on Your eligibility date.

If You are eligible but have not had a Contribution in the 12 months before Your eligibility date, Your coverage is effective on the first day of the [first] calendar month after a Contribution is made.

If You are eligible but Your coverage ended because no Contributions were credited to Your Retirement Account in a 12-month period, You may become covered again. A new Contribution must be made to Your Retirement Account. Your coverage will be effective on the first day of the month after the new Contribution is made. Your new Effective Date will be used in applying the Pre-existing Conditions Limitation and the maximum lifetime limit of 24 months of Monthly Benefits for Disability due to Mental or Nervous Disorders.

You must be at work on the day coverage is effective. If Your coverage is to be effective on a non-work day, You must have worked the previous scheduled work day. If You are not at work due to a Condition, layoff or leave of absence, Your coverage is effective on the day after You have returned to work for one full day.

CHANGES IN THE POLICY

You must be at work on the day a change in the Policy takes effect. If You are not at work due to a Condition, layoff or leave of absence on the day a change in the Policy takes effect, the change takes effect for You on the day after You have returned to work for one full day.

BENEFITS

We pay the Monthly Benefit for each month of continuous Disability after the Elimination Period is satisfied. If the payment period is less than one month, We will pay 1/30th of the Monthly Benefit for each day of continuing Disability. Monthly Benefits will not be paid for any period of Disability after the Benefit Period ends or after death.

Monthly Benefits are paid to the Policyholder stated on the Certificate of Coverage for the benefit of Your Retirement Account. No Monthly Benefits are paid directly to You.

Covered Disabilities separated by six months or less are considered one Disability. The Disabilities must be due to the same or a related condition. The subsequent period of Disability must last at least 30 days. A new Elimination Period is not required. No benefits are paid during the separation interval. This paragraph does not apply during the Elimination Period.

Monthly Benefits for Disability due to Mental or Nervous Disorders are limited to a maximum lifetime limit of 24 months.

BENEFIT PERIOD

The Benefit Period is the maximum period of time for which Monthly Benefits may be paid. The Benefit Period ends as follows:

Age When Disabled

Age 62 and under
Age 63
Age 64
Age 65
Age 66
Age 67
Age 68
Age 69 and over

Benefit Period Ends

At Normal Retirement Age (see table below)
After 48 months of Monthly Benefits
After 42 months of Monthly Benefits
After 36 months of Monthly Benefits
After 30 months of Monthly Benefits
After 24 months of Monthly Benefits
After 18 months of Monthly Benefits
After 12 months of Monthly Benefits

Year of Birth	Normal Retirement Age
1937 or before	65
1938	65 + 2 months
1939	65 + 4 months
1940	65 + 6 months
1941	65 + 8 months
1942	65 + 10 months
1943 through 1954	66
1955	66 + 2 months
1956	66 + 4 months
1957	66 + 6 months
1958	66 + 8 months
1959	66 + 10 months
1960 or after	67

PRE-EXISTING CONDITIONS LIMIT

Pre-existing Condition means a Condition for which medical advice, diagnosis, care or treatment was recommended by or received from a health practitioner in the three months before Your Effective Date.

A Disability caused by a Pre-existing Condition is covered only if the Disability begins more than 12 months after Your Effective Date.

WHAT THIS INSURANCE DOES NOT COVER

This insurance does not cover a Disability caused by:

1. An act of war (declared or undeclared) or participation in a riot or civil disorder;
2. Commission of a crime for which You have been convicted;
3. Engaging in an illegal occupation;
4. Service in the armed forces;
5. Intentionally self-inflicted harm while either sane or insane; or
6. Treatment to improve appearance, except when caused by a Condition. Any related Conditions or complications of such treatment would also be ineligible.

No Monthly Benefits for Disability are payable while You are incarcerated.

This insurance does not cover any disability due to a Mental or Nervous Disorder after the lifetime maximum 24 month benefit period has been exhausted.

WHEN YOUR DISABILITY INSURANCE COVERAGE ENDS

Your insurance coverage ends on the last day of the month when one of the following first occurs:

1. You are no longer in the Eligible Class;
2. No Contributions have been credited to Your Retirement Account in the previous 12 months;
3. Premium is not paid for Your coverage when due; or
4. The Group Master Policy ends.

