| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

## Filing at a Glance

Company: Occidental Life Insurance Company of North Carolina

| | | |
|---|---|---|
| Product Name: Group Life Insurance Policy | SERFF Tr Num: AAMC-126101064 | State: Arkansas |
| TOI: L04G Group Life - Term | SERFF Status: Closed-Approved-Closed | State Tr Num: 42068 |
| Sub-TOI: L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life | Co Tr Num: | State Status: Approved-Closed |
| Filing Type: Form | | Reviewer(s): Linda Bird |
| | Author: Traci Baty | Disposition Date: 04/08/2009 |
| | Date Submitted: 04/07/2009 | Disposition Status: Approved-Closed |
| Implementation Date Requested: On Approval | | Implementation Date: |
| State Filing Description: | | |

## General Information

| | |
|---|---|
| Project Name: | Status of Filing in Domicile: Authorized |
| Project Number: | Date Approved in Domicile: 04/03/2009 |
| Requested Filing Mode: Review & Approval | Domicile Status Comments: |
| Explanation for Combination/Other: | Market Type: Group |
| Submission Type: New Submission | Group Market Size: Large |
| Overall Rate Impact: | Group Market Type: Association |
| Filing Status Changed: 04/08/2009 | Explanation for Other Group Market Type: |
| | State Status Changed: 04/08/2009 |
| Deemer Date: | Created By: Traci Baty |
| Submitted By: Traci Baty | Corresponding Filing Tracking Number: |

Filing Description:

Cover Letter under Supporting Documetation.

## Company and Contact

**Filing Contact Information**

| | |
|---|---|
| Clara Keel, Product Filing Manager and | ckeel@aatx.com |

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |


Assistant Secretary
425 Austin Avenue
Waco, TX 76701
254-297-2794 [Phone]
254-297-2138 [FAX]


**Filing Company Information**

| | | |
|---|---|---|
| Occidental Life Insurance Company of North Carolina | CoCode: 67148 | State of Domicile: Texas |
| 425 Austin Avenue | Group Code: 1327 | Company Type: LAH |
| Waco, TX 76701 | Group Name: | State ID Number: |
| (254) 297-2777 ext. [Phone] | FEIN Number: 56-0343440 | |

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## Filing Fees

| | |
|---|---|
| Fee Required? | Yes |
| Fee Amount: | $50.00 |
| Retaliatory? | Yes |
| Fee Explanation: | |
| Per Company: | No |

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|---|---|---|---|
| Occidental Life Insurance Company of North Carolina | $50.00 | 04/07/2009 | 27011224 |

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

# Correspondence Summary

## Dispositions

| Status | Created By | Created On | Date Submitted |
|---|---|---|---|
| Approved-Closed | Linda Bird | 04/08/2009 | 04/08/2009 |

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

# Disposition

Disposition Date: 04/08/2009
Implementation Date:
Status: Approved-Closed
Comment:

Rate data does NOT apply to filing.

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

| Schedule | Schedule Item | Schedule Item Status | Public Access |
|---|---|---|---|
| **Supporting Document** | Flesch Certification | | Yes |
| **Supporting Document** | Application | | Yes |
| **Supporting Document** | Letter | | Yes |
| **Supporting Document** | Actuarial Memorandum | | No |
| **Form** | Group Life Insurance Policy | | Yes |
| **Form** | Group Life Insurance Certificate | | Yes |
| **Form** | Dependents Insurance Coverage Rider | | Yes |
| **Form** | Children's Insurance Rider | | Yes |
| **Form** | Flexible Premium Deferred Annuity Rider | | Yes |
| **Form** | Application for Life Insurance | | Yes |

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

# Form Schedule

**Lead Form Number:**

| Schedule Item Status | Form Number | Form Type | Form Name | Action | Action Specific Data | Readability | Attachment |
|---|---|---|---|---|---|---|---|
| | Policy No. OL-6-G | Policy/Contract/Fraternal Certificate | Group Life Insurance Policy | Initial | | | Policy No. OL-6-G.pdf |
| | OL 9832-A thru D | Certificate Amendment, Insert Page, Endorsement or Rider | Group Life Insurance Certificate | Initial | | 44.000 | Group Life Insurance Certificate - OL 9832-A thru D.pdf |
| | OL 9833-A thru E | Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider | Dependents Insurance Coverage Rider | Initial | | 42.400 | Dependents Insurance Coverage Rider - OL 9833-A thru E.pdf |
| | OL 9834-A thru E | Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider | Children's Insurance Rider | Initial | | 41.600 | Childrens Insurance Rider - OL 9834-A thru E.pdf |
| | OL9836 | Policy/Cont | Flexible Premium | Initial | | 56.900 | Flexible |

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | ract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider | Deferred Annuity Rider | | | Premium Deferred Annuity Rider - OL9836.pdf |
| | Form No. OL9830 | Application/ Enrollment Form | Application for Life Insurance | Initial | 62.000 | STD OL9830 Application for Life Insurance.pdf |

GROUP LIFE INSURANCE POLICY

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA

HOME OFFICE - WACO, TEXAS

(herein called the Company)

HEREBY AGREES TO PAY,

Subject to the provisions, conditions and limitations of this Policy, the benefits provided herein.

This policy is issued to

OFFICERS BENEFIT ASSOCIATION,

(herein called the Policyholder or the Association)

An unincorporated association with its principal office in Birmingham, Alabama, in consideration of the payment by the Policyholder of premiums as hereinafter provided. The form of this Policy is issues subject to approval and acceptance hereof, in lieu of an application, being duly executed by the Policyholder, and a copy of such approval and acceptance will be attached hereto and made a part hereof. This Policy is issued on a one year term plan, subject to paragraph 19 of the general provisions. All future insurance years and months hereunder will be computed from the annual policy date of December 1. All premiums are payable monthly, on the first day of each month, with respect to all insurance coverage under this Policy for the succeeding month or any part thereof. The General Provisions hereinafter set forth are a part of this Policy.

## GENERAL PROVISIONS

1. Registry of Individuals Insured.

Members of the Association (herein called "members") may become insured hereunder in accordance with the terms of this Policy. The Policyholder will furnish the Company with the names of all members who from time to time become eligible for insurance coverage under this Policy, and of all insured members whose insurance ceases prior to the termination of this Policy, together with dates and other data necessary to determine the premium hereunder. The Company, by its duly authorized representatives, will have the right at all reasonable times to inspect all books and records of the Policyholder relative to the insurance hereunder.

Any clerical error in keeping the records will not invalidate insurance otherwise validly in force nor continue insurance otherwise validly terminated, but upon discovery of such error an equitable adjustment of premiums will be made if necessary.

2. Eligibility.

To be eligible to apply for coverage under this Policy, a Member must:

1. be under 66 years of age; and

2. be in one of the following classifications:

   a. First Responders; First Responders include: (1) Police; (2) Firefighters; or (3) Emergency Medical Technicians (EMTs)

   b. Federal, State and Local Government Employees

3. How and When Members Become Insured.

Each member eligible for insurance hereunder who makes written application to the Policyholder, on forms furnished or approved by the Company, to become insured under this Policy on a contributory plan, and agrees to contribute toward the payment of premium, will become insured as provided for herein, subject to the following conditions.

3.(a) If such application by a member, together with the member's first required premium contribution, is received by the Policyholder before the date of such member's eligibility, his or her insurance will become effective on such date of eligibility. If such first premium contribution is not remitted with the application, the member's insurance will become effective after eligibility on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution.

3.(b) If such application by a member, together with the member's first required premium

contribution, is received by the Policyholder on or after his or her date of eligibility, his or her insurance will become effective on the date of receipt of such application by the Policyholder. If such first premium contribution is not remitted with the application, the member's insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution.

3.(c) Subparagraphs 3.(a) and 3.(b) are subject to the following conditions.

3.(c)(i) Unless the Company has received evidence of insurability of the member and affirmably determines such evidence satisfactory to it prior (or coinciding with) the applicable effective day specified in subparagraphs 3.(a) or 3.(b) the member's insurance will become effective on the first day of the month following (or coinciding with) such date of affirmative determination and receipt by the Policyholder of the first required premium contribution.

3.(c)(ii) The Company reserves the right to require any member to furnish, without expense to the Company, medical records and reports (including laboratory reports) of his or her insurability satisfactory to the Company, before said member may become insured.

3.(d) In any instance where the health of a member prevents him or her from regularly performing all of the usual duties of his or her occupation on the date said member would become insured in accordance with the applicable provisions of this paragraph 3, such member will become insured on the date he or she resumes such duties.

3.(e) If a member has made written application to the Policyholder, on the proper form to become insured hereunder and has made the required premium contribution, the member's insurance will not be invalidated by the Policyholder's failure, due to clerical error to record or report such member for insurance.

Members of the Association whose lives are insured under this Policy are sometimes referred to herein as "insured members".

4. Certificate of Insurance.

The Company will issue to the Policyholder for delivery to each insured member an individualized certificate or certificates describing the benefits and privileges to which said member is entitled under this Policy, the effective date of coverage and to whom the benefits hereunder are payable. Such certificate will not be a part of this Policy and will not modify or extend the liability of the Company as set forth in this Policy.

5. Insurance Coverage.

5.(a) Members' Life Insurance Coverage.

5.(a)(i) Life Insurance Coverage Options. Each member eligible for insurance hereunder who makes application to the Policyholder as set forth in paragraph 3 above may select from the

following coverage options offered under this Policy. The coverage option selected will determine the amount of the premium for the coverage (see paragraph 7).

AMOUNT OF INSURANCE

| OPTION A | OPTION B | OPTION C | OPTION D |
|---|---|---|---|
| $50,000 | $100,000 | $150,000 | $200,000 |

5.(a)(ii) Life Insurance Benefits. Upon receipt of due proof of death of an insured member who has not attained the age of 70, the Company will pay to the insured member's beneficiary the death benefit proceeds determined in accordance with the coverage option selected, if death occurs while this Policy is in effect and while the member is insured hereunder.

5.(b) Insured Members' Dependents' Coverage.

5(b)(i) Eligibility. All members, who have not reached their 70th birthday and who have dependents as defined below, are eligible to make application to the Policyholder for insurance on the lives of such dependents in the amounts and upon the conditions set forth herein. Each insured member may apply for such coverage on or after (a) the date he or she first acquires a dependent, or (b) the date he or she becomes an insured member, whichever event last occurs.

A "dependent", as used herein means the spouse and the natural and legally adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years, have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth (18th) birthday on the date of such application or acquired by the insured member after the date of the application but before the child's eighteenth (18th) birthday. Notwithstanding this definition of dependents, Dependents Insurance is subject to all of the terms and conditions of this Policy.

5.(b)(ii) Amount of Insurance. The Company will pay in a lump sum to the insured member, or to his or her estate, the amount for which the life of any dependent of his or hers is insured according to the following schedule, upon receipt of due proof of death of such dependent. The amount of insurance on the life of an insured dependent will in no event exceed one-half (1/2) of the amount of insurance in force on the life of the insured member at the date of death of such dependent.

5.(b)(ii)a Life Insurance. The respective amounts of insurance on the lives of insured dependents are as follows:

## DEPENDENTS' COVERAGE

An insured member's spouse:

AMOUNT OF INSURANCE

| AGE OF INSURED MEMBER | ONE UNIT | TWO UNITS | THREE UNITS | FOUR UNITS | FIVE UNITS |
|---|---|---|---|---|---|
| Under 26 | 20,000 | 40,000 | 60,000 | 80,000 | 100,000 |
| 26 to 29 | 15,000 | 30,000 | 45,000 | 60,000 | 75,000 |
| 30 to 34 | 12,000 | 24,000 | 36,000 | 48,000 | 60,000 |
| 35 to 39 | 10,000 | 20,000 | 30,000 | 40,000 | 50,000 |
| 40 to 44 | 8,000 | 16,000 | 24,000 | 32,000 | 40,000 |
| 45 to 49 | 7,000 | 14,000 | 21,000 | 28,000 | 35,000 |
| 50 to 54 | 5,500 | 11,000 | 16,500 | 22,000 | 27,500 |
| 55 to 59 | 4,500 | 9,000 | 13,500 | 18,000 | 22,500 |
| 60 to 64 | 2,500 | 5,000 | 7,500 | 10,000 | 12,500 |
| 65 to 69 | 1,000 | 2,000 | 3,000 | 4,000 | 5,000 |

An insured member's child who has attained the age of 15 days, but has not attained the age of 6 months:

AMOUNT OF INSURANCE

| ONE UNIT | TWO UNITS | THREE UNITS | FOUR UNITS | FIVE UNITS |
|---|---|---|---|---|
| 500 | 1,000 | 1,500 | 2,000 | 2,500 |

An insured member's unmarried child (see 5(b)(iv)b below) who has attained the age of 6 months but has not either attained the age of 23 years or become eligible for membership in the Association.

| ONE UNIT | TWO UNITS | THREE UNITS | FOUR UNITS | FIVE UNITS |
|---|---|---|---|---|
| 3,500 | 7,000 | 10,500 | 14,000 | 17,500 |

Insured members who elect and are accepted by the Company for coverage options "A", "B", "C" or "D" are eligible to apply for, respectively, one , two, three, four or five units of Dependents' Coverage. If an insured member makes application for the number of units of Dependents' Coverage for which such insured member is eligible, pays the proper premium

for said coverage (see paragraph 7) and provides satisfactory evidence of insurability to the Company, all as provided for in this Policy, then, the amount of coverage for the insured member's insured dependents will be the amount set forth in the above schedule. The certificate of insurance referred to in paragraph 4, will set forth the number of units of Dependents' Coverage issued to the insured member.

5.(b)(ii)b Accident Insurance on Dependent Spouse. If the death of the insured dependent spouse of an insured member occurs before such spouse attains age of 65 and results from bodily injuries as defined herein in paragraph 24, the Company will pay to the insured member, in addition to any other sum payable hereunder, a sum equal to one-half (1/2) the amount of the insurance on the life of the dependent spouse payable with respect to such spouse according to the schedule in subparagraph 5.(b)(ii)a, if death occurs while this Policy is in effect, and while such member is insured hereunder with respect to his or her dependents.

5.(b)(iii) Effective Date of Dependent's Insurance. Each insured member eligible for insurance on the lives of his or her dependents, who makes written application therefore to the Policyholder on forms approved or furnished by the Company, specifically identifying all such dependents, and agrees to make contributions toward the payment of premiums hereunder, will become insured with respect to such dependents subject to the following conditions:

5.(b)(iii)a If such application by a member for Dependents' Coverage, together with the first required premium contribution, is received by the Policyholder before the member is eligible for such coverage, the member's dependent insurance will become effective on the date the member does become eligible; but if the first premium contribution is not remitted with the application, such dependents' insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution.

5.(b)(iii)b If such application by a member for Dependents' Coverage, together with the first required premium contribution, is received by the Policyholder on or after the member's date of eligibility for such coverage, the member's dependent insurance will become effective on the date such application is received by the Policyholder; but if such first premium contribution is not remitted with the application, such insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution.

5.(b)(iii)c Subparagraphs 5.(b)(iii)a and 5.(b)(iii)b are subject to this condition: Unless the Company has received evidence of insurability of any dependent and determines such evidence satisfactory to it prior (or coinciding with) the applicable effective day specified in subparagraphs 5.(b)(iii)a or 5.(b)(iii)b, the member's insurance on such dependent will become effective on the first day of the month following (or coinciding with) either such date of affirmative determination or receipt by the Policyholder of the first required premium contribution, whichever last occurs. The Company reserves the right to require any member to furnish, without expense to the Company, medical records and reports (including laboratory reports) of his or her dependent's insurability satisfactory to the Company, before said member's dependent may become insured.

5.(b)(iii)d The insurance hereunder on the life of a child, born to an insured member who has dependent coverage in effect at such time, will become effective on the date when such child becomes a dependent as defined in subparagraph 5.(b)(i). However, the insurance on a newly acquired spouse or newly adopted child or newly acquired step-child of an insured member who has dependent coverage in effect at such time will become effective only after evidence of such spouse's or such adopted child's or such step-child's insurability has been submitted to the Company, without expense to the Company, on the first day of the month next following the date the Company accepts such evidence as satisfactory.

5.(b)(iii)e If an insured member is required to furnish evidence of the insurability of a dependent as a condition to such dependent becoming insured, and if before such evidence is furnished the child or spouse ceases to be a dependent, the insured member will continue to be subject to the conditions relating to evidence of insurability if such child or spouse subsequently qualifies as a dependent.

5.(b)(iii)f If an eligible insured member has made written application for dependents insurance and has made the required premium contribution, such coverage will not be invalidated by the Policyholder's failure due to clerical error, to record or report such member for such coverage.

5.(b)(iii)g Any change in the amount of insurance on the life of a dependent of an insured member will take effect on the date on which the change of age of such member occurs.

5.(b)(iii)h If a dependent of an insured member is disabled on the date on which the insurance on the life of that dependent would otherwise become effective, the effective date of such dependent's insurance will be the date on which the dependent completely recovers and resumes his or her normal activities.

5.(b)(iv) Termination of Dependent Coverage. The insurance on the life of a dependent of an insured member will terminate on the last day of the month during which the earliest of the following events occurs.

5.(b)(iv)a Failure of the insured member to make the required premium contribution relating to dependent coverage.

5.(b)(iv)b The date on which the subject dependent ceases to be a dependent as herein defined in subparagraph 5.(b)(i). In the case of a child of an insured member, that date will be the date of his or her marriage, or the date of his or her 23rd birthday, or the date of the child's entrance into the armed forces of any country, or the date on which the child becomes eligible for membership in the Association, whichever first occurs. In the case of the spouse of an insured member, that date will be the date of any interlocutory or final decree of divorce from such insured member.

5.(b)(iv)c The date of termination of the insured member's insurance under this Policy, including election by the member to convert to an individual policy as set forth in paragraph 13.

5.(b)(iv)d The date of the death of the insured member.

5.(b)(iv)e The date on which this Policy is terminated.

5.(b)(v) General Provisions Relating to Dependent Coverage. The general provisions of the Policy captioned "MODES OF SETTLEMENT" and "CHANGE OF BENEFICIARY" shall have no application whatsoever to dependent coverage. All other provisions of this Policy not inconsistent with subparagraph 5(b) will be applicable to dependent insurance.

Subject to the provisions of subparagraph 5(b)(iii)(d), a legally adopted child of an insured member or a step-child of an insured member, provided such step-child resides in the household of such member, shall have for all purposes under this subparagraph 5.(b) exactly the same status and rights to coverage as a child born of the insured member's marriage.

6. Children's Insurance Coverage

6.(a) Insured Members' Dependent Children's Coverage.

6.(a)(i) Eligibility. All members, who have not reached their 70th birthday and who have dependent children as defined below, are eligible to make application to the policyholder for insurance on the lives of such dependent children in the amounts and upon the conditions set forth herein. Each insured member may apply for such coverage on or after (a) the date he or she first acquires a dependent child, or (b) the date he or she becomes an insured member, whichever event last occurs.