BENEFITS WHEN THE POLICY ENDS

If You are Disabled and receiving benefits when the Policy ends, benefits will continue until the earliest of:

1. the end of the Benefit Period;
2. the date You are no longer Disabled; and
3. Your death.

Insurance is not continued for new Disabilities that begin after insurance coverage ends. For purposes of this section, Disabilities separated by less than six consecutive months, whether or not caused by the same Condition(s), are not considered one Disability and insurance ends.

PRIOR POLICY DISABILITY INSURANCE TRANSITIONAL PROVISIONS

Prior Policy means a group policy issued to the Policyholder providing similar disability insurance in effect on the day prior to the effective date of the Policy and replaced by the Policy. If You were covered by a Prior Policy on the day before the effective date of the Policy, then these provisions apply to You.

It will be necessary for the prior carrier to furnish a statement of benefits available, benefits paid, and pertinent information sufficient to permit a determination of benefits under this insurance.

If this insurance is replacing a Prior Policy for which You were eligible for Disability benefits prior to the discontinuance of the Policyholder's prior Disability insurance policy and are a member of the Eligible Class, coverage under this insurance will be as follows:

1. If You are not covered under an extension of Disability benefits under the Prior Policy, this insurance will pay what would have been paid under Your Prior Policy had it remained in force. These benefits will be subject to the same provisions and limits as indicated in the Prior Policy.
2. If You are covered by an extension of Disability benefits under the Prior Policy, no benefits will be eligible under this insurance policy.

CLAIMS

Notice Of Claim

We must receive written notice of any claim. It must be given within 20 days after the beginning of Disability or as soon as reasonably possible. Notice must be given to Us at Our home office in Bloomington, IL. It must contain enough information to identify You.

Claim Forms

We provide claim forms after We receive notice of claim. Our usual claim forms are provided. We have 15 days after Your giving notice to provide Our claim forms. If We do not provide the forms, a claim may be filed without using them. Such claim must contain written proof of loss. It must cover the occurrence, type and extent of the loss. It must be provided within the time allowed in the next provision.

Proof Of Loss

You must provide Us written proof of loss. It must be provided to Our home office within 90 days of the loss or as soon as reasonably possible. Proof of loss provided more than one year after the time proof is otherwise required may invalidate or reduce Your claim. However, proof of loss is accepted if You had no legal capacity in that year.

We may request additional information in evaluating Your initial claim or whether a Disability is continuing including information about Your daily activities and other sources of income. You must cooperate and assist in our investigation of the claim, must provide truthful and complete information, and must submit to examinations under oath at Our request and at the place of Our choosing in Your area. You must provide any additional information within 30 days of Our request. You must also authorize Us to obtain medical records, records of income and expenses and other personal records.

We may make an investigation concerning Your disability at any time without regard to whether benefits are being paid. We may require examinations, including, without limitation: medical examinations, functional capacity examinations, diagnostic testing, and vocational testing by professionals at facilities We select in Your area. We pay the fees and costs of examinations and testing We request. We will pay approved expenses You incur for attendance at requested examinations and testing. Our approval must be obtained before the expense is incurred.

Time of Payment of Claims

Payments of accrued Monthly Benefits begin within 30 days after we receive proper proof of loss. They are paid at the end of each month during the period for which we are liable. If payment is not made on time, we pay interest as required by law.

Payment of Claims

Benefits are paid to the Policyholder stated on the Certificate of Coverage for the benefit of Your Retirement Account. No benefits are paid directly to You.

Legal Actions

No civil action shall be brought to recover on the Policy prior to the expiration of 60 days after written proof of loss has been furnished in accordance with the requirements of the Policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.

If We Deny A Claim

If We deny all or part of a claim, written notice is given. The notice states:

1. The reasons for the denial;
2. What Policy provision the denial is based on;
3. What additional information, if any, is needed to complete the claim; and
4. How to submit the claim for review.

This notice is given within 45 days after We receive Your signed proof of loss with signed authorizations to obtain medical records. If We determine that more time is necessary due to matters beyond Our control, written notice of an extension is given before the 45th day. The notice of extension describes the special circumstances requiring additional time and the date We expect to make a decision. The extension of time will not exceed another 30 days and no more than one additional extension may be required, except that the time limit to decide Your claim is suspended and no days are counted while We are waiting for additional information requested from You. If the claim is not paid or denied during these time periods, it is considered denied.

Right of Appeal

You or Your authorized representative may make a written appeal of a claim denial. The appeal must be submitted to:

Group Claims Review
COUNTRY Life Insurance Company
P.O. Box 2000
Bloomington, IL 61702-2000

It must be submitted within 180 days after the claim is denied. You may review plan documents and copies of documents and records used and considered in deciding Your claim as well as any other documents required by applicable U.S. Department of Labor regulations. You may submit additional evidence, explanations, or comments within the 180-day period. The review of the claim denial takes into account all new information whether or not presented or available at the initial determination. No deference is afforded to the initial determination.

Our decision in an appeal is given in writing. It includes the reasons for the decision. It also refers to the Policy provisions on which the decision is based. The decision is made within 45 days of receipt of Your request for appeal. Under special circumstances, another 45 days may be required for the review of an appealed claim. Notice of this extension is given before the end of the first 45 days. If a decision on the appeal is not made within these time periods, the claim is considered denied.

If an extension is necessary due to Your failure to submit the information necessary to decide the appeal, the notice of extension will specifically describe the required information, and you will be afforded at least 45 days from receipt of the notice to provide the specified information. If you deliver the requested information within the time specified, the 45 day extension of the appeal period will begin after you have provided that information. If you fail to deliver the requested information within the time specified, We may decide Your appeal without that information.

All rights of appeal under the plan must be exhausted before suit can be filed regarding the claim. Suit must be filed within two years after the date We give notice of any decision on appeal. If you fail to appeal the initial determination, no suit may later be filed regarding the claim.

SERFF Tracking Number: *CFLH-125802826* *State:* *Arkansas*
Filing Company: *COUNTRY Life Insurance Company* *State Tracking Number:* *40231*
Company Tracking Number:
TOI: *H11G Group Health - Disability Income* *Sub-TOI:* *H11G.003 Long Term*
Product Name: *RCP Group Disability*
Project Name/Number: /

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: CFLH-125802826 State: Arkansas
Filing Company: COUNTRY Life Insurance Company State Tracking Number: 40231
Company Tracking Number:
TOI: H11G Group Health - Disability Income Sub-TOI: H11G.003 Long Term
Product Name: RCP Group Disability
Project Name/Number: /

Supporting Document Schedules

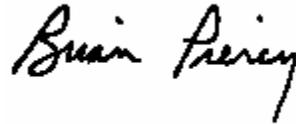
Satisfied -Name: Certification/Notice	Review Status: Approved-Closed	09/17/2008
Comments: Consumer Information is on form RCPCC(10/08), Certificate of Coverage.		
Attachments: Certification of Compliance.pdf Guaranty Notice.pdf Readability cert.pdf Memorandum of Variability.pdf		
Satisfied -Name: Application	Review Status: Approved-Closed	09/17/2008
Comments: Group application (RCPAPP(10/08) is part of this submission. Individual enrollment forms are not used.		
Satisfied -Name: PLR 200235043	Review Status: Approved-Closed	09/17/2008
Comments: Attachment: 200235043.pdf		

COUNTRY LIFE INSURANCE COMPANY

CERTIFICATION OF COMPLIANCE

Policy Form Number: RCPAPP(10/08)
RCPMP(10/08)
RCPCC(10/08)
RCPCBC(PP10/08)
RCPCBNC(PP10/08)

This is to certify that the attached policy forms comply with the requirements of Arkansas Regulation 19.



Brian W. Piercy
Assistant Secretary
COUNTRY Life Insurance Company

September 10, 2008

**LIMITATIONS AND EXCLUSIONS UNDER THE
ARKANSAS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association
c/o The Liquidation Division
1023 West Capitol
Little Rock, Arkansas 72201

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC")(whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do ~~not~~ meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

LIMITS ON AMOUNT OF COVERAGE

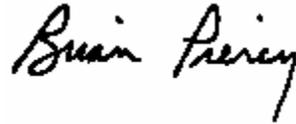
The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.

COUNTRY LIFE INSURANCE COMPANY

CERTIFICATION OF READABILITY

Policy Form Number: RCPMP(10/08)
RCPCBC(PP10/08)
RCPCBNC(PP10/08)

This is to certify that the attached policy forms have achieved the minimum Reading Ease Score and comply with the requirements of Arkansas Statute 23-80-206.