"Dependent children", as used herein means the natural and adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years, have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth (18th) birthday on the date of such application or acquired by the insured member after the date of the application but before the child's eighteenth (18th) birthday. Dependent Children's Insurance is subject to all of the terms and conditions of this Policy.

6.(a)(ii) Amount of Insurance. The Company will pay in a lump sum to the insured member or to his or her estate, the amount for which the life of any dependent child of his or hers is insured according to the following schedule, upon receipt of due proof of death of such dependent child.

6.(a)(ii)a Life Insurance. The respective amounts of insurance on the lives of insured dependent children are as follows:

DEPENDENT CHILDREN'S COVERAGE

AMOUNT OF INSURANCE

| ONE UNIT | TWO UNITS | THREE UNITS | FOUR UNITS | FIVE UNITS |
|---|---|---|---|---|
| 3,000 | 6,000 | 9,000 | 12,000 | 15,000 |

Insured members who elect and are accepted by the Company for coverage options "A", "B", "C" or "D" are eligible to apply for, respectively, one, two, three, four or five units of Dependent Children's Coverage. If an insured member makes application for the number of units of Dependent Children's Coverage for which such insured member is eligible, pays the proper premium for said coverage (see paragraph 7) and provides satisfactory evidence of insurability to the Company, all as provided for in this Policy, then, the amount of coverage for the insured member's insured dependent children will be the amount set forth in the above schedule. The certificate of insurance referred to in paragraph 4, will set forth the number of units of Dependent Children's Coverage issued to the insured member.

6.(a)(iii) Effective Date of Dependent Children's Insurance. Each insured member eligible for insurance on the lives of his or her dependent children, who makes written application therefore to the Policyholder on forms approved or furnished by the Company, specifically identifying all such dependent children, and agrees to make contributions toward the payment of premiums hereunder, will become insured with respect to such dependent children subject to the following conditions:

6.(a)(iii)a If such application by a member for Dependent Children's Coverage, together with the first required premium contribution, is received by the Policyholder before the member is eligible for such coverage, the member's dependent children's insurance will become effective on the date the member does become eligible; but if the first premium contribution is not remitted with the application, such dependent children's insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution.

6.(a)(iii)b If such application by a member for Dependent Children's Coverage, together with the first required premium contribution, is received by the Policyholder on or after the member's date of eligibility for such coverage, the member's dependent children's insurance will become effective on the date such application is received by the Policyholder; but if such first premium contribution is not remitted with the application, such insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution.

6.(a)(iii)c Subparagraphs 6(a)(iii)a and 6.(a)(iii)b are subject to this condition: Unless the Company has received evidence of insurability of any dependent children and determines such

evidence satisfactory to it prior t(or coinciding with) the applicable effective day specified in subparagraphs 6.(a)(iii)a or 6.(a)(iii)b, the member's insurance on such dependent children will become effective on the first day of the month following (or coinciding with) either such date of affirmative determination or receipt by the Policyholder of the first required premium contribution, whichever last occurs. The Company reserves the right to require any member to furnish, without expense to the Company, medical records and reports (including laboratory reports) of his or her dependent children's insurability satisfactory to the Company, before said member's dependent children may become insured.

6.(a)(iii)d The insurance hereunder on the life of a child, born to an insured member who has dependent children's coverage in effect at such time, will become effective on the date when such child becomes a dependent as defined in subparagraph 6.(a)(i). However, the insurance on a newly adopted child or newly acquired step-child of an insured member who has dependent children's coverage in effect at such time, will become effective only after evidence of such adopted child's or such step-child's insurability has been submitted to the Company, without expense to the Company, on the first day of the month next following the date the Company accepts such evidence as satisfactory.

6.(a)(iii)e If an insured member is required to furnish evidence of the insurability of a dependent child as a condition to such dependent child becoming insured, and if before such evidence is furnished the child ceases to be a dependent, the insured member will continue to be subject to the conditions relating to evidence of insurability if such child subsequently qualifies as a dependent.

6.(a)(iii)f If an eligible insured member has made written application for dependent children's insurance and has made the required premium contribution, such coverage will not be invalidated by the Policyholder's failure, due to clerical error, to record or report such member for such coverage.

6.(a)(iii)g If a dependent child of an insured member is disabled on the date on which the insurance on the life of that dependent child would otherwise become effective, the effective date of such dependent child's insurance will be the date on which the dependent child completely recovers and resumes his or her normal activities.

6.(a)(iv) Termination of Dependent Children's Coverage. The insurance on the life of a dependent child of an insured member will terminate on the last day of the month during which the earliest of the following events occurs.

6.(a)(iv)a Failure of the insured member to make the required premium contribution relating to dependent children's coverage.

6.(a)(iv)b The date on which the subject dependent child ceases to be a dependent child as herein defined in subparagraph 6.(a)(i), the date of his or her marriage, or the date of his or her

23rd birthday, or the date of the child's entrance into the armed forces of any country, or the date on which the child becomes eligible for membership in the Association, whichever first occurs.

6.(a)(iv)c The date of termination of the insured member's insurance under this Policy, including election by the member to convert to an individual policy as set forth in paragraph 13.

6.(a)(iv)d The date of the death of the insured member.

6.(a)(iv)e The date on which this Policy is terminated.

6.(a)(v) Dependent Child's Conversion Privilege. Upon termination of the coverage on a dependent child of an insured member for any reason specified in subparagraph 6.(a)(iv) or due to the death or attainment of age seventy (70) of the insured member, such dependent child shall be entitled to have issued to him or her by the Company, without further evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, subject to the following conditions:

6.(a)(v)(i) Application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

6.(a)(v)(ii) The individual policy shall, at the option of such child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age and for the amount applied for.

6.(a)(v)(iii) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination, except in the event of termination of this Policy in which case the amount of the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

6.(a)(v)(iv) The premium on the individual policy shall be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such child then belongs, and to his or her attained age on the effective date of the individual policy.

Upon the death of any such child during the period when he or she would be entitled to have an individual policy issued to him or her in accordance with subparagraph 6.(a)(v) and before such individual policy shall become effective, the amount of life insurance which he or she would have been entitled to have issued under such individual policy shall be payable as a claim, whether or not application for the individual policy or the payment of the first premium has been made.

6.(a)(v)(vi) General Provisions Relating to Dependent Children's Coverage. The general provisions of the Policy captioned "MODES OF SETTLEMENT" and "CHANGE OF BENEFICIARY" shall have no application whatsoever to dependent children's coverage. All other provisions of this Policy not inconsistent with subparagraph 6.(a) will be applicable to dependent children's insurance.

Subject to the provisions of subparagraph 6.(a)(iii)(d), a legally adopted child of an insured member or a step-child of an insured member, provided such step-child resides in the household of such member, shall have for all purposes under this subparagraph 6.(a) exactly the same status and rights to coverage as a child born of the insured member's marriage.

7. Premiums.

The monthly premium contribution payable by each insured member to the Policyholder for insurance coverage under this Policy and the monthly premium payable by the Policyholder to the Company for this Policy, with respect to each insured member and the insured dependents of each insured member, will be at the following rates:

MEMBER'S LIFE INSURANCE MONTHLY PREMIUMS

| | Option A $50,000 | | Option B $100,000 | | Option C $150,000 | | Option D $200,000 | |
|---|---|---|---|---|---|---|---|---|
| Age | Non-Tobacco | Tobacco | Non-Tobacco | Tobacco | Non-Tobacco | Tobacco | Non-Tobacco | Tobacco |
| 18-24 | $ 8 | $11 | $11 | $ 15 | $15 | $ 20 | $ 18 | $ 25 |
| 25-29 | 9 | 12 | 13 | 18 | 17 | 24 | 21 | 29 |
| 30-34 | 9 | 12 | 14 | 19 | 18 | 24 | 22 | 30 |
| 35-39 | 10 | 14 | 16 | 22 | 22 | 30 | 27 | 37 |
| 40-44 | 12 | 17 | 19 | 29 | 26 | 42 | 33 | 55 |
| 45-49 | 17 | 31 | 31 | 62 | 43 | 89 | 55 | 115 |
| 50-54 | 24 | 53 | 48 | 106 | 67 | 153 | 86 | 199 |
| 55-59 | 27 | 59 | 54 | 118 | 76 | 170 | 97 | 222 |
| 60-64 | 30 | 66 | 60 | 132 | 84 | 190 | 108 | 248 |
| 65-69* | 34 | 75 | 68 | 150 | 95 | 214 | 122 | 278 |

*Premium rates for Ages 66 through 69 are renewal rates only.

INSURED MEMBERS' DEPENDENT'S COVERAGE

MONTHLY PREMIUMS

| ONE UNIT | TWO UNITS | THREE UNITS | FOUR UNITS | FIVE UNITS |
|---|---|---|---|---|
| $2.50 | $5.00 | $7.50 | $10.00 | $12.50 |

INSURED MEMBERS' DEPENDENT CHILDREN'S COVERAGE

MONTHLY PREMIUMS

| ONE UNIT | TWO UNITS | THREE UNITS | FOUR UNITS | FIVE UNITS |
|---|---|---|---|---|
| $.71 | $1.42 | $2.13 | $2.84 | $3.55 |

When an insured member's coverage hereunder becomes effective after the first day of a month, the Policyholder will not be required to pay any premium for such coverage for the balance of such first month.

Any refund of prepaid premium on account of the termination of insurance for any reason other than the death of an insured member (or all of an insured member's covered dependents) during any month of coverage will be computed from the first day of the month succeeding such termination date.

If the premium paid by the Policyholder to the Company for any period is less than the correct amount of premiums payable for such period, the Policyholder will pay the additional amount to the Company when a computation of the correct amount payable has been made and stated to the Policyholder. If any excess premium is paid by the Policyholder, the Company will refund such excess promptly with a statement thereof.

8. Payment of Premiums.

8.(a) Premiums shall be payable at the Home Office of the Company. All premiums are payable by the Policyholder on or before the first day of each month with respect to coverage hereunder during the succeeding policy month.

8.(b) Premium contributions of an insured member are due and payable to the Policyholder on or before the 1st day of each month, subject to the grace period provided in paragraph 12.

8.(c) Premium contributions of an insured member will remain level for a 10-year period. After the initial premium for the insured member has been in effect for 10 years, the premium will be reset every subsequent ten years until the insured member becomes age 70. At the time of the premium reset, the new premium rate for the insured member will be based on the rate applicable for the age of the insured member.

9. Termination of Individual Member's Coverage.

Unless another effective date is specified in this paragraph 9, all insurance of an insured member will terminate on the last day of the month during which the earliest of the following events occurs:

9.(a) The insured member has attained the age of 70;

9.(b) Termination of the insured member's membership in the Association unless he or she continues coverage as provided under the Continuation of Coverage provision under paragraph 15;

9.(c) Failure by the insured member to pay when due any required premium contribution payable to the Policyholder;

9.(d) Failure by the Policyholder to pay to the Company when due any premium relating to the insured member, in which event such insured member's coverage hereunder will terminate at the end of the period for which premium has been paid; or

9.(e) Termination of this Policy.

10. Premium Reset

The premium contribution of the insured member remains level for a 10-year period and will be reset every subsequent ten years as provided in subparagraph 8.(c). The new premium rate is the amount of the premium contribution that the insured member is to pay to the Policyholder. The change in the premium rate will become effective on December 1st next following the insured member's birthday. If the insured member does not pay the increase in his or her premium contributions as required, the amount of death benefit otherwise payable under this Policy for the insured member will be adjusted.

11. Misstatement of Age; Incorrect Premium Contribution

11.(a) If the member's age is incorrectly stated in the application, the amount of the death benefit otherwise payable under this Policy will be adjusted. The amount payable will be the amount shown in the member's certificate under Option "A", "B", "C" or "D" multiplied by the ratio of the most recent premium paid to the premium for the correct age.

11.(b) If an insured member has been paying premium contributions higher than actually required by his or her age, the amount of such excess premiums paid prior to his or her death will be refunded at the time of payment of the death benefit. The amount of the death benefit payable will not be adjusted.

11.(c) If, at the time of death, an insured member (whose age is incorrectly stated in the application) has attained the age of 70 or higher, the insured member's coverage will not be payable due to prior termination in subparagraph 9.(a).

11.(d) If the age of an insured member (or insured dependent) is incorrectly stated, then upon the death of a dependent the amount payable will be the amount of insurance payable according to the schedule in subparagraph 5.(b)(ii)a on the basis of the insured member's (or insured dependent's) correct attained age at death.

12. Grace Period.

12.(a) If the Policyholder has not previously given written notice to the Company that this

Policy is to be terminated, a grace period of 31 days, without interest charge, will be granted to the Policyholder for the payment of every premium, after the first premium, during which period this Policy will continue in force.

If any premium is not paid within the days of grace, this Policy will thereupon terminate, but the Policyholder will, nevertheless, be liable to the Company for the payment of all premiums then unpaid, together with the premium for the days of grace. If, however, written notice is given by the Policyholder to the Company during the grace period that this Policy is to be terminated, this Policy will then be terminated on the date of receipt by the Company of such written notice, but the Policyholder will, nevertheless, be liable to the Company for the payment of all premiums then unpaid, together with a pro rata premium for such portion of the grace period as this Policy continues in force.

The Policyholder covenants and agrees, however, to remit to the Company, while this Policy continues in force, premiums relating to all insured members who have paid their premium contributions to the Policyholder. See paragraph 18 concerning the limited circumstances under which this Policy may be terminated.

12.(b) Premium contributions by an insured member are payable on the first day of each month; however, a grace period of 31 days is allowed for payment of any premium contribution. If the premium contribution is not paid during the 31 day grace period, the member's insurance will terminate as provided in subparagraph 9.(c).

13. Conversion Privileges.

13.(a) Members Conversion Privilege. At any time while the insured member is insured hereunder, at the option of the member, or if the member's insurance is terminated by reason of termination of this Policy, or upon withdrawal of the insured member from membership in the Association, the member will be entitled to have issued to him or her by the Company, without furnishing further evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, subject to the following conditions:

13(a)(i) Application for the individual policy shall be made and the first premium paid to the Company within 31 days after the member gives written notice to the Company of election to exercise his or her conversion option or within 31 days after said termination of coverage under this Policy by reason of termination of this Policy.

13.(a)(ii) The individual policy shall, at the option of the member, be on any one of the forms except term insurance then customarily issued by the Company at the member's insurance age.

13.(a)(iii) The individual policy shall be in an amount not in excess of the coverage applicable to the member set forth under paragraph 5 at the date of written notice of election to convert to an individual policy except that in the event of the termination of this Policy the amount of such coverage may not exceed the lesser of the coverage which ceases or $10,000.

13.(a)(iv) The premium on the individual policy shall be at the Company's then customary rate applicable to the form and amount of the individual policy and to the class of risk to which the member belongs at his or her insurance age at the time of conversion.

13.(a)(v) If the member dies during the 31 day period within which he or she would be entitled to have an individual policy issued to him or her in accordance with 13.(a) and before such individual policy shall have become effective, life insurance in the amount of the individual policy which the member would have been entitled to have issued to him or her will be payable as a claim under this policy, whether or not application for the individual policy or the payment of the first premium has been made. Furthermore, during such 31 day period life insurance in the amount of said individual policy will be the member's only coverage.

13.(b) Dependent Spouse's Conversion Privilege. Upon termination of the life insurance coverage of a spouse of an insured member for any reason, such spouse shall be entitled to have issued to him or her by the Company, without further evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, subject to the following conditions:

13.(b)(i) Application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

13.(b)(ii) The individual policy shall, at the option of such spouse, be on any one of the forms, except term insurance, then customarily issued by the Company at the insurance age and for the amount applied for.

13.(b)(iii) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination, except in the event of termination of this Policy, in which case the amount of the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

13.(b)(iv) The premium on the individual policy shall be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such spouse then belongs, and to his or her insurance age on the effective date of the individual policy.

Upon the death of any such spouse during the 31 day period within which he or she would be entitled to have an individual policy issued to him or her in accordance with subparagraph 13.(b), and before such individual policy shall have become effective, the amount of life insurance which he or she would have been entitled to have issued to him or her under such individual policy shall be payable as a claim, whether or not application for the individual policy or the payment of the first premium has been made.

13.(c) Dependent Child's Conversion Privilege. Upon the termination of the coverage on a dependent child of an insured member for any reason specified in subparagraph 5.(b)(iv) or due to the death or attainment of age seventy (70) of the insured member, such dependent child shall be entitled to have issued to him or her by the Company, without further evidence of insurability,

an individual policy of life insurance without disability or other supplementary benefits, subject to the following conditions:

13.(c)(i) Application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

13.(c)(ii) The individual policy shall, at the option of such child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age and for the amount applied for.

13.(c)(iii) The individual policy shall be in an amount, not in excess of the amount of the life insurance which ceases because of such termination, except in the event of termination of this Policy in which case the amount of the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

13.(c)(iv) The premium on the individual policy shall be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such child then belongs, and to his or her attained age on the effective date of the individual policy.

Upon the death of any such child during the period when he or she would be entitled to have an individual policy issued to him or her in accordance with subparagraph 13.(c) and before such individual policy shall become effective, the amount of life insurance which he or she would have been entitled to have issued under such individual policy shall be payable as a claim, whether or not application for the individual policy or the payment of the first premium has been made.

14. Continuation of Coverage.

If coverage terminates under this Policy for an insured member for any reason other than termination of this Policy or nonpayment of premium, he or she may continue coverage under this Policy by providing written notification to the Company within 31 days of the date of termination. The insured member must pay the required premium directly to the Company at our Home Office.

This continuation coverage will end on the earliest of the following:

(1) The date the insured member requests termination;

(2) The date the insured member fails to pay due premium; or

(3) The date the insured member attains age 70.

15. Beneficiary.

The beneficiary as named in the application, or later changed as provided below, will receive the amount of the death benefit upon the death of the member. The "death benefit" is the

amount of life insurance as set forth in paragraph 5 and in accordance with the provisions set forth in this Policy.

16. Change of Beneficiary.

In the absence of an irrevocable designation of beneficiary an insured member or other person who is duly authorized to act for the insured member may designate a new beneficiary at any time, without the consent of the beneficiary previously designated, by filing with the Policyholder written notice for such change on forms provided by the Policyholder, but such change will become effective only upon receipt of such form at the Home Office of the Company. When such form is received by the Company, whether the insured member be then living or not, the change of beneficiary will relate back to and take effect as of the date of execution of the completed form, but without prejudice to the Company on account of any payment theretofore made by it.