Brian W. Piercy
Assistant Secretary
COUNTRY Life Insurance Company

September 10, 2008

Memorandum of Variability

RCPMP(10/08)

Page 1

Elimination Period

180 days

365 days

Own Occupation Period

24 months

60 months

Entire Benefit Period

COLA

Blank, if COLA not selected

COLA Increase Rate: 1% - 10%

RCPC(10/08)

Page 1

Elimination Period

180 days

365 days

Own Occupation Period

24 months

60 months

Entire Benefit Period

COLA

Blank, if COLA not selected

COLA Increase Rate: 1% - 10%

Consumer Notice

Names

Addresses

Phone numbers

RCPCBC(PP10/08)

Page 4, fourth paragraph of definition of Monthly Benefit

1% - 10%

Page 5, second paragraph of Effective Date

first - sixth

RCPCBNC(PP10/08)

Page 5, second paragraph of Effective Date

first - sixth



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

200235043

Uniform Issue Nos.

401.29-00 106.00-00
105.00-00
72.00-00

PERSON TO CONTACT

TELEPHONE NUMBER

OFFICE SYMBOLS

T:EP:RA:T1

Attn: ,

JUN 6 2002

Legend:

Company A =
Division X =
Benefit Y =

Dear Sirs and Madams:

This is in response to your request dated September 1, 1999, as supplemented by correspondence dated June 11, 2001, for a letter ruling on the proper treatment of Benefit Y, described below, under sections 105, 106, 401(a)(2), 401(a)(17), 401(a)(30), 401(k)(3), 401(k)(4)(A), 401(m)(2), 402(a), 402(g), 404(a)(3) and 415(c) of the Internal Revenue Code ("Code").

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The principal business of Company A is the sale of life insurance, accident and health insurance, annuity contracts, prototype and specimen plan documents, and recordkeeping services for pension, profit sharing, and other retirement plans, among other products, to individuals and institutions.

Division X is a division of Company A that markets group disability products. Division X proposes to offer Benefit Y which will be issued to and owned by a qualified defined contribution plan that includes a cash or deferred arrangement ("CODA") as described in section 401(k)(2) of the Code ("401(k) plan"), or the employer maintaining such a qualified plan, to be held by the employer for the benefit of the plan.

The purpose of Benefit Y is to permit employees who are disabled to continue to save for retirement. Benefit Y is designed to replace the elective deferrals, matching contributions and any nonelective contributions that would have been credited to a participant's account under a 401(k) plan had the participant not become disabled. Benefit Y will cover only employees who are eligible to participate in the employer's 401(k) plan and who make elective deferrals.

The premium for Benefit Y will be an administrative charge against all enrolled participants' accounts (including elective deferrals). Generally, upon disability, Benefit Y will pay benefits annually to the disabled participant's account under the 401(k) plan in an amount equal to the sum of the amount of elective deferrals, matching contributions and/or profit-sharing or other nonelective contributions made on behalf of such participant to the 401(k) plan in the year immediately preceding the year in which such participant became disabled. If, however, upon disability, a participant had his or her elective deferrals suspended, such as by receiving a hardship withdrawal or having made elective contributions that exceed qualification limitations, Benefit Y would be based on the annualized

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rate of elective contributions and matching contributions made during the twenty-four month period preceding the date of disability.

If, however, an employee was not eligible to participate in the 401(k) plan, was eligible but had elected not to make elective deferrals under the plan or his or her participation in the plan was voluntarily suspended on the day immediately preceding the date on which he or she became disabled, such individual would not be eligible for Benefit Y.

Payment of proceeds from Benefit Y commence upon completion of any required elimination period after disability and continue until the earliest of (i) the month in which the participant attains age 65 (if the participant becomes disabled before attaining age 60), (ii) a period ranging from three months to forty-eight months (if the participant becomes disabled after attaining age 60, depending upon the participant's age when disability occurs), (iii) the participant's recovery from the disability, (iv) the participant's death, (v) the expiration of a period specified in the contract for disabilities due to certain medical conditions specified in the disability policy; or (vi) the participant's failure to satisfy certain conditions such as the failure to provide requested medical information or to participate in a prescribed rehabilitation program. All Benefit Y payments will be nonforfeitable when paid.

Based on the above facts and representations, Company A requests the following rulings:

(1) Benefit Y, when purchased by a 401(k) plan, will constitute an incidental accident and health insurance benefit, within the meaning of section 1.401-1(b)(1)(ii) of the Income Tax Regulations;

(2) Benefit Y, when provided to employees in the manner described in this request, will not be considered an "other benefit" which is conditioned (directly or

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indirectly) on the employee electing to have the employer make or not make elective deferrals under the 401(k) plan, within the meaning of section 401(k)(4)(A) of the Code and section 1.401(k)-1(e)(6) of the regulations;

(3) The continued participation of the disabled employee in the 401(k) plan, through the payment of elective deferrals, matching contributions and/or any nonelective contributions by Benefit Y does not violate the exclusive benefit rule of section 401(a)(2) of the Code;

(4) The limitations of sections 401(a)(17), 401(a)(30), 401(k)(3), 401(m)(2), 402(g), 404(a)(3) and 415(c) of the Code apply only at the time the premiums for Benefit Y are paid and not as benefits under Benefit Y are allocated to the disabled participant's account under the plan;

(5) To the extent that premiums under Benefit Y are paid by employer contributions (including elective deferrals), an employee's coverage under Benefit Y will be considered employer-provided coverage under an accident and health plan, which will be excludable from the employee's gross income under section 106 of the Code and section 1.106-1 of the regulations;

(6) The payment of premiums under Benefit Y will not be considered an assignment of income, which would otherwise result in immediate taxation to the participant;

(7) Benefit payments under Benefit Y to the disabled participant's account under the 401(k) plan will be tax deferred and not includible in the affected participant's gross income under section 105(a) of the Code at the time they are allocated to such participant's account; and

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(8) The distribution of amounts from the participant's account under the 401(k) plan (including Benefit Y payments allocated to such account) shall be subject to taxation under the principles of sections 72 and 402 of the Code.

With regard to ruling request one, section 1.401-1(b)(5) of the regulations states, in part, that "no specific limitations are provided in section 401(a) of the Code with respect to investments which may be made by the trustees of a trust qualifying under section 401(a). Generally, the contributions may be used by the trustees to purchase any investments permitted by the trust agreement to the extent allowed by local law."

Section 1.401-1(b)(1)(ii) of the regulations provides that a profit-sharing plan within the meaning of Code section 401 is primarily a plan of deferred compensation, but the amounts allocated to the account of a participant may be used to provide for him or his family incidental life or accident or health insurance.

Incidental insurance benefits, as described in Revenue Ruling 61-164, 1961-2 C.B. 99, Revenue Ruling 74-307, 1974-2 C.B. 126 and Revenue Ruling 76-353, 1976-2 C.B. 112, have been paid directly to the beneficiary(ies) designated by the plan participant. In this case, the 401(k) plan itself is the designated beneficiary for any payments made from Benefit Y. Because Benefit Y and the proceeds of Benefit Y remain assets of the 401(k) plan, there is no taxable "distribution" within the meaning of section 402 of the Code when Benefit Y is purchased by the plan. Nevertheless, payments from Benefit Y to the plan will result in an increase in the balance in the participant's account just as if the participant had continued to make contributions to the plan. Providing protection to the plan participant from the economic loss that would occur if he or she were unable to continue to make contributions to the plan is a current benefit (although not distributed). Consequently, the

payment of premiums under Benefit Y on behalf of a participant is an incidental insurance benefit that is subject to the limitations set forth in the published guidance.

Accordingly, the payment of premiums under Benefit Y on behalf of a participant will constitute an incidental accident and health insurance benefit within the meaning of section 1.401-1(b)(1)(ii) of the regulations, if, on behalf of such participant, the premiums paid under Benefit Y, plus any other incidental insurance benefits, do not exceed the permitted limitations on such benefits.

With respect to ruling request two, section 401(k)(4)(A) of the Code provides that benefits (other than matching contributions) must not be contingent on an employee's election to defer. A CODA of any employer shall not be treated as a qualified CODA if any other benefit is conditioned directly or indirectly on the employee electing to have the employer make or not make contributions under the arrangement in lieu of receiving cash.