17. Modes of Settlement.

Any claim for death benefits, under this Policy, will be paid to the beneficiary designated by the insured member in one sum promptly after receipt of due proof of death. If the insured member makes a prior written election, the sum due or any portion thereof, in lieu of payment in a single sum, will be paid in a fixed number of monthly installments for each $1,000.00 according to the following table or in monthly installments for the life of the beneficiary according to a table which will be furnished any member upon request. The first installment will be paid promptly after receipt of proof of death. If the insured member does not make such prior written election, the beneficiary, after the death of the insured member, may elect in writing that all or any part of the sum payable be paid in a fixed number of monthly installments as selected in accordance with the following table, or in monthly installments for the life of the beneficiary, with the remainder, if any, to be paid in a single sum.

In no event may the insured member or the beneficiary select a term of years which would result in a monthly payment of less than $100.00.

Monthly Installments for Each $1,000 in Proceeds

| Number of Years During Which Monthly Installments Will be Paid | Amount of Each Monthly Installment Payment |
|---|---|
| 3 | $29.19 |
| 4 | 22.27 |
| 5 | 18.12 |
| 10 | 9.83 |
| 15 | 7.10 |
| 20 | 5.75 |

If the beneficiary, who has survived the insured member, dies before payment of the single sum death benefit or before payment of the first monthly installment thereof as selected by the insured member, unless the insured member has designated otherwise, the death benefit will be paid in a single sum to the estate of the beneficiary. If the insured member has elected monthly installment payments of the death benefit payable and the beneficiary dies after payment of the first monthly installment, but before payment of all installments to which the beneficiary is entitled, unless the insured member has designated otherwise, the commuted value of the remainder of the monthly installments computed at 3 1/2% per annum compound interest, will be paid to the estate of the beneficiary.

18. Modification and Termination of Policy.

18.(a) This Policy may be amended at any time by written agreement between the Company and the Policyholder.

18.(b) This Policy may be terminated by the Company, at its option, in the event of nonpayment of premium by the Policyholder (see subparagraph 9.(d)).

18.(c) The Company has the right unilaterally to amend this Policy only to increase or decrease the premium rates payable by the Policyholder hereunder. Any such amendment shall be effective as of the first day of any month after not less than ninety (90) days written notice thereof from the Company to the Policyholder prior to such effective date. Any such increase or increases in premium rates during any consecutive period of sixty (60) months which exceed in the aggregate 25% of the premium rates now provided for will give the Policyholder the right to terminate this Policy upon ninety (90) days written notice to the Company.

18.(d) Termination of the Policy by the Policyholder under circumstances described in subparagraph 18.(c), or any unilateral amendment thereof by the Company to increase or decrease premiums, or any amendment by mutual agreement of the Company and the Policyholder, shall not require the consent of or notice to any insured member.

18.(e) No agent for the Company shall have power to make, alter or discharge this Policy or to extend the time for payment of premiums, nor shall this Policy be varied or altered or its conditions waived or extended in any respect, except by the written agreement of the Company, in compliance with the laws of the State of Texas, signed by the President or a Vice-President, and the Secretary, or an Assistant Secretary, whose authority in this respect may not be delegated.

19. Renewal of Policy.

This Policy is issued on a one year renewable term plan, and the Policyholder covenants and agrees to renew the Policy each year on its anniversary date of December 1st (subject to the Company's right to amend to increase or decrease premiums upon ninety (90) days notice and the Policyholder's right to terminate if premium increases aggregate a certain percentage of premiums herein provided, as set forth in subparagraph 18.(c)).

20. Incontestability.

20.(a) This Policy will be incontestable after two years from its Effective Date, except for nonpayment of premiums.

20.(b) The insurance provided under this Policy with respect to any insured member and any dependent will be incontestable after it has been in force during the lifetime of such insured member and dependent for a period of two (2) years from the date said insurance became effective, except for nonpayment of premiums. No statement made by the insured member will be used in defense of a claim unless it is contained in the written application and a copy of the application is attached to the insured member's certificate.

21. Suicide.

If an insured member dies as a result of suicide within two (2) years after coverage on his or her life under paragraph 5 becomes effective, the Company shall be liable only for a refund of the amount of premium contributions paid by or in respect of such member.

22. Entire Contract.

This Policy, together with the approval and acceptance hereof by the Policyholder and the individual applications of the insured members, constitute and contain the entire contract between the parties. All statements, in the absence of fraud, made by the Policyholder and insured members will be deemed to be representations and not warranties.

23. Reserve Valuation Basis.

The reserve on this Policy will be valued according to the Unearned Premium Method, but in no event will such reserve be less than that required by the laws of the state in which this Policy is delivered.

24. Miscellaneous.

Masculine pronouns and adjectives where used herein with reference to insured members and dependents of insured members will be deemed also to refer to female insured members and female dependents of insured members where the context requires.

The term "beneficiary" when used herein will mean and include "beneficiaries" in any case where more than one beneficiary has been designated by an insured member.

All references herein to "month" shall mean calendar month.

"Bodily injuries" as used herein shall mean injuries which are caused directly and independently of all other causes through external, violent and accidental means, as evidenced by a visible contusion or wound on the exterior of the body, except in the case of drowning or internal injuries revealed by an autopsy, and which independently of all other causes result in the

death of the insured within 90 days after the date of the injuries. When the definition of bodily injuries or any exclusion for payment under Accident Insurance conflicts with the law of a state of residence of an insured member, at the time the certificate is issued, such definition or exclusion will be deemed to be amended or deleted to be in conformity with such laws. No amount shall be payable under Accident Insurance if the death of the insured results directly:

(1) from suicide;

(2) from any dose of drugs, or from any poison or any gas, including carbon monoxide, voluntarily taken, administered, absorbed, injected or inhaled;

(3) from bacterial infections, except pyogenic infections occurring simultaneously with and in consequence of bodily injuries;

(4) from physical or mental infirmity;

(5) from disease of any kind;

(6) from the commission of or attempt to commit a felony;

(7) from service, travel or flight in any kind of aircraft except as a passenger;

(8) from participation in a riot or an insurrection; or

(9) from war or any act of war.

"War" includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. "Act of war" means any act peculiar to military, navel or air operations in time of war as distinguished from normal military, naval or air activities in time of peace. Without limiting the meaning of "act of war", death of the insured while a prisoner of war or while missing in action shall be conclusively considered a result of an act of war.

25. Flexible Premium Deferred Annuity Rider.

25.(a) Definitions as used in this paragraph 25.

"Annuitant" means the person on whose life the Annuity Benefit is based and is the member whose life is insured under the group life insurance coverage.

"Rider Maturity Date" is the date the Annuitant attains the age of 70 or the date the member's group life insurance coverage terminates (see paragraph 9), whichever first occurs.

"Accumulation Value" is the sum of all premiums paid for the Rider, less any withdrawals, with interest compounded annually. Interest will be compounded from the date a premium is received or a withdrawal is made. The interest rate will be determined by the Company, but will never be less than 3% per annum.

"Cash Surrender Value" is equal to the Accumulation Value.

25.(b) Eligibility. Each member eligible for insurance coverage hereunder (see paragraph 2 and 3) is eligible to make application to the Policyholder for a Flexible Premium Deferred Annuity Rider.

25.(c) Consideration. The Rider will be issued in consideration of the application and payment of the initial premium.

25.(c)(i) The Company will accept premiums for this Rider, provided: (a) no premium for the member's group life insurance coverage is in default; and (b) the Rider is in full force and effect. Each Rider premium must be at least $5 and may not exceed $10,000 in any policy year unless approved by the Company.

25.(c)(ii) If premium payments cease, the Accumulation Value will continue to Accumulate, with interest, until: (a) the Rider Maturity Date; or (b) the Rider is surrendered for its Cash Surrender Value. The rate of interest will not be less than 3% per annum, compounded annually.

25.(d) Annuity Benefit. The Company will pay a monthly income to the Annuitant beginning on the Maturity Date of the Rider if the Annuitant is living. Monthly payments may begin prior to the Rider Maturity Date. The monthly income will be determined by applying the Accumulation Value as of the Rider Maturity Date under any settlement option of the Rider. If the Annuitant dies prior to the Rider Maturity Date and this Rider is in force, the Company will pay the Accumulation Value to the beneficiary upon receipt of due proof of death of the Annuitant.

25.(e) Withdrawals. Prior to the Rider Maturity Date, the Annuitant may withdraw all or any part of the Cash Surrender Value by making a written request to the Policyholder. The request must be received while the Annuitant is living. The Company may defer payment of the Cash Surrender Value for a period of up to six months from the date the request is received from the Policyholder.

25.(f) Termination. The Rider will terminate on the earliest of the following dates or events: (1) the Rider Maturity Date; or (2) death of the Annuitant; or (3) written request of the Annuitant; or (4) termination of the member's group life insurance coverage.

25.(g) Annuity Rider Settlement Options. The Annuitant by written request to the Company, may elect to have any amount payable from a benefit of this Rider to be applied under one of the following options. If an option is not elected prior to the death of the Annuitant, the beneficiary may make such an election.

Option 1 – Interest Income - Left on deposit, with interest payable periodically. Proceeds and any accrued but unpaid interest are payable at the end of a period mutually agreed upon.

Option 2 - Installments of Specified Amount - Paid as an income of a specified amount mutually agreed upon, until the proceeds and interest are exhausted.

Option 3 – Installments for Specified Period - Paid as an income for a specified period mutually agreed upon.

Option 4 – Life Annuity With Guaranteed Period - Paid as an income for life. Payments are guaranteed for 120 months.

Option 5 – Life Annuity Without Guaranteed Period - Paid as an income for life. Payments cease with the last payment due prior to death of the Annuitant.

**OPTION 1**
**INTEREST INCOME**

| Payable | Interest Payable |
|---|---|
| Monthly | $2.87 |
| Quarterly | 8.64 |
| Semi-Annually | 17.35 |
| Annually | 35.00 |

**OPTION 3**
**INSTALLMENTS**

| Yrs. | Annual | Monthly | Yrs. | Annual | Monthly | Yrs. | Annual | Monthly |
|---|---|---|---|---|---|---|---|---|
| 1 | $1,000.00 | $84.47 | 11 | $104.93 | $8.86 | 21 | $62.98 | $5.32 |
| 2 | 507.39 | 42.86 | 12 | 97.54 | 8.24 | 22 | 60.92 | 5.15 |
| 3 | 343.23 | 28.99 | 13 | 91.29 | 7.71 | 23 | 59.04 | 4.99 |
| 4 | 261.19 | 22.06 | 14 | 85.95 | 7.26 | 24 | 57.33 | 4.84 |
| 5 | 211.99 | 17.91 | 15 | 81.33 | 6.87 | 25 | 55.76 | 4.71 |
| 6 | 179.22 | 15.14 | 16 | 77.29 | 6.53 | 26 | 54.31 | 4.59 |
| 7 | 155.83 | 13.16 | 17 | 73.74 | 6.23 | 27 | 52.97 | 4.47 |
| 8 | 138.31 | 11.68 | 18 | 70.59 | 5.96 | 28 | 51.74 | 4.37 |
| 9 | 124.69 | 10.53 | 19 | 67.78 | 5.73 | 29 | 50.60 | 4.27 |
| 10 | 113.82 | 9.61 | 20 | 65.26 | 5.51 | 30 | 49.53 | 4.18 |

**OPTIONS 4 AND 5**
MONTHLY LIFE INCOMES

| | Option 4 120 Installments Guaranteed | | Option 5 Life Only | | | Option 4 120 Installments Guaranteed | | Option 5 Life Only | |
|---|---|---|---|---|---|---|---|---|---|
| Age | Male | Female | Male | Female | Age | Male | Female | Male | Female |
| 25 | $3.08 | $2.99 | $3.08 | $2.99 | 65 | $5.48 | $5.07 | $5.69 | $5.18 |
| 26 | 3.10 | 3.01 | 3.10 | 3.01 | 66 | 5.62 | 5.20 | 5.86 | 5.32 |
| 27 | 3.12 | 3.03 | 3.13 | 3.03 | 67 | 5.77 | 5.33 | 6.04 | 5.47 |
| 28 | 3.15 | 3.05 | 3.15 | 3.05 | 68 | 5.92 | 5.47 | 6.24 | 5.64 |
| 29 | 3.17 | 3.07 | 3.17 | 3.07 | 69 | 6.07 | 5.62 | 6.45 | 5.82 |
| 30 | 3.20 | 3.09 | 3.20 | 3.09 | 70 | 6.23 | 5.78 | 6.67 | 6.01 |
| 31 | 3.22 | 3.11 | 3.23 | 3.12 | 71 | 6.39 | 5.94 | 6.90 | 6.21 |
| 32 | 3.25 | 3.14 | 3.26 | 3.14 | 72 | 6.56 | 6.11 | 7.16 | 6.44 |
| 33 | 3.28 | 3.16 | 3.28 | 3.17 | 73 | 6.73 | 6.29 | 7.43 | 6.68 |
| 34 | 3.31 | 3.19 | 3.32 | 3.19 | 74 | 6.90 | 6.48 | 7.71 | 6.94 |
| 35 | 3.34 | 3.22 | 3.35 | 3.22 | 75 | 7.08 | 6.67 | 8.02 | 7.22 |
| 36 | 3.38 | 3.24 | 3.38 | 3.25 | 76 | 7.25 | 6.86 | 8.35 | 7.52 |
| 37 | 3.41 | 3.27 | 3.42 | 3.28 | 77 | 7.43 | 7.06 | 8.70 | 7.85 |
| 38 | 3.45 | 3.30 | 3.46 | 3.31 | 78 | 7.61 | 7.26 | 9.08 | 8.21 |
| 39 | 3.49 | 3.34 | 3.50 | 3.34 | 79 | 7.78 | 7.46 | 9.48 | 8.60 |
| 40 | 3.53 | 3.37 | 3.54 | 3.38 | 80 | 7.95 | 7.66 | 9.91 | 9.02 |
| 41 | 3.57 | 3.41 | 3.58 | 3.41 | 81 | 8.11 | 7.86 | 10.37 | 9.47 |
| 42 | 3.62 | 3.44 | 3.63 | 3.45 | 82 | 8.27 | 8.05 | 10.86 | 9.96 |
| 43 | 3.66 | 3.48 | 3.67 | 3.49 | 83 | 8.42 | 8.23 | 11.38 | 10.50 |
| 44 | 3.71 | 3.52 | 3.72 | 3.53 | 84 | 8.56 | 8.40 | 11.94 | 11.07 |
| 45 | 3.76 | 3.57 | 3.78 | 3.57 | 85 | 8.69 | 8.55 | 12.54 | 11.69 |
| 46 | 3.81 | 3.61 | 3.83 | 3.62 | 86 | 8.81 | 8.70 | 13.17 | 12.36 |
| 47 | 3.87 | 3.66 | 3.89 | 3.67 | 87 | 8.92 | 8.83 | 13.85 | 13.08 |
| 48 | 3.92 | 3.71 | 3.95 | 3.72 | 88 | 9.02 | 8.95 | 14.56 | 13.84 |
| 49 | 3.98 | 3.76 | 4.01 | 3.77 | 89 | 9.12 | 9.05 | 15.32 | 14.65 |
| 50 | 4.05 | 3.81 | 4.08 | 3.83 | 90 | 9.20 | 9.15 | 16.12 | 15.50 |
| 51 | 4.11 | 3.87 | 4.15 | 3.89 | 91 | 9.28 | 9.23 | 16.97 | 16.38 |
| 52 | 4.18 | 3.93 | 4.22 | 3.95 | 92 | 9.34 | 9.30 | 17.87 | 17.31 |
| 53 | 4.25 | 3.99 | 4.30 | 4.01 | 93 | 9.40 | 9.36 | 18.83 | 18.26 |
| 54 | 4.33 | 4.06 | 4.38 | 4.08 | 94 | 9.45 | 9.42 | 19.85 | 19.26 |
| 55 | 4.41 | 4.13 | 4.46 | 4.15 | 95 | 9.49 | 9.47 | 20.93 | 20.30 |
| 56 | 4.49 | 4.20 | 4.55 | 4.23 | 96 | 9.53 | 9.51 | 22.10 | 21.39 |
| 57 | 4.58 | 4.28 | 4.65 | 4.31 | 97 | 9.56 | 9.54 | 23.38 | 22.57 |
| 58 | 4.68 | 4.36 | 4.75 | 4.40 | 98 | 9.58 | 9.57 | 24.80 | 23.86 |
| 59 | 4.78 | 4.45 | 4.86 | 4.49 | 99 | 9.59 | 9.58 | 26.40 | 25.31 |
| 60 | 4.88 | 4.54 | 4.98 | 4.59 | 100 | 9.60 | 9.60 | 28.22 | 26.97 |
| 61 | 4.99 | 4.63 | 5.10 | 4.69 | | | | | |
| 62 | 5.10 | 4.73 | 5.23 | 4.80 | | | | | |
| 63 | 5.23 | 4.84 | 5.37 | 4.92 | | | | | |
| 64 | 5.35 | 4.95 | 5.52 | 5.04 | | | | | |

25.(h) Payee. The Payee is the person(s) entitled to receive payments under a Settlement Option. After the death of the Payee any amounts remaining under Options 1, 2, 3 or 4 will be continued to the estate of the Payee or paid in a single commuted sum to the estate of the Payee. The interest rate used to calculate the commuted sum will be 4%.

25.(i) Availability of Options. The Company may pay the proceeds in one sum if: (1) Periodic payments become less than $100; (2) The Payee is not the person first entitled to payment; or (3) The Payee is an assignee, estate, trustee, partnership, corporation or association.

25.(j) Effective Date. If an election has previously been made, the effective date will be the date of death, maturity or surrender. If no election is in effect when the proceeds become payable in one lump sum, the date of election will be the effective date. The first installment under all options except Option 1 becomes due as of the effective date.

25.(k) Basis of Payment Options. Interest under all options will be at such rates as the Company may declare. The effective annual interest rate will be at least 3%.

25.(l) Life Income and Age. Life income payable is based upon the life of the Annuitant. Life income payable to the beneficiary must be based on the life of that beneficiary. Age in each instance is the age on the last birthday before the date the first installment is payable. The Company may require evidence of age or of survival.

25.(m) Withdrawal Value. Unless otherwise specified in the election of an option, the Payee will have the right to receive the withdrawal value specified for that option. Under Options 2 and 3, the withdrawal value will be the commuted value of any unpaid installments with such value to be calculated at a compound interest rate of 3%.

26. Effective Date. The Effective Date of this Policy is _____.

IN WITNESS WHEREOF, OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA and OFFICERS BENEFIT ASSOCIATION have caused this Policy to be duly executed in duplicate by their respective duly authorized officers on the dates shown below.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA

Signed at Waco, Texas

ATTEST:

_____ _____

Secretary President

DATE:_____ DATE:_____

OFFICERS BENEFIT ASSOCIATION

Approved and Accepted in Birmingham, Alabama

ATTEST:

_____ _____

Secretary President

DATE:_____ DATE:_____

# Officers Benefit Association

**P. O. BOX 7 / BIRMINGHAM, ALABAMA 35201**

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that it has issued its Group Life Insurance Policy No. OL-6-G (herein called the "Policy") to the Officers Benefit Association (the "Association"). The life of the Member named below (the "Member") is insured under the Policy as indicated by the Coverage Option. The amount of insurance for the Member together with certain pertinent provisions from the Policy are hereinafter set forth.

| CERTIFICATE NUMBER | EFFECTIVE DATE | | | COVERAGE OPTION A | DATE OF OBA MEMBERSHIP | | |
|---|---|---|---|---|---|---|---|
| | MONTH | DAY | YEAR | | MONTH | DAY | YEAR |
| 10002009 | 04 | 15 | 2009 | $ 50,000 | 10 | 01 | 2008 |

Member: JOHN DOE

Date of Birth: FEBRUARY 1, 1974

Beneficiary: JANE DOE

## GROUP LIFE INSURANCE BENEFITS

The Policy provides that upon due proof of death of the Member from any cause (except as specified in the suicide provision), while the Member is insured thereunder, the Company will pay to the Beneficiary the amount of life insurance in accordance with the coverage option above and the provisions shown in this Certificate. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

## CANCELLATION DURING FIRST 30 DAYS

You may return this Certificate within thirty days after delivery if you are not satisfied with it for any reason. Upon the surrender of the Certificate within the thirty day period, it will be void from the beginning, and we will refund any premium paid.

## READ YOUR CERTIFICATE CAREFULLY

## GROUP LIFE INSURANCE CERTIFICATE

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## BENEFICIARY

The Beneficiary as named in the application, or later changed as provided below, will receive the amount of the death benefit upon the death of the Member. The "death benefit" is the amount of life insurance in accordance with the coverage option evidenced by this Certificate, and the provisions shown in this Certificate.

## CHANGE OF BENEFICIARY

The Member or other person duly authorized to act for the Member may change the Beneficiary at any time, unless a previous designation provides otherwise. To make a change, you must file, with the Association, a written notice for such change on forms provided by the Association. The change shall become effective only upon receipt of such form at the Home Office of the Company. When such form is received by the Company, whether the Member be then living or not, the change of Beneficiary will be effective as of the date of execution of the completed form. The change will be without prejudice to the Company on account of any payment made by it.

## MODES OF SETTLEMENT

The claim for the death benefit, under the Policy, will be paid to the Beneficiary in one sum immediately upon receipt of due proof of death. The Member may make a prior written election for the Beneficiary to be paid, in lieu of payment in a single sum, a fixed number of monthly installments according to the following table. The Member may also elect monthly installments for the life of the Beneficiary according to a table which will be furnished the member upon request. The first installment will be paid on receipt of due proof of death. If a member does not make a written election prior to his or her death, the Beneficiary may make an election in writing. The Beneficiary may elect that all or part of the sum payable be paid in a fixed number of monthly installments as selected in accordance with the following table; or in monthly installments for the life of the Beneficiary.

| Number of Years During Which Monthly Installments Will Be Paid | Amount of Each Monthly Installment Payment (For $1,000 of Proceeds) | Number of Years During Which Monthly Installments Will Be Paid | Amount of Each Monthly Installment Payment (For $1,000 of Proceeds) |
|---|---|---|---|
| 3 | $29.19 | 10 | $9.83 |
| 4 | 22.27 | 15 | 7.10 |
| 5 | 18.12 | 20 | 5.75 |

In no event may the Member or the Beneficiary select a term of years which would result in a monthly payment of less than $100.00.

If the Beneficiary who has survived the Member dies before payment of the single sum death benefit or before the payment of the first monthly installment as selected by the Member, unless the Member has designated otherwise, the death benefit will be paid in a single sum to the estate of the Beneficiary. If the Member or Beneficiary has elected monthly installment payments of the death benefit payable and the Beneficiary dies after payment of the first monthly installment, but before all installments to which the Beneficiary is entitled, unless the Member has designated otherwise, the commuted value of this remainder of the monthly installments will be paid to the estate of the Beneficiary. The remainder of the monthly installments is computed at 3½% per annum compound interest.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Member will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Member from the date said insurance became effective, except for non-payment of premium contributions by the Member. No statement made by the Member will be used in defense of a claim unless it is contained in the written application and a copy of the application is attached to this Certificate.

## REPRESENTATIONS

All statements, in the absence of fraud, made by the Member insured under the Policy are representations and not warranties.

## EFFECTIVE DATE OF COVERAGE

If the health of the Member prevents him or her from performing all of the usual duties of his or her occupation on the date the insurance would otherwise become effective, the Effective Date of the insurance evidenced by this Certificate will be deferred until the date the Member resumes such duties. Until that date the Member will not be deemed an insured member.

## PREMIUM RESET

After the initial premium for the Member has been in force 10 years, the premium will be reset every subsequent 10 years until the Member becomes age 70. At the time of the premium reset, the new premium rate for the Member will be based on the rate applicable for the age of the Member. The new premium rate is the amount of premium contribution that the Member is to pay the Association. The change in the premium rate will become effective on December 1st next following the Member's birthday. If the Member does not increase his or her premium contribution as required by the premium reset, the amount of death benefit otherwise payable under the Policy will be adjusted.

## SUICIDE

In the event of the suicide of the Member, within two (2) years after the Effective Date of the Member's coverage under the Policy, the amount payable will be limited to an amount equal to the premium contributions actually paid by the Member.

## INCORRECT PREMIUM CONTRIBUTION

If the Member's age has been incorrectly stated in the application, the amount of the death benefit, otherwise payable under the Policy, will be adjusted, as provided in the Policy, to the amount that the premium actually paid would have purchased had correct information been stated in the application. If, at the time of death, the Member (whose age is incorrectly stated in the application) has attained the age of 70 or higher, the Member's coverage will not be payable due to prior termination.

If the Member has been paying premium contributions higher than actually required by his or her age, the amount of such excess premium paid prior to his or her death will be refunded at the time of payment of the death benefit. The amount of death benefit will not be adjusted.

## TERMINATION OF ALL INSURANCE

All insurance of the Member under the Policy will terminate on the last day of the calendar month during which the earliest of the following events occurs: (1) the Member has attained the age of 70; (2) Termination of the Member's membership in the Association unless he or she continues coverage as provided under the Continuation of Coverage provision herein; (3) Failure by the Member to pay when due any required premium contribution payable to the Association; (4) Failure by the Association to pay to the Company when due any premium relating to the Member, in which event the Member's insurance will terminate at the end of the period for which premium has been paid; or (5) Termination of the Policy. The Policy is subject to modification and termination without the consent of the Member.

## MEMBER'S CONVERSION PRIVILEGE

(A) The Member's insurance may be converted while the Member is insured under the Policy: (1) At the option of the Member; (2) If the Member's insurance under the Policy is terminated by reason of termination of the Policy; or (3) Upon withdrawal of the insured Member from membership in the Association.

(B) The Member will be entitled to have issued to him or her, by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy of life insurance will be without furnishing further evidence of insurability, and subject to the following:

(1) Application for the individual policy shall be made and the first premium paid to the Company within thirty-one (31) days after the Member gives written notice to the Company of election to exercise this conversion option; or within thirty-one (31) days after termination of coverage under the Policy by reason of termination of the Policy.

(2) The individual policy shall, at the option of the Member, be on any one of the forms, except term insurance, then customarily issued by the Company at the Member's insurance age.

(3) The individual policy shall be in an amount not in excess of the coverage applicable to the Member at the date of written notice of election to convert to an individual policy. In the event of termination of the Policy the amount of the individual policy may not exceed the lesser of the coverage which terminates or $10,000.

(4) The premium on the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy and to the class of risk to which the Member belongs at his or her insurance age at the time of conversion.

(C) If the Member dies during the thirty-one (31) day period within which he or she would be entitled to have an individual policy issued in accordance with (a) above, and before such individual policy shall have become effective, life insurance in the amount of the individual policy which the Member would have been entitled to have issued will be payable as a claim under the Policy. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made. During any such thirty-one (31) day period life insurance in the amount of said individual policy will be the Member's only coverage.

**CONTINUATION OF COVERAGE**

If coverage terminates under this Policy for an insured member for any reason other than: (1) termination of the Policy; or (2) nonpayment of premium; he or she may continue coverage under the Policy by providing written notification to the Company within thirty-one (31) days of the date of termination. The Member must pay the required premium directly to the Company at the Home Office.

This continuation of coverage will end on the earliest of the following: (1) the date the Member requests termination; (2) the date the Member fails to pay due premium; or (3) the date the Member attains age 70.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Lanny Peavy

President

# Officers Benefit Association

**P. O. BOX 7 / BIRMINGHAM, ALABAMA 35201**

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that it has issued its Group Life Insurance Policy No. OL-6-G (herein called the "Policy") to the Officers Benefit Association (the "Association"). The life of the Member named below (the "Member") is insured under the Policy as indicated by the Coverage Option. The amount of insurance for the Member together with certain pertinent provisions from the Policy are hereinafter set forth.

| CERTIFICATE NUMBER | EFFECTIVE DATE | | | COVERAGE OPTION B | DATE OF OBA MEMBERSHIP | | |
|---|---|---|---|---|---|---|---|
| | MONTH | DAY | YEAR | | MONTH | DAY | YEAR |
| 10002009 | 04 | 15 | 2009 | $100,000 | 10 | 01 | 2008 |

Member: JOHN DOE Date of Birth: FEBRUARY 1, 1974

Beneficiary: JANE DOE

## GROUP LIFE INSURANCE BENEFITS

The Policy provides that upon due proof of death of the Member from any cause (except as specified in the suicide provision), while the Member is insured thereunder, the Company will pay to the Beneficiary the amount of life insurance in accordance with the coverage option above and the provisions shown in this Certificate. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

## CANCELLATION DURING FIRST 30 DAYS

You may return this Certificate within thirty days after delivery if you are not satisfied with it for any reason. Upon the surrender of the Certificate within the thirty day period, it will be void from the beginning, and we will refund any premium paid.

## READ YOUR CERTIFICATE CAREFULLY

## GROUP LIFE INSURANCE CERTIFICATE

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## BENEFICIARY

The Beneficiary as named in the application, or later changed as provided below, will receive the amount of the death benefit upon the death of the Member. The "death benefit" is the amount of life insurance in accordance with the coverage option evidenced by this Certificate, and the provisions shown in this Certificate.

## CHANGE OF BENEFICIARY

The Member or other person duly authorized to act for the Member may change the Beneficiary at any time, unless a previous designation provides otherwise. To make a change, you must file, with the Association, a written notice for such change on forms provided by the Association. The change shall become effective only upon receipt of such form at the Home Office of the Company. When such form is received by the Company, whether the Member be then living or not, the change of Beneficiary will be effective as of the date of execution of the completed form. The change will be without prejudice to the Company on account of any payment made by it.

## MODES OF SETTLEMENT

The claim for the death benefit, under the Policy, will be paid to the Beneficiary in one sum immediately upon receipt of due proof of death. The Member may make a prior written election for the Beneficiary to be paid, in lieu of payment in a single sum, a fixed number of monthly installments according to the following table. The Member may also elect monthly installments for the life of the Beneficiary according to a table which will be furnished the member upon request. The first installment will be paid on receipt of due proof of death. If a member does not make a written election prior to his or her death, the Beneficiary may make an election in writing. The Beneficiary may elect that all or part of the sum payable be paid in a fixed number of monthly installments as selected in accordance with the following table; or in monthly installments for the life of the Beneficiary.

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All statements, in the absence of fraud, made by the Member insured under the Policy are representations and not warranties.

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If the health of the Member prevents him or her from performing all of the usual duties of his or her occupation on the date the insurance would otherwise become effective, the Effective Date of the insurance evidenced by this Certificate will be deferred until the date the Member resumes such duties. Until that date the Member will not be deemed an insured member.

## PREMIUM RESET

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In the event of the suicide of the Member, within two (2) years after the Effective Date of the Member's coverage under the Policy, the amount payable will be limited to an amount equal to the premium contributions actually paid by the Member.

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(B) The Member will be entitled to have issued to him or her, by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy of life insurance will be without furnishing further evidence of insurability, and subject to the following:

(1) Application for the individual policy shall be made and the first premium paid to the Company within thirty-one (31) days after the Member gives written notice to the Company of election to exercise this conversion option; or within thirty-one (31) days after termination of coverage under the Policy by reason of termination of the Policy.

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(3) The individual policy shall be in an amount not in excess of the coverage applicable to the Member at the date of written notice of election to convert to an individual policy. In the event of termination of the Policy the amount of the individual policy may not exceed the lesser of the coverage which terminates or $10,000.

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**CONTINUATION OF COVERAGE**

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This continuation of coverage will end on the earliest of the following: (1) the date the Member requests termination; (2) the date the Member fails to pay due premium; or (3) the date the Member attains age 70.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Lenny Raney

President

# Officers Benefit Association

**P. O. BOX 7 / BIRMINGHAM, ALABAMA 35201**

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that it has issued its Group Life Insurance Policy No. OL-6-G (herein called the "Policy") to the Officers Benefit Association (the "Association"). The life of the Member named below (the "Member") is insured under the Policy as indicated by the Coverage Option. The amount of insurance for the Member together with certain pertinent provisions from the Policy are hereinafter set forth.

| CERTIFICATE NUMBER | EFFECTIVE DATE | | | COVERAGE OPTION C | DATE OF OBA MEMBERSHIP | | |
|---|---|---|---|---|---|---|---|
| | MONTH | DAY | YEAR | | MONTH | DAY | YEAR |
| 10002009 | 04 | 15 | 2009 | $150,000 | 10 | 01 | 2008 |

Member: JOHN DOE Date of Birth: FEBRUARY 1, 1974

Beneficiary: JANE DOE

## GROUP LIFE INSURANCE BENEFITS

The Policy provides that upon due proof of death of the Member from any cause (except as specified in the suicide provision), while the Member is insured thereunder, the Company will pay to the Beneficiary the amount of life insurance in accordance with the coverage option above and the provisions shown in this Certificate. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

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## GROUP LIFE INSURANCE CERTIFICATE

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## BENEFICIARY

The Beneficiary as named in the application, or later changed as provided below, will receive the amount of the death benefit upon the death of the Member. The "death benefit" is the amount of life insurance in accordance with the coverage option evidenced by this Certificate, and the provisions shown in this Certificate.

## CHANGE OF BENEFICIARY

The Member or other person duly authorized to act for the Member may change the Beneficiary at any time, unless a previous designation provides otherwise. To make a change, you must file, with the Association, a written notice for such change on forms provided by the Association. The change shall become effective only upon receipt of such form at the Home Office of the Company. When such form is received by the Company, whether the Member be then living or not, the change of Beneficiary will be effective as of the date of execution of the completed form. The change will be without prejudice to the Company on account of any payment made by it.

## MODES OF SETTLEMENT

The claim for the death benefit, under the Policy, will be paid to the Beneficiary in one sum immediately upon receipt of due proof of death. The Member may make a prior written election for the Beneficiary to be paid, in lieu of payment in a single sum, a fixed number of monthly installments according to the following table. The Member may also elect monthly installments for the life of the Beneficiary according to a table which will be furnished the member upon request. The first installment will be paid on receipt of due proof of death. If a member does not make a written election prior to his or her death, the Beneficiary may make an election in writing. The Beneficiary may elect that all or part of the sum payable be paid in a fixed number of monthly installments as selected in accordance with the following table; or in monthly installments for the life of the Beneficiary.

| Number of Years During Which Monthly Installments Will Be Paid | Amount of Each Monthly Installment Payment (For $1,000 of Proceeds) | Number of Years During Which Monthly Installments Will Be Paid | Amount of Each Monthly Installment Payment (For $1,000 of Proceeds) |
|---|---|---|---|
| 3 | $29.19 | 10 | $9.83 |
| 4 | 22.27 | 15 | 7.10 |
| 5 | 18.12 | 20 | 5.75 |

In no event may the Member or the Beneficiary select a term of years which would result in a monthly payment of less than $100.00.

If the Beneficiary who has survived the Member dies before payment of the single sum death benefit or before the payment of the first monthly installment as selected by the Member, unless the Member has designated otherwise, the death benefit will be paid in a single sum to the estate of the Beneficiary. If the Member or Beneficiary has elected monthly installment payments of the death benefit payable and the Beneficiary dies after payment of the first monthly installment, but before all installments to which the Beneficiary is entitled, unless the Member has designated otherwise, the commuted value of this remainder of the monthly installments will be paid to the estate of the Beneficiary. The remainder of the monthly installments is computed at 3½% per annum compound interest.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Member will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Member from the date said insurance became effective, except for non-payment of premium contributions by the Member. No statement made by the Member will be used in defense of a claim unless it is contained in the written application and a copy of the application is attached to this Certificate.

## REPRESENTATIONS

All statements, in the absence of fraud, made by the Member insured under the Policy are representations and not warranties.

## EFFECTIVE DATE OF COVERAGE

If the health of the Member prevents him or her from performing all of the usual duties of his or her occupation on the date the insurance would otherwise become effective, the Effective Date of the insurance evidenced by this Certificate will be deferred until the date the Member resumes such duties. Until that date the Member will not be deemed an insured member.

## PREMIUM RESET

After the initial premium for the Member has been in force 10 years, the premium will be reset every subsequent 10 years until the Member becomes age 70. At the time of the premium reset, the new premium rate for the Member will be based on the rate applicable for the age of the Member. The new premium rate is the amount of premium contribution that the Member is to pay the Association. The change in the premium rate will become effective on December 1st next following the Member's birthday. If the Member does not increase his or her premium contribution as required by the premium reset, the amount of death benefit otherwise payable under the Policy will be adjusted.

## SUICIDE

In the event of the suicide of the Member, within two (2) years after the Effective Date of the Member's coverage under the Policy, the amount payable will be limited to an amount equal to the premium contributions actually paid by the Member.

## INCORRECT PREMIUM CONTRIBUTION

If the Member's age has been incorrectly stated in the application, the amount of the death benefit, otherwise payable under the Policy, will be adjusted, as provided in the Policy, to the amount that the premium actually paid would have purchased had correct information been stated in the application. If, at the time of death, the Member (whose age is incorrectly stated in the application) has attained the age of 70 or higher, the Member's coverage will not be payable due to prior termination.

If the Member has been paying premium contributions higher than actually required by his or her age, the amount of such excess premium paid prior to his or her death will be refunded at the time of payment of the death benefit. The amount of death benefit will not be adjusted.

## TERMINATION OF ALL INSURANCE

All insurance of the Member under the Policy will terminate on the last day of the calendar month during which the earliest of the following events occurs: (1) the Member has attained the age of 70; (2) Termination of the Member's membership in the Association unless he or she continues coverage as provided under the Continuation of Coverage provision herein; (3) Failure by the Member to pay when due any required premium contribution payable to the Association; (4) Failure by the Association to pay to the Company when due any premium relating to the Member, in which event the Member's insurance will terminate at the end of the period for which premium has been paid; or (5) Termination of the Policy. The Policy is subject to modification and termination without the consent of the Member.