Section 1.401(k)-1(e)(6)(ii) of the regulations includes health insurance and life insurance benefits under the definition of "other benefits." However, section 1.401(k)-1(d)(6)(ii) of the regulations makes it clear that a section 401(k) plan may purchase life insurance with a participant's contributions without violating the contingent benefit rule.

Benefit Y proceeds, like the return on any other plan investment, increase the accumulations in the 401(k) plan that will be payable to the participant or beneficiary when a distributable event, as defined in the plan, actually does occur. Meanwhile the participant generally may not access such proceeds. Benefit Y and any proceeds of Benefit Y remain assets of the plan and no distribution within the meaning of section 402 of the Code results when a portion of a plan participant's elective deferrals are invested in Benefit Y.

We believe the treatment of Benefit Y as a plan investment is consistent with the position that the purchase of Benefit Y coverage does not violate the contingent benefit rule under section 401(k) (4) (A) of the Code.

Accordingly, with respect to ruling request two, we conclude that Benefit Y, when provided to employees in the manner described in this request, will not be considered an "other benefit" which is conditioned (directly or indirectly) on the employee electing to have the employer make or not make elective deferrals under the 401(k) plan, within the meaning of section 401(k) (4) (A) of the Code and section 1.401(k)-1(e) (6) of the regulations.

With regard to ruling request three, section 401(a) (2) of the Code generally provides that in order for a plan to be qualified under Code section 401(a) the corpus or income of its related trust must not be used for, or diverted to, purposes other than the exclusive benefit of the employees or their beneficiaries.

Section 1.401-1(b) (4) of the regulations clarifies Code section 401(a) (2) by providing that a plan is for the exclusive benefit of employees or their beneficiaries even though it may cover former employees as well as present employees and employees who are temporarily on leave.

In Rev. Rul. 72-180, 1972-1 C.B. 107, a unit benefit pension plan was amended to provide that a participant who became disabled would receive a pension at the normal retirement age, based on compensation for the year immediately preceding the year in which he became disabled, with additional service credits for the entire period of disability up to normal retirement age. The employee thus continued to accrue benefits under the pension plan as if he had remained actively employed with his salary frozen in the year preceding the date of his disability. Rev. Rul. 72-180 stated that section 1.401-1(b) (4) of the regulations permits a qualified

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plan to provide for continued participation in the event of leave of absence for a specified purpose, such as service in the Armed Forces, sickness or disability. It was held that the provisions made for disability benefits did not adversely affect the continued qualification of the pension plan under section 401(a) of the Code.

Accordingly, with respect to ruling request three, we conclude that the continued participation of the disabled employee in the 401(k) plan, through the payment of elective deferrals, matching contributions and/or any nonelective contributions by Benefit Y does not violate the exclusive benefit rule of section 401(a)(2) of the Code.

With regard to ruling request four, section 401(a)(17) of the Code provides that the annual compensation of each employee taken into account under a qualified plan must not exceed \$200,000 (plus the cost-of-living adjustment).

Sections 401(a)(30) and 402(g) of the Code provide limitations on elective deferrals for qualified section 401(k) plans.

Section 401(k)(3) of the Code sets forth participation and nondiscrimination standards for qualified section 401(k) plans, including applying percentage tests to the amounts of employer contributions for highly compensated and for nonhighly compensated employees. Section 401(m)(2) of the Code sets forth similar percentage tests for the sums of employee contributions and corresponding matching employer contributions of each participant.

Section 404(a)(3) of the Code sets forth limits for deductibility of employer contributions to qualified stock bonus and profit sharing trusts.

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Section 415(c) of the Code sets forth the limitations for contributions and other additions with respect to a participant to a qualified defined contribution plan (such as a section 401(k) plan).

Unlike the contributions paid for premiums for Benefit Y, the proceeds from Benefit Y that are paid to a section 401(k) plan are neither employer contributions nor employee contributions nor forfeitures, but are plan investment earnings.

Accordingly, with respect to ruling request four, we conclude that the limitations of sections 401(a)(17), 401(a)(30), 401(k)(3), 401(m)(2), 402(g), 404(a)(3) and 415(c) of the Code apply only at the time the premiums for Benefit Y are paid and not at the time benefits under Benefit Y are allocated to the disabled participant's account under the plan.

With respect to ruling request five, section 106(a) of the Code provides that gross income of an employee does not include employer-provided coverage under an accident or health plan. Section 1.106-1 of the Income Tax Regulations provides that gross income does not include contributions by the employer to accident or health plans for compensation (through insurance or otherwise) to the employee for personal injuries or sickness.