## MEMBER'S CONVERSION PRIVILEGE

(A) The Member's insurance may be converted while the Member is insured under the Policy: (1) At the option of the Member; (2) If the Member's insurance under the Policy is terminated by reason of termination of the Policy; or (3) Upon withdrawal of the insured Member from membership in the Association.

(B) The Member will be entitled to have issued to him or her, by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy of life insurance will be without furnishing further evidence of insurability, and subject to the following:

(1) Application for the individual policy shall be made and the first premium paid to the Company within thirty-one (31) days after the Member gives written notice to the Company of election to exercise this conversion option; or within thirty-one (31) days after termination of coverage under the Policy by reason of termination of the Policy.

(2) The individual policy shall, at the option of the Member, be on any one of the forms, except term insurance, then customarily issued by the Company at the Member's insurance age.

(3) The individual policy shall be in an amount not in excess of the coverage applicable to the Member at the date of written notice of election to convert to an individual policy. In the event of termination of the Policy the amount of the individual policy may not exceed the lesser of the coverage which terminates or $10,000.

(4) The premium on the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy and to the class of risk to which the Member belongs at his or her insurance age at the time of conversion.

(C) If the Member dies during the thirty-one (31) day period within which he or she would be entitled to have an individual policy issued in accordance with (a) above, and before such individual policy shall have become effective, life insurance in the amount of the individual policy which the Member would have been entitled to have issued will be payable as a claim under the Policy. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made. During any such thirty-one (31) day period life insurance in the amount of said individual policy will be the Member's only coverage.

**CONTINUATION OF COVERAGE**

If coverage terminates under this Policy for an insured member for any reason other than: (1) termination of the Policy; or (2) nonpayment of premium; he or she may continue coverage under the Policy by providing written notification to the Company within thirty-one (31) days of the date of termination. The Member must pay the required premium directly to the Company at the Home Office.

This continuation of coverage will end on the earliest of the following: (1) the date the Member requests termination; (2) the date the Member fails to pay due premium; or (3) the date the Member attains age 70.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Lenny Reary

President

# Officers Benefit Association

**P. O. BOX 7 / BIRMINGHAM, ALABAMA 35201**

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that it has issued its Group Life Insurance Policy No. OL-6-G (herein called the "Policy") to the Officers Benefit Association (the "Association"). The life of the Member named below (the "Member") is insured under the Policy as indicated by the Coverage Option. The amount of insurance for the Member together with certain pertinent provisions from the Policy are hereinafter set forth.

| CERTIFICATE NUMBER | EFFECTIVE DATE | | | COVERAGE OPTION D | DATE OF OBA MEMBERSHIP | | |
|---|---|---|---|---|---|---|---|
| | MONTH | DAY | YEAR | | MONTH | DAY | YEAR |
| 10002009 | 04 | 15 | 2009 | $200,000 | 10 | 01 | 2008 |

Member: JOHN DOE Date of Birth: FEBRUARY 1, 1974

Beneficiary: JANE DOE

## GROUP LIFE INSURANCE BENEFITS

The Policy provides that upon due proof of death of the Member from any cause (except as specified in the suicide provision), while the Member is insured thereunder, the Company will pay to the Beneficiary the amount of life insurance in accordance with the coverage option above and the provisions shown in this Certificate. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

## CANCELLATION DURING FIRST 30 DAYS

You may return this Certificate within thirty days after delivery if you are not satisfied with it for any reason. Upon the surrender of the Certificate within the thirty day period, it will be void from the beginning, and we will refund any premium paid.

## READ YOUR CERTIFICATE CAREFULLY

## GROUP LIFE INSURANCE CERTIFICATE

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## BENEFICIARY

The Beneficiary as named in the application, or later changed as provided below, will receive the amount of the death benefit upon the death of the Member. The "death benefit" is the amount of life insurance in accordance with the coverage option evidenced by this Certificate, and the provisions shown in this Certificate.

## CHANGE OF BENEFICIARY

The Member or other person duly authorized to act for the Member may change the Beneficiary at any time, unless a previous designation provides otherwise. To make a change, you must file, with the Association, a written notice for such change on forms provided by the Association. The change shall become effective only upon receipt of such form at the Home Office of the Company. When such form is received by the Company, whether the Member be then living or not, the change of Beneficiary will be effective as of the date of execution of the completed form. The change will be without prejudice to the Company on account of any payment made by it.

## MODES OF SETTLEMENT

The claim for the death benefit, under the Policy, will be paid to the Beneficiary in one sum immediately upon receipt of due proof of death. The Member may make a prior written election for the Beneficiary to be paid, in lieu of payment in a single sum, a fixed number of monthly installments according to the following table. The Member may also elect monthly installments for the life of the Beneficiary according to a table which will be furnished the member upon request. The first installment will be paid on receipt of due proof of death. If a member does not make a written election prior to his or her death, the Beneficiary may make an election in writing. The Beneficiary may elect that all or part of the sum payable be paid in a fixed number of monthly installments as selected in accordance with the following table; or in monthly installments for the life of the Beneficiary.

| Number of Years During Which Monthly Installments Will Be Paid | Amount of Each Monthly Installment Payment (For $1,000 of Proceeds) | Number of Years During Which Monthly Installments Will Be Paid | Amount of Each Monthly Installment Payment (For $1,000 of Proceeds) |
|---|---|---|---|
| 3 | $29.19 | 10 | $9.83 |
| 4 | 22.27 | 15 | 7.10 |
| 5 | 18.12 | 20 | 5.75 |

In no event may the Member or the Beneficiary select a term of years which would result in a monthly payment of less than $100.00.

If the Beneficiary who has survived the Member dies before payment of the single sum death benefit or before the payment of the first monthly installment as selected by the Member, unless the Member has designated otherwise, the death benefit will be paid in a single sum to the estate of the Beneficiary. If the Member or Beneficiary has elected monthly installment payments of the death benefit payable and the Beneficiary dies after payment of the first monthly installment, but before all installments to which the Beneficiary is entitled, unless the Member has designated otherwise, the commuted value of this remainder of the monthly installments will be paid to the estate of the Beneficiary. The remainder of the monthly installments is computed at 3½% per annum compound interest.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Member will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Member from the date said insurance became effective, except for non-payment of premium contributions by the Member. No statement made by the Member will be used in defense of a claim unless it is contained in the written application and a copy of the application is attached to this Certificate.

## REPRESENTATIONS

All statements, in the absence of fraud, made by the Member insured under the Policy are representations and not warranties.

## EFFECTIVE DATE OF COVERAGE

If the health of the Member prevents him or her from performing all of the usual duties of his or her occupation on the date the insurance would otherwise become effective, the Effective Date of the insurance evidenced by this Certificate will be deferred until the date the Member resumes such duties. Until that date the Member will not be deemed an insured member.

## PREMIUM RESET

After the initial premium for the Member has been in force 10 years, the premium will be reset every subsequent 10 years until the Member becomes age 70. At the time of the premium reset, the new premium rate for the Member will be based on the rate applicable for the age of the Member. The new premium rate is the amount of premium contribution that the Member is to pay the Association. The change in the premium rate will become effective on December 1st next following the Member's birthday. If the Member does not increase his or her premium contribution as required by the premium reset, the amount of death benefit otherwise payable under the Policy will be adjusted.

## SUICIDE

In the event of the suicide of the Member, within two (2) years after the Effective Date of the Member's coverage under the Policy, the amount payable will be limited to an amount equal to the premium contributions actually paid by the Member.

## INCORRECT PREMIUM CONTRIBUTION

If the Member's age has been incorrectly stated in the application, the amount of the death benefit, otherwise payable under the Policy, will be adjusted, as provided in the Policy, to the amount that the premium actually paid would have purchased had correct information been stated in the application. If, at the time of death, the Member (whose age is incorrectly stated in the application) has attained the age of 70 or higher, the Member's coverage will not be payable due to prior termination.

If the Member has been paying premium contributions higher than actually required by his or her age, the amount of such excess premium paid prior to his or her death will be refunded at the time of payment of the death benefit. The amount of death benefit will not be adjusted.

## TERMINATION OF ALL INSURANCE

All insurance of the Member under the Policy will terminate on the last day of the calendar month during which the earliest of the following events occurs: (1) the Member has attained the age of 70; (2) Termination of the Member's membership in the Association unless he or she continues coverage as provided under the Continuation of Coverage provision herein; (3) Failure by the Member to pay when due any required premium contribution payable to the Association; (4) Failure by the Association to pay to the Company when due any premium relating to the Member, in which event the Member's insurance will terminate at the end of the period for which premium has been paid; or (5) Termination of the Policy. The Policy is subject to modification and termination without the consent of the Member.

## MEMBER'S CONVERSION PRIVILEGE

(A) The Member's insurance may be converted while the Member is insured under the Policy: (1) At the option of the Member; (2) If the Member's insurance under the Policy is terminated by reason of termination of the Policy; or (3) Upon withdrawal of the insured Member from membership in the Association.

(B) The Member will be entitled to have issued to him or her, by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy of life insurance will be without furnishing further evidence of insurability, and subject to the following:

(1) Application for the individual policy shall be made and the first premium paid to the Company within thirty-one (31) days after the Member gives written notice to the Company of election to exercise this conversion option; or within thirty-one (31) days after termination of coverage under the Policy by reason of termination of the Policy.

(2) The individual policy shall, at the option of the Member, be on any one of the forms, except term insurance, then customarily issued by the Company at the Member's insurance age.

(3) The individual policy shall be in an amount not in excess of the coverage applicable to the Member at the date of written notice of election to convert to an individual policy. In the event of termination of the Policy the amount of the individual policy may not exceed the lesser of the coverage which terminates or $10,000.

(4) The premium on the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy and to the class of risk to which the Member belongs at his or her insurance age at the time of conversion.

(C) If the Member dies during the thirty-one (31) day period within which he or she would be entitled to have an individual policy issued in accordance with (a) above, and before such individual policy shall have become effective, life insurance in the amount of the individual policy which the Member would have been entitled to have issued will be payable as a claim under the Policy. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made. During any such thirty-one (31) day period life insurance in the amount of said individual policy will be the Member's only coverage.

**CONTINUATION OF COVERAGE**

If coverage terminates under this Policy for an insured member for any reason other than: (1) termination of the Policy; or (2) nonpayment of premium; he or she may continue coverage under the Policy by providing written notification to the Company within thirty-one (31) days of the date of termination. The Member must pay the required premium directly to the Company at the Home Office.

This continuation of coverage will end on the earliest of the following: (1) the date the Member requests termination; (2) the date the Member fails to pay due premium; or (3) the date the Member attains age 70.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Lenny Leary

President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## DEPENDENTS INSURANCE COVERAGE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent's life in accordance with the "Schedule of Dependents' Insurance Coverage" below. The respective amounts of insurance on the lives of Insured Dependents are shown on the "Schedule of Dependents' Insurance Coverage"; except that in no event will the amount of insurance on the life of an Insured Dependent exceed one-half (½) of the amount of Insurance on the life of the Member at the date of death of such Dependent.

### SCHEDULE OF DEPENDENTS' INSURANCE COVERAGE

| ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) | ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) |
|---|---|---|---|
| Under Age 26..... | $20,000 | Age 45 thru 49..... | $7,000 |
| Age 26 thru 29..... | 15,000 | Age 50 thru 54..... | 5,500 |
| Age 30 thru 34..... | 12,000 | Age 55 thru 59..... | 4,500 |
| Age 35 thru 39..... | 10,000 | Age 60 thru 64..... | 2,500 |
| Age 40 thru 44..... | 8,000 | Age 65 thru 69..... | 1,000 |

CHILDREN: Ages 15 days to 6 months..... $500 Age 6 months to 23 years..... $3,500

(A) Spouse's Accident Indemnity. In **addition** to the amount of life insurance payable by the Company upon the death of the Member's dependent spouse, the Company will pay to the Member an amount equal to one-half (½) the amount of such life insurance if such spouse's death occurs before such spouse attains age sixty-five (65) and results from bodily injuries as defined below.

"Bodily injuries" as used herein shall mean injuries which are caused directly and independently of all other causes through external, violent and accidental means, as evidenced by a visible contusion or wound on the exterior of the body, except in the case of drowning or internal injuries revealed by an autopsy, and which independently of all other causes result in the death of the insured within 90 days after the date of the injuries. When the definition of bodily injuries or any exclusion for payment under Accident Insurance conflicts with the law of a state of residence of an insured member, at the time the Certificate is issued, such definition or exclusion will be deemed to be amended or deleted to be in conformity with such laws.

No amount shall be payable under Accident Insurance if the death of the insured results directly:

(1) from suicide;
(2) from any dose of drugs, or from any poison or any gas, including carbon monoxide, voluntarily taken, administered, absorbed, injected or inhaled;
(3) from bacterial infections, except pyogenic infections occurring simultaneously with and in consequence of bodily injuries;
(4) from physical or mental infirmity;
(5) from disease of any kind;
(6) from the commission of or attempt to commit a felony;
(7) from service, travel or flight in any kind of aircraft except as a passenger;
(8) from participation in a riot or an insurrection; or
(9) from war or any act of war.

*"War"* includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. *"Act of war"* means any act peculiar to military, naval or air operations in time of war as distinguished from normal military, naval or air activities in time of peace. Without limiting the meaning of "act of war", death of the insured while a prisoner of war or while missing in action shall be conclusively considered a result of an act of war.

B) A *"Dependent"*, as used herein means the spouse and the natural and legally adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married,

are not members of the armed forces of any country and are not eligible for membership in the Association. Such Child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday. The term *"spouse"* is used in the normal legal sense. The term *"child"* means not only a natural child of the Member over the age of fifteen (15) days who has not attained the age of twenty-three (23) years, but also a legally adopted child of the Member or a step-child of such member (provided such step-child resides in the household of the Member).

(C) The monthly premium payable by the Member for Dependents' Insurance Coverage is $2.50.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent would otherwise become effective, the effective date of such Dependent's insurance will be the date on which the Dependent completely recovers and resumes his or her normal activities.

The insurance on all Dependents of the Member will take effect on the date an application for such coverage identifying all such Dependents is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependents is acceptable to the Company. If the statement in the application regarding the health of such Dependents is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent who becomes a Dependent of a Member after the Member is insured with respect to his or her Dependents will take effect on the date an application for such Dependent is received by the Association, if the statement in the application regarding the health of such Dependent is acceptable to the Company. If further evidence of insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## EFFECTIVE DATE OF CHANGES IN AMOUNT OF INSURANCE AND PREMIUMS

Any change in the amount of insurance on the life of a Dependent will take effect on the date on which the change of age of the Member occurs.

## TERMINATION OF DEPENDENT'S INSURANCE

The insurance, with respect to a Dependent, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.

(b) The date on which the person concerned ceases to be a Dependent. In the case of a child, this date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible

for membership in the Association, whichever first occurs. In the case of a spouse, this date is the date of an interlocutory decree of divorce, or the date of the final decree of divorce, whichever first occurs.

(c) The date of termination of the Policy.

(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT SPOUSE'S AND CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the spouse or a dependent child of the Member for any reason specified herein under "Termination of Dependent's Insurance", such spouse or dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

(2) The individual policy shall, at the option of such spouse or dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.

(3) The individual policy shall be in an amount not in excess of the amount of life insurance (not including any additional indemnity for accidental death) which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such spouse or dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such spouse or dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance provided hereunder on the lives of Dependents. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Sonny Adams

President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## DEPENDENTS INSURANCE COVERAGE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent's life in accordance with the "Schedule of Dependents' Insurance Coverage" below. The respective amounts of insurance on the lives of Insured Dependents are shown on the "Schedule of Dependents' Insurance Coverage"; except that in no event will the amount of insurance on the life of an Insured Dependent exceed one-half (½) of the amount of Insurance on the life of the Member at the date of death of such Dependent.

### SCHEDULE OF DEPENDENTS' INSURANCE COVERAGE

| ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) | ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) |
|---|---|---|---|
| Under Age 26..... | $40,000 | Age 45 thru 49..... | $14,000 |
| Age 26 thru 29..... | 30,000 | Age 50 thru 54..... | 11,000 |
| Age 30 thru 34..... | 24,000 | Age 55 thru 59..... | 9,000 |
| Age 35 thru 39..... | 20,000 | Age 60 thru 64..... | 5,000 |
| Age 40 thru 44..... | 16,000 | Age 65 thru 69..... | 2,000 |

CHILDREN: Ages 15 days to 6 months..... $1,000 Age 6 months to 23 years..... $7,000

(A) Spouse's Accident Indemnity. In **addition** to the amount of life insurance payable by the Company upon the death of the Member's dependent spouse, the Company will pay to the Member an amount equal to one-half (½) the amount of such life insurance if such spouse's death occurs before such spouse attains age sixty-five (65) and results from bodily injuries as defined below.

"Bodily injuries" as used herein shall mean injuries which are caused directly and independently of all other causes through external, violent and accidental means, as evidenced by a visible contusion or wound on the exterior of the body, except in the case of drowning or internal injuries revealed by an autopsy, and which independently of all other causes result in the death of the insured within 90 days after the date of the injuries. When the definition of bodily injuries or any exclusion for payment under Accident Insurance conflicts with the law of a state of residence of an insured member, at the time the Certificate is issued, such definition or exclusion will be deemed to be amended or deleted to be in conformity with such laws.

No amount shall be payable under Accident Insurance if the death of the insured results directly:

(1) from suicide;
(2) from any dose of drugs, or from any poison or any gas, including carbon monoxide, voluntarily taken, administered, absorbed, injected or inhaled;
(3) from bacterial infections, except pyogenic infections occurring simultaneously with and in consequence of bodily injuries;
(4) from physical or mental infirmity;
(5) from disease of any kind;
(6) from the commission of or attempt to commit a felony;
(7) from service, travel or flight in any kind of aircraft except as a passenger;
(8) from participation in a riot or an insurrection; or
(9) from war or any act of war.

*"War"* includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. *"Act of war"* means any act peculiar to military, naval or air operations in time of war as distinguished from normal military, naval or air activities in time of peace. Without limiting the meaning of "act of war", death of the insured while a prisoner of war or while missing in action shall be conclusively considered a result of an act of war.

B) A *"Dependent"*, as used herein means the spouse and the natural and legally adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married,

are not members of the armed forces of any country and are not eligible for membership in the Association. Such Child must be named in the application for this coverage and not have reached his or her eighteenth (18th) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth (18th) birthday. The term *"spouse"* is used in the normal legal sense. The term *"child"* means not only a natural child of the Member over the age of fifteen (15) days who has not attained the age of twenty-three (23) years, but also a legally adopted child of the Member or a step-child of such member (provided such step-child resides in the household of the Member).

(C) The monthly premium payable by the Member for Dependents' Insurance Coverage is $5.00.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent would otherwise become effective, the effective date of such Dependent's insurance will be the date on which the Dependent completely recovers and resumes his or her normal activities.

The insurance on all Dependents of the Member will take effect on the date an application for such coverage identifying all such Dependents is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependents is acceptable to the Company. If the statement in the application regarding the health of such Dependents is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent who becomes a Dependent of a Member after the Member is insured with respect to his or her Dependents will take effect on the date an application for such Dependent is received by the Association, if the statement in the application regarding the health of such Dependent is acceptable to the Company. If further evidence of insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## EFFECTIVE DATE OF CHANGES IN AMOUNT OF INSURANCE AND PREMIUMS

Any change in the amount of insurance on the life of a Dependent will take effect on the date on which the change of age of the Member occurs.

## TERMINATION OF DEPENDENT'S INSURANCE

The insurance, with respect to a Dependent, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.

(b) The date on which the person concerned ceases to be a Dependent. In the case of a child, this date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible

for membership in the Association, whichever first occurs. In the case of a spouse, this date is the date of an interlocutory decree of divorce, or the date of the final decree of divorce, whichever first occurs.

(c) The date of termination of the Policy.

(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT SPOUSE'S AND CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the spouse or a dependent child of the Member for any reason specified herein under "Termination of Dependent's Insurance", such spouse or dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

(2) The individual policy shall, at the option of such spouse or dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.

(3) The individual policy shall be in an amount not in excess of the amount of life insurance (not including any additional indemnity for accidental death) which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such spouse or dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such spouse or dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance provided hereunder on the lives of Dependents. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap
Secretary

Lenny Raney
President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## DEPENDENTS INSURANCE COVERAGE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent's life in accordance with the "Schedule of Dependents' Insurance Coverage" below. The respective amounts of insurance on the lives of Insured Dependents are shown on the "Schedule of Dependents' Insurance Coverage"; except that in no event will the amount of insurance on the life of an Insured Dependent exceed one-half (½) of the amount of Insurance on the life of the Member at the date of death of such Dependent.

### SCHEDULE OF DEPENDENTS' INSURANCE COVERAGE

| ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) | ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) |
|---|---|---|---|
| Under Age 26..... | $60,000 | Age 45 thru 49..... | $21,000 |
| Age 26 thru 29..... | 45,000 | Age 50 thru 54..... | 16,500 |
| Age 30 thru 34..... | 36,000 | Age 55 thru 59..... | 13,500 |
| Age 35 thru 39..... | 30,000 | Age 60 thru 64..... | 7,500 |
| Age 40 thru 44..... | 24,000 | Age 65 thru 69..... | 3,000 |

CHILDREN: Ages 15 days to 6 months..... $1,500 Age 6 months to 23 years..... $10,500

(A) Spouse's Accident Indemnity. In **addition** to the amount of life insurance payable by the Company upon the death of the Member's dependent spouse, the Company will pay to the Member an amount equal to one-half (½) the amount of such life insurance if such spouse's death occurs before such spouse attains age sixty-five (65) and results from bodily injuries as defined below.

"Bodily injuries" as used herein shall mean injuries which are caused directly and independently of all other causes through external, violent and accidental means, as evidenced by a visible contusion or wound on the exterior of the body, except in the case of drowning or internal injuries revealed by an autopsy, and which independently of all other causes result in the death of the insured within 90 days after the date of the injuries. When the definition of bodily injuries or any exclusion for payment under Accident Insurance conflicts with the law of a state of residence of an insured member, at the time the Certificate is issued, such definition or exclusion will be deemed to be amended or deleted to be in conformity with such laws.

No amount shall be payable under Accident Insurance if the death of the insured results directly:

(1) from suicide;
(2) from any dose of drugs, or from any poison or any gas, including carbon monoxide, voluntarily taken, administered, absorbed, injected or inhaled;
(3) from bacterial infections, except pyogenic infections occurring simultaneously with and in consequence of bodily injuries;
(4) from physical or mental infirmity;
(5) from disease of any kind;
(6) from the commission of or attempt to commit a felony;
(7) from service, travel or flight in any kind of aircraft except as a passenger;
(8) from participation in a riot or an insurrection; or
(9) from war or any act of war.

*"War"* includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. *"Act of war"* means any act peculiar to military, naval or air operations in time of war as distinguished from normal military, naval or air activities in time of peace. Without limiting the meaning of "act of war", death of the insured while a prisoner of war or while missing in action shall be conclusively considered a result of an act of war.

B) A *"Dependent"*, as used herein means the spouse and the natural and legally adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married,

are not members of the armed forces of any country and are not eligible for membership in the Association. Such Child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday. The term *"spouse"* is used in the normal legal sense. The term *"child"* means not only a natural child of the Member over the age of fifteen (15) days who has not attained the age of twenty-three (23) years, but also a legally adopted child of the Member or a step-child of such member (provided such step-child resides in the household of the Member).

(C) The monthly premium payable by the Member for Dependents' Insurance Coverage is $7.50.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent would otherwise become effective, the effective date of such Dependent's insurance will be the date on which the Dependent completely recovers and resumes his or her normal activities.

The insurance on all Dependents of the Member will take effect on the date an application for such coverage identifying all such Dependents is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependents is acceptable to the Company. If the statement in the application regarding the health of such Dependents is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent who becomes a Dependent of a Member after the Member is insured with respect to his or her Dependents will take effect on the date an application for such Dependent is received by the Association, if the statement in the application regarding the health of such Dependent is acceptable to the Company. If further evidence of insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## EFFECTIVE DATE OF CHANGES IN AMOUNT OF INSURANCE AND PREMIUMS

Any change in the amount of insurance on the life of a Dependent will take effect on the date on which the change of age of the Member occurs.

## TERMINATION OF DEPENDENT'S INSURANCE

The insurance, with respect to a Dependent, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.

(b) The date on which the person concerned ceases to be a Dependent. In the case of a child, this date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible

for membership in the Association, whichever first occurs. In the case of a spouse, this date is the date of an interlocutory decree of divorce, or the date of the final decree of divorce, whichever first occurs.

(c) The date of termination of the Policy.

(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT SPOUSE'S AND CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the spouse or a dependent child of the Member for any reason specified herein under "Termination of Dependent's Insurance", such spouse or dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

(2) The individual policy shall, at the option of such spouse or dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.

(3) The individual policy shall be in an amount not in excess of the amount of life insurance (not including any additional indemnity for accidental death) which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such spouse or dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such spouse or dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance provided hereunder on the lives of Dependents. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Sonny Adams

President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## DEPENDENTS INSURANCE COVERAGE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent's life in accordance with the "Schedule of Dependents' Insurance Coverage" below. The respective amounts of insurance on the lives of Insured Dependents are shown on the "Schedule of Dependents' Insurance Coverage"; except that in no event will the amount of insurance on the life of an Insured Dependent exceed one-half (½) of the amount of Insurance on the life of the Member at the date of death of such Dependent.

### SCHEDULE OF DEPENDENTS' INSURANCE COVERAGE

| ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) | ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) |
|---|---|---|---|
| Under Age 26..... | $80,000 | Age 45 thru 49..... | $28,000 |
| Age 26 thru 29..... | 60,000 | Age 50 thru 54..... | 22,000 |
| Age 30 thru 34..... | 48,000 | Age 55 thru 59..... | 18,000 |
| Age 35 thru 39..... | 40,000 | Age 60 thru 64..... | 10,000 |
| Age 40 thru 44..... | 32,000 | Age 65 thru 69..... | 4,000 |

CHILDREN: Ages 15 days to 6 months..... $2,000 Age 6 months to 23 years..... $14,000

(A) Spouse's Accident Indemnity. In **addition** to the amount of life insurance payable by the Company upon the death of the Member's dependent spouse, the Company will pay to the Member an amount equal to one-half (½) the amount of such life insurance if such spouse's death occurs before such spouse attains age sixty-five (65) and results from bodily injuries as defined below.

"Bodily injuries" as used herein shall mean injuries which are caused directly and independently of all other causes through external, violent and accidental means, as evidenced by a visible contusion or wound on the exterior of the body, except in the case of drowning or internal injuries revealed by an autopsy, and which independently of all other causes result in the death of the insured within 90 days after the date of the injuries. When the definition of bodily injuries or any exclusion for payment under Accident Insurance conflicts with the law of a state of residence of an insured member, at the time the Certificate is issued, such definition or exclusion will be deemed to be amended or deleted to be in conformity with such laws.

No amount shall be payable under Accident Insurance if the death of the insured results directly:

(1) from suicide;
(2) from any dose of drugs, or from any poison or any gas, including carbon monoxide, voluntarily taken, administered, absorbed, injected or inhaled;
(3) from bacterial infections, except pyogenic infections occurring simultaneously with and in consequence of bodily injuries;
(4) from physical or mental infirmity;
(5) from disease of any kind;
(6) from the commission of or attempt to commit a felony;
(7) from service, travel or flight in any kind of aircraft except as a passenger;
(8) from participation in a riot or an insurrection; or
(9) from war or any act of war.

*"War"* includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. *"Act of war"* means any act peculiar to military, naval or air operations in time of war as distinguished from normal military, naval or air activities in time of peace. Without limiting the meaning of "act of war", death of the insured while a prisoner of war or while missing in action shall be conclusively considered a result of an act of war.

B) A *"Dependent"*, as used herein means the spouse and the natural and legally adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married,

are not members of the armed forces of any country and are not eligible for membership in the Association. Such Child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday. The term *"spouse"* is used in the normal legal sense. The term *"child"* means not only a natural child of the Member over the age of fifteen (15) days who has not attained the age of twenty-three (23) years, but also a legally adopted child of the Member or a step-child of such member (provided such step-child resides in the household of the Member).

(C) The monthly premium payable by the Member for Dependents' Insurance Coverage is $10.00.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent would otherwise become effective, the effective date of such Dependent's insurance will be the date on which the Dependent completely recovers and resumes his or her normal activities.

The insurance on all Dependents of the Member will take effect on the date an application for such coverage identifying all such Dependents is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependents is acceptable to the Company. If the statement in the application regarding the health of such Dependents is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent who becomes a Dependent of a Member after the Member is insured with respect to his or her Dependents will take effect on the date an application for such Dependent is received by the Association, if the statement in the application regarding the health of such Dependent is acceptable to the Company. If further evidence of insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## EFFECTIVE DATE OF CHANGES IN AMOUNT OF INSURANCE AND PREMIUMS

Any change in the amount of insurance on the life of a Dependent will take effect on the date on which the change of age of the Member occurs.

## TERMINATION OF DEPENDENT'S INSURANCE

The insurance, with respect to a Dependent, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.

(b) The date on which the person concerned ceases to be a Dependent. In the case of a child, this date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible

for membership in the Association, whichever first occurs. In the case of a spouse, this date is the date of an interlocutory decree of divorce, or the date of the final decree of divorce, whichever first occurs.

(c) The date of termination of the Policy.

(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT SPOUSE'S AND CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the spouse or a dependent child of the Member for any reason specified herein under "Termination of Dependent's Insurance", such spouse or dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

(2) The individual policy shall, at the option of such spouse or dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.

(3) The individual policy shall be in an amount not in excess of the amount of life insurance (not including any additional indemnity for accidental death) which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such spouse or dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such spouse or dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance provided hereunder on the lives of Dependents. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Lanny Peavy

President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## DEPENDENTS INSURANCE COVERAGE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent's life in accordance with the "Schedule of Dependents' Insurance Coverage" below. The respective amounts of insurance on the lives of Insured Dependents are shown on the "Schedule of Dependents' Insurance Coverage"; except that in no event will the amount of insurance on the life of an Insured Dependent exceed one-half (½) of the amount of Insurance on the life of the Member at the date of death of such Dependent.

### SCHEDULE OF DEPENDENTS' INSURANCE COVERAGE

| ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) | ATTAINED AGE OF MEMBER (At Death of Dependent Spouse) | AMOUNT OF INSURANCE (Dependent Spouse) |
|---|---|---|---|
| Under Age 26 | $100,000 | Age 45 thru 49 | $35,000 |
| Age 26 thru 29 | 75,000 | Age 50 thru 54 | 27,500 |
| Age 30 thru 34 | 60,000 | Age 55 thru 59 | 22,500 |
| Age 35 thru 39 | 50,000 | Age 60 thru 64 | 12,500 |
| Age 40 thru 44 | 40,000 | Age 65 thru 69 | 5,000 |

CHILDREN: Ages 15 days to 6 months..... $2,500 Age 6 months to 23 years..... $17,500

(A) Spouse's Accident Indemnity. In **addition** to the amount of life insurance payable by the Company upon the death of the Member's dependent spouse, the Company will pay to the Member an amount equal to one-half (½) the amount of such life insurance if such spouse's death occurs before such spouse attains age sixty-five (65) and results from bodily injuries as defined below.

"Bodily injuries" as used herein shall mean injuries which are caused directly and independently of all other causes through external, violent and accidental means, as evidenced by a visible contusion or wound on the exterior of the body, except in the case of drowning or internal injuries revealed by an autopsy, and which independently of all other causes result in the death of the insured within 90 days after the date of the injuries. When the definition of bodily injuries or any exclusion for payment under Accident Insurance conflicts with the law of a state of residence of an insured member, at the time the Certificate is issued, such definition or exclusion will be deemed to be amended or deleted to be in conformity with such laws.

No amount shall be payable under Accident Insurance if the death of the insured results directly:

(1) from suicide;
(2) from any dose of drugs, or from any poison or any gas, including carbon monoxide, voluntarily taken, administered, absorbed, injected or inhaled;
(3) from bacterial infections, except pyogenic infections occurring simultaneously with and in consequence of bodily injuries;
(4) from physical or mental infirmity;
(5) from disease of any kind;
(6) from the commission of or attempt to commit a felony;
(7) from service, travel or flight in any kind of aircraft except as a passenger;
(8) from participation in a riot or an insurrection; or
(9) from war or any act of war.

*"War"* includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. *"Act of war"* means any act peculiar to military, naval or air operations in time of war as distinguished from normal military, naval or air activities in time of peace. Without limiting the meaning of "act of war", death of the insured while a prisoner of war or while missing in action shall be conclusively considered a result of an act of war.

B) A *"Dependent"*, as used herein means the spouse and the natural and legally adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married,

are not members of the armed forces of any country and are not eligible for membership in the Association. Such Child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday. The term *"spouse"* is used in the normal legal sense. The term *"child"* means not only a natural child of the Member over the age of fifteen (15) days who has not attained the age of twenty-three (23) years, but also a legally adopted child of the Member or a step-child of such member (provided such step-child resides in the household of the Member).

(C) The monthly premium payable by the Member for Dependents' Insurance Coverage is $12.50.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent would otherwise become effective, the effective date of such Dependent's insurance will be the date on which the Dependent completely recovers and resumes his or her normal activities.

The insurance on all Dependents of the Member will take effect on the date an application for such coverage identifying all such Dependents is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependents is acceptable to the Company. If the statement in the application regarding the health of such Dependents is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent who becomes a Dependent of a Member after the Member is insured with respect to his or her Dependents will take effect on the date an application for such Dependent is received by the Association, if the statement in the application regarding the health of such Dependent is acceptable to the Company. If further evidence of insurability of a Dependent is required by the Company, the coverage on that Dependent will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## EFFECTIVE DATE OF CHANGES IN AMOUNT OF INSURANCE AND PREMIUMS

Any change in the amount of insurance on the life of a Dependent will take effect on the date on which the change of age of the Member occurs.

## TERMINATION OF DEPENDENT'S INSURANCE

The insurance, with respect to a Dependent, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.

(b) The date on which the person concerned ceases to be a Dependent. In the case of a child, this date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible

for membership in the Association, whichever first occurs. In the case of a spouse, this date is the date of an interlocutory decree of divorce, or the date of the final decree of divorce, whichever first occurs.

(c) The date of termination of the Policy.

(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT SPOUSE'S AND CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the spouse or a dependent child of the Member for any reason specified herein under "Termination of Dependent's Insurance", such spouse or dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.

(2) The individual policy shall, at the option of such spouse or dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.

(3) The individual policy shall be in an amount not in excess of the amount of life insurance (not including any additional indemnity for accidental death) which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.

(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such spouse or dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such spouse or dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance provided hereunder on the lives of Dependents. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap

Secretary

Lanny Peavy

President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## CHILDREN'S INSURANCE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent Child, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent Child's life in accordance with the "Dependent Children's Insurance Coverage" below.

**DEPENDENT CHILDREN'S INSURANCE COVERAGE ..... $3,000**

(A) A *"Dependent Child"*, as used herein means the natural and adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday.

(B) The monthly premium payable by the Member for Dependent Children's Insurance Coverage is $.71.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent Child will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent Child (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent Child would otherwise become effective, the effective date of such Dependent Child's insurance will be the date on which the Dependent Child completely recovers and resumes his or her normal activities.

The insurance on all Dependent Children of the Member will take effect on the date an application for such coverage identifying all such Dependent Children is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependent Children is acceptable to the Company. If the statement in the application regarding the health of such Dependent Children is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent Child who becomes a Dependent Child of a Member after the Member is insured with respect to his or her Dependent Children will take effect on the date an application for such Dependent Child is received by the Association, if the statement in the application regarding the health of such Dependent Child is acceptable to the Company. If further evidence of insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## TERMINATION OF DEPENDENT CHILD'S INSURANCE

The insurance, with respect to a Dependent Child, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.
(b) The date on which the person concerned ceases to be a Dependent Child. This date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible for membership in the Association, whichever first occurs.
(c) The date of termination of the Policy.
(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the dependent child of the Member for any reason specified herein under "Termination of Dependent Child's Insurance", such dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.
(2) The individual policy shall, at the option of such dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.
(3) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.
(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent Child will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent Child from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT CHILDREN'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance, if any, provided hereunder on the lives of Dependent Children. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap
Secretary

Lenny Leary
President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## CHILDREN'S INSURANCE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent Child, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent Child's life in accordance with the "Dependent Children's Insurance Coverage" below.

**DEPENDENT CHILDREN'S INSURANCE COVERAGE ..... $6,000**

(A) A *"Dependent Child"*, as used herein means the natural and adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday.

(B) The monthly premium payable by the Member for Dependent Children's Insurance Coverage is $1.42.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent Child will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent Child (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent Child would otherwise become effective, the effective date of such Dependent Child's insurance will be the date on which the Dependent Child completely recovers and resumes his or her normal activities.