Under the regulations, the employer may contribute to an accident or health plan either by paying the premium or by contributing to a separate trust or fund which provides accident or health benefits. However, the trustee of a qualified plan under section 401(a) of the Code is not the employer of the plan participants, so section 106 of the Code does not apply to the facts in this case. Rather, the federal income tax treatment of qualified retirement plans, and specifically, the taxation of qualified plan distributions, is governed by an entirely different statutory arrangement.

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In this case, the plan itself is the designated beneficiary for any payments made from Benefit Y. Since Benefit Y and the proceeds of Benefit Y remain assets of the qualified plan, there is no taxable "distribution" within the meaning of section 402 of the Code when Benefit Y is purchased by the plan. Thus, the payment of premiums under Benefit Y will not be includible in the employee's gross income, because they will not be distributions under section 402 of the Code.

Accordingly, with respect to ruling request five, participants in the plan who elect coverage under Benefit Y are not currently taxed on the cost of coverage because the purchase of coverage under Benefit Y does not constitute a distribution under Code section 402.

With respect to ruling request six, in this case, Benefit Y and the proceeds of Benefit Y remain assets of the qualified plan. Accordingly, the payment of premiums under Benefit Y constitutes a purchase of assets by the plan and is neither a gratuitous assignment of income nor an assignment of income for consideration by the electing plan participants.

With regard to ruling request seven, section 105(a) of the Code provides that except as otherwise provided in section 105, amounts received by an employee through accident or health insurance for personal injuries or sickness shall be included in gross income to the extent such amounts (1) are attributable to contributions by the employer which were not includible in the gross income of the employee, or (2) are paid by the employer.

In this case, any Benefit Y proceeds that are paid to the 401(k) plan's trust are considered plan earnings. Under the purpose and payment process of Benefit Y, there is no direct payment to the plan participant and no benefit proceeds are made available to the participant. No distributable event occurs at the time at which Benefit Y proceeds are paid to the plan's trust for allocation to a participant's account for the

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purpose of the continuation of the participant's retirement accumulations during the disability period. Since the proceeds of Benefit Y are received by the plan and not the employee, section 105(a) of the Code does not apply. However, under the rules of section 402 of the Code and the applicable regulations, with regard to Benefit Y, there is no taxation of a plan participant until some amount attributable to proceeds from Benefit Y is distributed or made available to the participant.

Accordingly, with regard to ruling request seven, we conclude that amounts paid under Benefit Y to the disabled participant's account under the qualified plan will not be includible in the participant's gross income at the time such amounts are allocated to the participant's account.

With respect to ruling request eight, subsections (a)-(c)(1) of Code section 72 provide, in general, that a distributee is taxed on the amount received which exceeds the "investment in the contract" and that such "investment in the contract" as of the annuity starting date is the aggregate amount of premiums or other consideration paid for the contract, minus the aggregate amount received under the contract before such date, to the extent that such amount was excludable from gross income under this subtitle or prior income tax laws.

In general, cash distributions from section 401(k) plans are fully taxable, except for the return of after-tax employee contributions. Pursuant to Code section 72, distributees have basis in qualified plan distributions only when the distributees were previously taxed on the contributions.

Accordingly, with respect to ruling request eight, we conclude that the distribution of amounts from the participant's account under the 401(k) plan (including Benefit Y payments allocated to such account) shall be subject to taxation under the principles of sections 72 and 402 of the Code.

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This ruling is based on the assumption that amounts received by the 401(k) plan from Benefit Y may not be withdrawn from the plan prior to a participant attaining normal retirement age while Benefit Y is paying benefits to the plan.

This letter expresses no opinion regarding whether any section 401(k) plan that purchases Benefit Y with employer contributions (including elective deferrals) satisfies the requirements for qualification under section 401(a) of the Code.

This ruling is directed only to the taxpayer that requested it. Code section 6110(k)(3) provides that it may not be used or cited by others as precedent.

Sincerely yours,



Donzell H. Littlejohn, Acting Manager
Employee Plans Technical Group 1
Tax Exempt and Government
Entities Division

Enclosures:

Deleted Copy of this Letter
Notice of Intention to Disclose