The insurance on all Dependent Children of the Member will take effect on the date an application for such coverage identifying all such Dependent Children is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependent Children is acceptable to the Company. If the statement in the application regarding the health of such Dependent Children is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent Child who becomes a Dependent Child of a Member after the Member is insured with respect to his or her Dependent Children will take effect on the date an application for such Dependent Child is received by the Association, if the statement in the application regarding the health of such Dependent Child is acceptable to the Company. If further evidence of insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## TERMINATION OF DEPENDENT CHILD'S INSURANCE

The insurance, with respect to a Dependent Child, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.
(b) The date on which the person concerned ceases to be a Dependent Child. This date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible for membership in the Association, whichever first occurs.
(c) The date of termination of the Policy.
(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the dependent child of the Member for any reason specified herein under "Termination of Dependent Child's Insurance", such dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.
(2) The individual policy shall, at the option of such dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.
(3) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.
(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent Child will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent Child from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT CHILDREN'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance, if any, provided hereunder on the lives of Dependent Children. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap
Secretary

Lenny Reary
President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## CHILDREN'S INSURANCE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent Child, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent Child's life in accordance with the "Dependent Children's Insurance Coverage" below.

**DEPENDENT CHILDREN'S INSURANCE COVERAGE ..... $9,000**

(A) A *"Dependent Child"*, as used herein means the natural and adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday.

(B) The monthly premium payable by the Member for Dependent Children's Insurance Coverage is $2.13.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent Child will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent Child (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent Child would otherwise become effective, the effective date of such Dependent Child's insurance will be the date on which the Dependent Child completely recovers and resumes his or her normal activities.

The insurance on all Dependent Children of the Member will take effect on the date an application for such coverage identifying all such Dependent Children is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependent Children is acceptable to the Company. If the statement in the application regarding the health of such Dependent Children is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent Child who becomes a Dependent Child of a Member after the Member is insured with respect to his or her Dependent Children will take effect on the date an application for such Dependent Child is received by the Association, if the statement in the application regarding the health of such Dependent Child is acceptable to the Company. If further evidence of insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## TERMINATION OF DEPENDENT CHILD'S INSURANCE

The insurance, with respect to a Dependent Child, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.
(b) The date on which the person concerned ceases to be a Dependent Child. This date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible for membership in the Association, whichever first occurs.
(c) The date of termination of the Policy.
(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the dependent child of the Member for any reason specified herein under "Termination of Dependent Child's Insurance", such dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.
(2) The individual policy shall, at the option of such dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.
(3) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.
(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent Child will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent Child from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT CHILDREN'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance, if any, provided hereunder on the lives of Dependent Children. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap
Secretary

Lenny Reany
President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## CHILDREN'S INSURANCE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent Child, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent Child's life in accordance with the "Dependent Children's Insurance Coverage" below.

**DEPENDENT CHILDREN'S INSURANCE COVERAGE ..... $12,000**

(A) A *"Dependent Child"*, as used herein means the natural and adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday.

(B) The monthly premium payable by the Member for Dependent Children's Insurance Coverage is $2.84.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent Child will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent Child (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent Child would otherwise become effective, the effective date of such Dependent Child's insurance will be the date on which the Dependent Child completely recovers and resumes his or her normal activities.

The insurance on all Dependent Children of the Member will take effect on the date an application for such coverage identifying all such Dependent Children is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependent Children is acceptable to the Company. If the statement in the application regarding the health of such Dependent Children is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent Child who becomes a Dependent Child of a Member after the Member is insured with respect to his or her Dependent Children will take effect on the date an application for such Dependent Child is received by the Association, if the statement in the application regarding the health of such Dependent Child is acceptable to the Company. If further evidence of insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## TERMINATION OF DEPENDENT CHILD'S INSURANCE

The insurance, with respect to a Dependent Child, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.
(b) The date on which the person concerned ceases to be a Dependent Child. This date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible for membership in the Association, whichever first occurs.
(c) The date of termination of the Policy.
(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the dependent child of the Member for any reason specified herein under "Termination of Dependent Child's Insurance", such dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.
(2) The individual policy shall, at the option of such dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.
(3) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.
(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent Child will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent Child from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT CHILDREN'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance, if any, provided hereunder on the lives of Dependent Children. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap
Secretary

Lenny Reany
President

**OFFICERS BENEFIT ASSOCIATION**
**P.O. Box 7 • Birmingham, Alabama 35201**

## CHILDREN'S INSURANCE RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas, hereby certifies that this Rider provides that upon due proof of death of the Dependent Child, the Company will pay to the Member the amount of life insurance benefits then in force on the Dependent Child's life in accordance with the "Dependent Children's Insurance Coverage" below.

**DEPENDENT CHILDREN'S INSURANCE COVERAGE ..... $15,000**

(A) A *"Dependent Child"*, as used herein means the natural and adopted children of the insured member and his or her step-children, which step-children regularly reside in the household of the insured member, which children have attained the age of fifteen (15) days; that is, the child has survived for not less than 360 hours, but has not reached the age of twenty-three (23) years; have never been married, are not members of the armed forces of any country and are not eligible for membership in the Association. Such child must be named in the application for this coverage and not have reached his or her eighteenth ($18^{th}$) birthday on the date of such application or acquired by the Member after the date of the application but before the child's eighteenth ($18^{th}$) birthday.

(B) The monthly premium payable by the Member for Dependent Children's Insurance Coverage is $3.55.

## MODES OF SETTLEMENT

Upon receipt of due proof of death of the Insured Dependent any insurance becoming payable hereunder as the result of the death of such Dependent Child will be paid in a lump sum to the Member, in accordance with and subject to the provision of the Policy. In the event of the death of the Member before such payment is made, insurance will be paid in a lump sum to the estate of the Member.

## EFFECTIVE DATE OF COVERAGE

If any Dependent Child (not specifically excluded by the Exclusion Rider attached, if any,) is disabled on the date on which the insurance for that Dependent Child would otherwise become effective, the effective date of such Dependent Child's insurance will be the date on which the Dependent Child completely recovers and resumes his or her normal activities.

The insurance on all Dependent Children of the Member will take effect on the date an application for such coverage identifying all such Dependent Children is received by the Association: (1) if the required payment is received; and (2) the statement in the application regarding the health of such Dependent Children is acceptable to the Company. If the statement in the application regarding the health of such Dependent Children is acceptable to the Company but the first premium contribution is not remitted with application, his or her insurance will become effective on the first day of the month following (or coinciding with) receipt by the Policyholder of such first contribution. If further evidence of the insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability.

The insurance on any Dependent Child who becomes a Dependent Child of a Member after the Member is insured with respect to his or her Dependent Children will take effect on the date an application for such Dependent Child is received by the Association, if the statement in the application regarding the health of such Dependent Child is acceptable to the Company. If further evidence of insurability of a Dependent Child is required by the Company, the coverage on that Dependent Child will not be effective until the Company receives evidence satisfactory to it of such insurability. Insurance coverage on a natural child of the Member will take effect fifteen (15) days after such child's birth, without the necessity of any application.

## TERMINATION OF DEPENDENT CHILD'S INSURANCE

The insurance, with respect to a Dependent Child, will terminate on the last day of the calendar month during which the earliest of the following events occurs:

(a) Failure of the Member to make the required premium contributions.
(b) The date on which the person concerned ceases to be a Dependent Child. This date is: the date of the child's marriage; the date of the child's twenty-third (23rd) birthday; the date of the child's entrance into the armed forces of any country; or the date on which the child becomes eligible for membership in the Association, whichever first occurs.
(c) The date of termination of the Policy.
(d) The date of the Member's death or of the termination for any reason of the Member's insurance under the Policy, including election by the Member to convert to an individual policy as set forth in the Policy under the provision "Member's Conversion Privilege".

## DEPENDENT CHILD'S CONVERSION PRIVILEGE

(A) Upon the termination of the life insurance coverage for the dependent child of the Member for any reason specified herein under "Termination of Dependent Child's Insurance", such dependent child shall be entitled to have issued to him or her by the Company, an individual policy of life insurance without disability or other supplementary benefits. The individual policy will be without furnishing further evidence of insurability and subject to the following.

(1) An application for the individual policy shall be made and the first premium paid to the Company within 31 days after such termination.
(2) The individual policy shall, at the option of such dependent child, be on any one of the forms except term insurance then customarily issued by the Company at the insurance age of the applicant.
(3) The individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination. In the event of termination of the Policy the individual policy may not exceed the lesser of the amount of life insurance which ceases or $10,000.
(4) The premium for the individual policy will be at the Company's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such dependent child belongs, and to his or her insurance age on the effective date of the individual policy.

(B) Upon the death of any such dependent child during the period within which he or she would be entitled to have an individual policy issued in accordance with (A) above, the amount of life insurance which he or she would have been entitled to have issued under such individual policy will be payable as a claim. The claim will be paid whether or not application for the individual policy or the payment of the first premium has been made.

## INCONTESTABILITY

The insurance provided under the Policy with respect to the Dependent Child will be incontestable after it has been in force for a period of two (2) years during the lifetime of the Dependent Child from the date said insurance became effective, except for non-payment of premium contributions by the Member.

## GENERAL PROVISIONS FOR DEPENDENT CHILDREN'S INSURANCE

To the extent not inconsistent, the specific provisions of the Policy stated therein and relating to the insurance on the lives of Members shall also apply to the insurance, if any, provided hereunder on the lives of Dependent Children. All benefits are subject in every respect to the Policy, which alone constitutes the agreement under which payments are made.

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA
WACO, TEXAS

Joe W. Dunlap
Secretary

Lenny Reany
President

# OFFICERS BENEFIT ASSOCIATION

**P. O. Box 7 • Birmingham, Alabama**

## FLEXIBLE PREMIUM DEFERRED ANNUITY RIDER

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA (the "Company"), Waco, Texas will pay a monthly income to the Annuitant beginning on the Maturity Date of the Rider if the Annuitant is living. Monthly income payments may begin prior to the Rider Maturity Date. The monthly income will be determined by applying the Accumulation Value as of the Rider Maturity Date under any of the Settlement Options of this Rider.

If the Annuitant dies prior to the Rider Maturity Date and this Rider is in force, the Company will pay the Accumulation Value to the Beneficiary upon receipt of due proof of death of the Annuitant.

Annuitant: Date of Birth:

Beneficiary: Effective Date:

Planned Premium At Issue:

**Annuitant.** The Annuitant as used herein is the person on whose life the annuity benefit for this Rider is based and is the Member whose life is insured under the Group Life Insurance Certificate to which this Rider is attached.

**Rider Maturity Date.** The Rider Maturity Date is the date the Annuitant attains the age of 70 or the date the Member's group life insurance coverage terminates, whichever first occurs.

**Accumulation Value.** The Accumulation Value on any date is the sum of all premiums paid for this Rider, less any withdrawals, with interest compounded annually. Interest will be compounded from the date a premium is received or a withdrawal is made. The interest rate shall be determined by the Company, but will never be less than 3% per annum.

**Cash Surrender Value.** The Cash Surrender Value is equal to the Accumulation Value. In all cases, the nonforfeiture values are equal to or greater than the minimum values established by the laws of the state or territory in which this Rider is delivered.

**Withdrawal.** Prior to the Rider Maturity Date, the Annuitant may withdraw all or any part of the Cash Surrender Value. To make a withdrawal, the Annuitant must send a written request to the Policyholder. The request must be received by the Policyholder while the Annuitant is living. The Company may defer payment of the Cash Surrender Value for a period of up to six months from the date the request is received from the Policyholder.

**Annual Report.** Within 30 days after each Rider anniversary, the Company will send the Annuitant a statement showing:

1. Accumulation Value as of the previous Annual Report
2. Premiums paid since previous Annual Report
3. Withdrawals made since previous Annual Report
4. Interest Credited since previous Annual Report
5. Current Accumulation Value = (1) + (2) - (3) + (4)
6. Current Cash Surrender Value, which is equal to the Accumulation Value.

**Consideration.** This Rider is issued in consideration of the application and payment of the initial premium for this Rider shown above.

The Company will accept premiums for this Rider, provided: (a) no premium for the Member's group life insurance coverage is in default; and (b) this Rider is in full force and effect. Each Rider premium must be at least $5. The total of such premiums shall not exceed $10,000 in any policy year unless approved by

the Company.

If premium payments cease, the Accumulation Value will continue to accumulate, with interest, until: (a) the Rider Maturity Date; or (b) this Rider is surrendered for its Cash Surrender Value. The rate of interest will not be less than 3% per annum, compounded annually.

**Termination.** This Rider will terminate on the earliest of the following dates or events: (1) the Rider Maturity Date; or (2) death of the Annuitant; or (3) written request of the Annuitant; or (4) termination of the Member's group life insurance coverage.

**Death of Annuitant.**

a) If the Annuitant dies before the Rider Maturity Date, the following applies:

   (i) If the sole designated Beneficiary is the deceased Annuitant's spouse, the Rider will continue. The deceased Annuitant's spouse will be the Annuitant.

   (ii) If the designated Beneficiary of the deceased Annuitant is someone other than the deceased Annuitant's spouse, the proceeds of the Rider must be distributed: (a) within 5 years of the deceased Annuitant's death; or (b) over the life of the designated Beneficiary or over a period not extending beyond the life expectancy of the designated Beneficiary, with payments beginning within one year of the deceased Annuitant's death.

b) If the Annuitant dies on or after the Rider Maturity Date, but before all proceeds payable under the Rider have been distributed, we will continue payments to the Beneficiary under the payment method in effect at the time of the deceased Annuitant's death.

c) If anything in the Rider conflicts with the foregoing Death of Annuitant provisions, those provisions shall control. The foregoing Death of Annuitant provisions and the Rider shall, in all events, be construed in a manner consistent with Section 72(s) of the Internal Revenue Code of 1986, as amended.

## SETTLEMENT OPTIONS

**Election of a Settlement Option.** The Annuitant, by written request acceptable to the Company, may elect to have any amount payable from a benefit of this Rider to be applied under one of the following options. If an option is not elected prior to the death of the Annuitant, the Beneficiary may make such an election.

**Option 1 -- INTEREST INCOME --** Left on deposit, with interest payable periodically. Proceeds and any accrued but unpaid interest are payable at the end of a period mutually agreed upon.

**Option 2 -- INSTALLMENTS OF SPECIFIED AMOUNT --** Paid as an income of a specified amount mutually agreed upon, until the proceeds and interest are exhausted.

**Option 3 -- INSTALLMENTS FOR SPECIFIED PERIOD --** Paid as an income for a specified period mutually agreed upon.

**Option 4 -- LIFE ANNUITY WITH GUARANTEED PERIOD --** Paid as an income for life. Payments are guaranteed for 120 months.

**Option 5 -- LIFE ANNUITY WITHOUT GUARANTEED PERIOD --** Paid as an income for life. Payments cease with the last payment due prior to death of the Annuitant.

**Payee.** The Payee is the person or persons entitled to receive payments under a Settlement Option.

**Death of Payee.** After the death of the Payee any amounts remaining under Options 1, 2, or 3 or any amounts remaining under the period certain under Option 4 will be continued to the estate of the Payee or

paid in a single commuted sum to the estate of the Payee. The interest rate used to calculate the commuted sum will be 4%.

**Availability of Options.** The Company may pay the proceeds in one sum if:

(1) Periodic payments become less than $100;
(2) The Payee is not the person first entitled to payment; or
(3) The Payee is an assignee, estate, trustee, partnership, corporation or association.

**Effective Date.** If an election has previously been made, the effective date will be the date of death, maturity or surrender. If no election is in effect when the proceeds become payable in one lump sum, the date of election will be the effective date. The first installment under all options except Option 1 becomes due as of the effective date.

**Basis of Payment Options.** Interest under all options will be at such rates as the Company may declare. The effective annual interest rate will be at least 3%. The mortality table used for Options 4 and 5 is the Annuity 2000 Mortality Table.

**Life Income and Age.** Life income payable is based upon the life of the Annuitant. Life income payable to the Beneficiary must be based on the life of that Beneficiary. Age in each instance is the age on the last birthday before the date the first installment is payable. The Company may require evidence of age or of survival.

**Withdrawal Value.** Unless otherwise specified in the election of an option, the Payee will have the right to receive the withdrawal value specified for that option. Under Options 2 and 3, the withdrawal value will be the commuted value of any unpaid installments with such value to be calculated at a compound interest rate of 3%.

**OPTION 1**
**INTEREST INCOME**

| Payable | Interest Payable |
|---|---|
| Monthly | $2.87 |
| Quarterly | 8.64 |
| Semi-Annually | 17.35 |
| Annually | 35.00 |

**OPTION 3**
**INSTALLMENTS**

| Yrs. | Annual | Monthly | Yrs. | Annual | Monthly | Yrs. | Annual | Monthly |
|---|---|---|---|---|---|---|---|---|
| 1 | $1,000.00 | $84.47 | 11 | $104.93 | $8.86 | 21 | $62.98 | $5.32 |
| 2 | 507.39 | 42.86 | 12 | 97.54 | 8.24 | 22 | 60.92 | 5.15 |
| 3 | 343.23 | 28.99 | 13 | 91.29 | 7.71 | 23 | 59.04 | 4.99 |
| 4 | 261.19 | 22.06 | 14 | 85.95 | 7.26 | 24 | 57.33 | 4.84 |
| 5 | 211.99 | 17.91 | 15 | 81.33 | 6.87 | 25 | 55.76 | 4.71 |
| 6 | 179.22 | 15.14 | 16 | 77.29 | 6.53 | 26 | 54.31 | 4.59 |
| 7 | 155.83 | 13.16 | 17 | 73.74 | 6.23 | 27 | 52.97 | 4.47 |
| 8 | 138.31 | 11.68 | 18 | 70.59 | 5.96 | 28 | 51.74 | 4.37 |
| 9 | 124.69 | 10.53 | 19 | 67.78 | 5.73 | 29 | 50.60 | 4.27 |
| 10 | 113.82 | 9.61 | 20 | 65.26 | 5.51 | 30 | 49.53 | 4.18 |

## OPTIONS 4 AND 5
MONTHLY LIFE INCOMES

| | Option 4 120 Installments Guaranteed | | Option 5 Life Only | | | Option 4 120 Installments Guaranteed | | Option 5 Life Only | |
|---|---|---|---|---|---|---|---|---|---|
| Age | Male | Female | Male | Female | Age | Male | Female | Male | Female |
| 25 | $3.08 | $2.99 | $3.08 | $2.99 | 65 | $5.48 | $5.07 | $5.69 | $5.18 |
| 26 | 3.10 | 3.01 | 3.10 | 3.01 | 66 | 5.62 | 5.20 | 5.86 | 5.32 |
| 27 | 3.12 | 3.03 | 3.13 | 3.03 | 67 | 5.77 | 5.33 | 6.04 | 5.47 |
| 28 | 3.15 | 3.05 | 3.15 | 3.05 | 68 | 5.92 | 5.47 | 6.24 | 5.64 |
| 29 | 3.17 | 3.07 | 3.17 | 3.07 | 69 | 6.07 | 5.62 | 6.45 | 5.82 |
| 30 | 3.20 | 3.09 | 3.20 | 3.09 | 70 | 6.23 | 5.78 | 6.67 | 6.01 |
| 31 | 3.22 | 3.11 | 3.23 | 3.12 | 71 | 6.39 | 5.94 | 6.90 | 6.21 |
| 32 | 3.25 | 3.14 | 3.26 | 3.14 | 72 | 6.56 | 6.11 | 7.16 | 6.44 |
| 33 | 3.28 | 3.16 | 3.28 | 3.17 | 73 | 6.73 | 6.29 | 7.43 | 6.68 |
| 34 | 3.31 | 3.19 | 3.32 | 3.19 | 74 | 6.90 | 6.48 | 7.71 | 6.94 |
| 35 | 3.34 | 3.22 | 3.35 | 3.22 | 75 | 7.08 | 6.67 | 8.02 | 7.22 |
| 36 | 3.38 | 3.24 | 3.38 | 3.25 | 76 | 7.25 | 6.86 | 8.35 | 7.52 |
| 37 | 3.41 | 3.27 | 3.42 | 3.28 | 77 | 7.43 | 7.06 | 8.70 | 7.85 |
| 38 | 3.45 | 3.30 | 3.46 | 3.31 | 78 | 7.61 | 7.26 | 9.08 | 8.21 |
| 39 | 3.49 | 3.34 | 3.50 | 3.34 | 79 | 7.78 | 7.46 | 9.48 | 8.60 |
| 40 | 3.53 | 3.37 | 3.54 | 3.38 | 80 | 7.95 | 7.66 | 9.91 | 9.02 |
| 41 | 3.57 | 3.41 | 3.58 | 3.41 | 81 | 8.11 | 7.86 | 10.37 | 9.47 |
| 42 | 3.62 | 3.44 | 3.63 | 3.45 | 82 | 8.27 | 8.05 | 10.86 | 9.96 |
| 43 | 3.66 | 3.48 | 3.67 | 3.49 | 83 | 8.42 | 8.23 | 11.38 | 10.50 |
| 44 | 3.71 | 3.52 | 3.72 | 3.53 | 84 | 8.56 | 8.40 | 11.94 | 11.07 |
| 45 | 3.76 | 3.57 | 3.78 | 3.57 | 85 | 8.69 | 8.55 | 12.54 | 11.69 |
| 46 | 3.81 | 3.61 | 3.83 | 3.62 | 86 | 8.81 | 8.70 | 13.17 | 12.36 |
| 47 | 3.87 | 3.66 | 3.89 | 3.67 | 87 | 8.92 | 8.83 | 13.85 | 13.08 |
| 48 | 3.92 | 3.71 | 3.95 | 3.72 | 88 | 9.02 | 8.95 | 14.56 | 13.84 |
| 49 | 3.98 | 3.76 | 4.01 | 3.77 | 89 | 9.12 | 9.05 | 15.32 | 14.65 |
| 50 | 4.05 | 3.81 | 4.08 | 3.83 | 90 | 9.20 | 9.15 | 16.12 | 15.50 |
| 51 | 4.11 | 3.87 | 4.15 | 3.89 | 91 | 9.28 | 9.23 | 16.97 | 16.38 |
| 52 | 4.18 | 3.93 | 4.22 | 3.95 | 92 | 9.34 | 9.30 | 17.87 | 17.31 |
| 53 | 4.25 | 3.99 | 4.30 | 4.01 | 93 | 9.40 | 9.36 | 18.83 | 18.26 |
| 54 | 4.33 | 4.06 | 4.38 | 4.08 | 94 | 9.45 | 9.42 | 19.85 | 19.26 |
| 55 | 4.41 | 4.13 | 4.46 | 4.15 | 95 | 9.49 | 9.47 | 20.93 | 20.30 |
| 56 | 4.49 | 4.20 | 4.55 | 4.23 | 96 | 9.53 | 9.51 | 22.10 | 21.39 |
| 57 | 4.58 | 4.28 | 4.65 | 4.31 | 97 | 9.56 | 9.54 | 23.38 | 22.57 |
| 58 | 4.68 | 4.36 | 4.75 | 4.40 | 98 | 9.58 | 9.57 | 24.80 | 23.86 |
| 59 | 4.78 | 4.45 | 4.86 | 4.49 | 99 | 9.59 | 9.58 | 26.40 | 25.31 |
| 60 | 4.88 | 4.54 | 4.98 | 4.59 | 100 | 9.60 | 9.60 | 28.22 | 26.97 |
| 61 | 4.99 | 4.63 | 5.10 | 4.69 | | | | | |
| 62 | 5.10 | 4.73 | 5.23 | 4.80 | | | | | |
| 63 | 5.23 | 4.84 | 5.37 | 4.92 | | | | | |
| 64 | 5.35 | 4.95 | 5.52 | 5.04 | | | | | |

The effective date of this Rider is the Effective Date as shown herein.

Occidental Life Insurance Company of North Carolina
Waco, Texas

Joe W. Dunlap

Secretary

Lanny Lacy

President

**OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA**
P.O. BOX 2595, WACO, TX 76702-2595 • (254) 297-2775

**APPLICATION FOR LIFE INSURANCE** (Please print all answers in black ink) **Telephone Case No.**

Proposed Insured: John (First) Doe (Middle) (Last)
Address: (No. & Street) 125 Peach St.
City: Waco State: Tx Zip Code: 45678

Telephone interview done (if applicable) ☐ Yes ☐ No
Phone Best time to call ☐ am ☐ pm
E-mail Address @

| Sex | Date of Birth Mo. Day Yr | Age | State of Birth | SS# | Height | Occupation |
|---|---|---|---|---|---|---|
| ☑ Male ☐ Female | 2 / 1 / 74 | 35 | Tx | 123-45-6789 DL# | 6 ft 1 in Weight: 180 lbs | Firefighter Annual Salary: $ 50,000 |

Owner: Name _____ SS# _____ Address: _____
Payor: Name _____ SS# _____ Address: _____

**Primary Insured:** Primary Beneficiary Jane Doe Relationship Wife
Contingent Beneficiary Relationship

**Plan: OBA** **OPTION:** ☑ **A $50,000** ☐ **B $100,000** ☐ **C $150,000** ☐ **D $200,000**
During the past 12 months have you used tobacco in any form (excluding occasional pipe and cigar use)? ☐ Yes ☑ No

**Riders:** ☐ Dependent Ins. Cov. (Family Protection Plan) _____ Units ☐ Other _____
☐ Children's Insurance (CIA) Units ☐ Flex. Prem. Def. Annuity Rider Amt. $
**Policy Date Request:** 4 / 15 / 09
**Mail Policy:** ☐ Agent ☑ Insured ☐ Owner

**Mode:** ☐ Bank Draft ☐ Draft 1st Prem on Req. Date ☑ Payroll Deduction
☐ Qtrly ☐ Other Modal Prem $ 10.00
**CWA:** ☐ E-Check Immediate 1st Prem
☑ Collected $ 10.00

Do you have any existing life or disability insurance or annuity contract? ☐ Yes ☑ No Company
Will you replace an existing life or disability insurance policy or an annuity? ☐ Yes ☑ No Policy # Amount of Coverage $

| Other Proposed Insureds: Name | Rider | Amt. | Sex | Birthdate | St. of Birth | Height | Weight | Relationship |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

**SECTION A: Answer Questions 1, 2 and 3 for all Proposed Insureds.**

1. Has any Proposed Insured been diagnosed or treated for, taken medication for or currently under treatment for *(circle condition that applies):*
   a. high blood pressure, heart attack, angina, arrhythmia, aneurysm, stroke, TIA, heart or circulatory disease or disorder? ..... Yes ☐ No ☑
   b. diabetes, pancreas disorder, hepatitis, Crohn's Disease, ulcerative colitis, liver or digestive disease or disorder? ..... Yes ☐ No ☑
   c. cancer in any form, lung disease or disorder, seizures, mental or nervous disorder, bi-polar disorder, paralysis, blindness? ..... Yes ☐ No ☑
   d. any disease or disorder of the kidneys, urinary bladder, prostate, reproductive organs, or sexually transmitted disease? ..... Yes ☐ No ☑
   e. connective tissue disease, systemic lupus (SLE), anemia, arthritis, or any disorder of the back, joints, muscles? ..... Yes ☐ No ☑
   f. any other disease or disorder, injury, surgery **within the past 24 months**? ..... Yes ☐ No ☑
2. **Within the past 2 years** has any proposed insured participated in parachuting, hang gliding, rock or mountain climbing, rodeo events, sky diving, scuba diving, organized racing of any kind, any professional sport, or aviation? ..... Yes ☐ No ☑
3. Has any Proposed Insured:
   a. been medically treated or diagnosed by a medical professional as having Acquired Immune Deficiency Syndrome (AIDS), AIDS related complex (ARC), or any immune deficiency related disorder or tested positive for the Human Immunodeficiency Virus (HIV)? Yes ☐ No ☑
   b. **within the past 5 years,** been convicted of any misdemeanor or felony charge, had their driver's license suspended or revoked, or convicted of driving under the influence of alcohol or drugs, or driver's license currently suspended or revoked? ... Yes ☐ No ☑
   c. **within the past 5 years,** used illegal drugs, abused alcohol or drugs, or had or been recommended by a medical professional or licensed counselor to discontinue the use of alcohol or drugs or to have treatment or counseling for alcohol or drug use? .... Yes ☐ No ☑
   d. **within the past 6 months,** been on probation, parole, or been prohibited from actively working full time (30 hours or more per week) at their regular occupation due to any illness, injury, or health related problem, or are you **currently** disabled? ..... Yes ☐ No ☑
   e. **within the past 12 months,** consulted a physician, had surgery, been hospitalized, or had diagnostic tests such as EKG, Xray, MRI, CAT scan? ..... Yes ☐ No ☑
   f. **within the past 12 months,** had diagnostic testing, surgery, or hospitalization recommended by a medical professional which has not been completed or for which the results have not been received? ..... Yes ☐ No ☑

**SECTION B: Give details to all "Yes" answers in Sections A and list current medications** (use COMMENTS section on back for additional space).

| Illness, Injury, Disease, or Symptoms | Dates | Treatment | Name and Address of Physician and/or Hospital |
|---|---|---|---|
| | / / | | |
| | / / | | |
| | / / | | |
| | / / | | |

Form No. OL9830

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**NOTICE**
**Printed in compliance with Public Law 91-508**

Thank you for considering Occidental Life Insurance Company of North Carolina for your insurance needs. This is to inform you that as part of our procedure for processing your insurance application, an investigative consumer report may be prepared whereby information is obtained through personal interviews with your neighbors, friends, or others with whom you are acquainted. This inquiry includes information as to your character, general reputation and personal characteristics. You have the right to make a written request within a reasonable period of time to receive additional detailed information about the nature and scope of this investigation.

**MIB PRE-NOTICE**

Information regarding your insurability will be treated as confidential. Occidental Life Insurance Company of North Carolina, or its reinsurers, may, however, make a brief report thereon to the MIB, Inc., formerly known as Medical Information Bureau, a non-profit membership organization of life insurance companies, which operates an information exchange on behalf of its members. If you apply to another MIB member company for life or health insurance coverage, or a claim for benefits is submitted to such a company, MIB, upon request, will supply such company with the information about you in its file.

Upon receipt of a request from you, MIB will arrange disclosure of any information in your file. Please contact MIB at 866-692-6901 (TTY 866-346-3642). If you question the accuracy of information in MIB's file, you may contact MIB and seek a correction in accordance with the procedures set forth in the federal Fair Credit Reporting Act. The address of MIB's information office is 50 Braintree Hill Park, Suite 400, Braintree, Massachusetts 02184-8734.

Occidental Life Insurance Company of North Carolina, or its reinsurers, may also release information from its file to other insurance companies to whom you may apply for life or health insurance, or to whom a claim for benefits may be submitted. Information for consumers about MIB may be obtained on its website at www.mib.com.

COMMENTS: _____

**AGREEMENT**—I agree with Occidental Life Insurance Company of North Carolina (the Company) as follows: (1) To the best of my knowledge and belief, all answers and statements contained in this application are true, complete and correctly recorded; and (2) This application and any policy issued on the basis of such application shall form the entire contract; and (3) No change in this contract shall be effected without my written consent with regard to: (a) the amount of insurance; (b) age at issue; (c) classification of risk; (d) plan of insurance; or (e) benefits. If this application is declined by the Company, I will accept the return of any premium paid. Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application containing a false or deceptive statement may be guilty of insurance fraud.

**AUTHORIZATION**—In order to properly classify my application for life insurance, I authorize any and all licensed physicians, medical practitioners, hospitals, clinics, medical or medically-related facilities, health plans, pharmacy benefit managers, pharmacies or pharmacy-related facilities; insurance companies and their business associates and those persons or entities providing services to the insurer's business associates which are related in any way to their insurance plans; the Medical Information Bureau or other organization that has knowledge or records of me and my health to give such information to: (a) Occidental Life Insurance Company of North Carolina; and (b) its reinsurers. I understand that any information that is disclosed pursuant to this authorization may be redisclosed and no longer covered by federal rules governing privacy and confidentiality of health information. I understand that I may revoke this authorization in writing at any time, except to the extent that action has been taken in reliance on this authorization or the insurance company exercises a legal right to contest a claim or the policy itself. I may revoke the authorization by sending a written revocation to the Company address of 425 Austin Ave., Waco TX 76701. I understand that if I refuse to sign this authorization to release my complete medical records, my application for insurance with the Company will be rejected.

All said sources, except the Medical Information Bureau, are authorized to give records or knowledge such as statements regarding hobbies, employment, criminal records or medical history that might be required to determine eligibility for insurance to any agency employed by the Company to collect and transmit data. I authorize Occidental Life Insurance Company of North Carolina to disclose any personal data gathered while processing this application. This data may be released to the following: (a) reinsuring companies; (b) the Medical Information Bureau; (c) other persons or groups performing services in connection with this application; or (d) any others to whom it may be lawfully required or authorized. This authorization shall remain valid for two years from this date. A copy of this authorization shall be as valid as the original.

**CERTIFICATION**—I hereby certify, under penalties of perjury, that (1) the social security number indicated above is my correct taxpayer identification number and (2) that I am not subject to backup withholding under Section 3406 (a) (1) (c) of the Internal Revenue Code. The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

*I acknowledge receiving the Fair Credit Reporting Act Notice and the MIB Pre-Notice.*

Signed at WACO (CITY), TEXAS (STATE) Date of Application APRIL (MONTH) 10 (DAY), 2009 (YEAR)

John Doe
SIGNATURE OF PROPOSED INSURED

SIGNATURE OF OWNER (IF OTHER THAN PROPOSED INSURED)

## AGENT'S REPORT

*I certify that I have personally asked each question on this application to the proposed insured(s), I have truly and completely recorded on the application the information supplied by him/her, and I witnessed their signature.*

Does the proposed insured have any existing life or disability insurance or annuity contract? ..... ☐ Yes ☑ No

Is the proposed insurance intended to replace or change any existing life or disability insurance or annuity? ..... ☐ Yes ☑ No

Agent James Brown (SIGNATURE) No: 456 % 100 Agent _____ (SIGNATURE) No: _____ % _____

## PREAUTHORIZATION CHECK PLAN - AUTHORIZATION TO HONOR CHARGE DRAWN

Insured _____ Account Holder _____

Financial Institution (name/address) _____

Transit / ABA Number _____ Account Number _____ ☐ Checking ☐ Savings Requested Draft Day (1st-28th) ____

**ATTACH VOIDED CHECK OR DEPOSIT SLIP**

As a convenience to me, I hereby request and authorize you to pay and charge to my account amounts drawn on my account, whether by electronic or paper means, by and payable to the order of Occidental Life Insurance Company of North Carolina, for the purpose of paying premiums on life insurance policy, provided there are sufficient funds in said account to pay the same upon presentation. I agree that your rights with respect to each such charge shall be the same as if it were signed personally by me. This authorization is to remain in effect until revoked by me in writing and until you actually receive such notice. I agree that you shall be fully protected in honoring any such check. I further agree that if any such check be dishonored, whether with or without cause, and whether intentionally or inadvertently, you shall be under no liability whatsoever even though such dishonor results in the forfeiture of insurance.

SIGNATURE (As on Financial Institution Records) _____ DATE _____

Form No. OL9830

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**OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA**
P.O. BOX 2595, WACO, TX 76702-2595

**CONDITIONAL RECEIPT**

NO COVERAGE WILL BECOME EFFECTIVE PRIOR TO POLICY DELIVERY UNLESS AND UNTIL ALL CONDITIONS OF THIS RECEIPT ARE MET. NO AGENT HAS THE AUTHORITY TO ALTER THE TERMS OR CONDITIONS OF THIS RECEIPT. THIS RECEIPT SHALL BE INVALID AND MAY NOT BE ISSUED WITH RESPECT TO PROPOSED PAYMENT OF THE INITIAL PREMIUM TENDERED BY MEANS OF A POST-DATED CHECK.

ALL PREMIUM CHECKS MUST BE PAYABLE TO THE COMPANY. DO NOT MAKE CHECK PAYABLE TO THE AGENT OR LEAVE PAYEE BLANK.

Received from John Doe the sum of $ 10.00 as first payment on this application for

Proposed Insured John Doe Date 4-10-09 Agent James Brown

If (1) an amount equal to the first full premium is submitted or a payroll deduction authorization,a government allotment authorization, or a bank draft authorization has been fully implemented in an amount sufficient to pay the first full monthly premium, (2) any check or bank draft authorization given in payment of the initial premium is honored when first presented, (3) all underwriting requirements, including any medical examinations required by the Company's rules, are completed, and (4) the proposed insured is, on the date of application, a risk acceptable for insurance exactly as applied for without modification of plan, premium rate, or amount under the Company's rules and practices, then insurance under the policy applied for shall become effective on the latest of (a) the date of application, (b) the date the payroll deduction authorization or government allotment authorization is submitted for processing, or (c) the requested draft date specified in the bank draft authorization, or (d) the date of the latest medical exam required by the Company. THE TOTAL AMOUNT OF LIFE INSURANCE, INCLUDING ANY AMOUNT IN FORCE OR BEING APPLIED FOR, WHICH MAY BECOME EFFECTIVE PRIOR TO THE DELIVERY OF THE POLICY SHALL IN NO EVENT EXCEED $150,000.00. (INCLUDING LIFE INSURANCE AND ACCIDENTAL DEATH BENEFITS).

If any of the above conditions are not met exactly, the liability of the Company shall be limited to the return of any amount paid.

| | | | |
|---|---|---|---|
| *SERFF Tracking Number:* | *AAMC-126101064* | *State:* | *Arkansas* |
| *Filing Company:* | *Occidental Life Insurance Company of North Carolina* | *State Tracking Number:* | *42068* |
| *Company Tracking Number:* | | | |
| *TOI:* | *L04G Group Life - Term* | *Sub-TOI:* | *L04G.213 Specified Age or Duration - Fixed/Indeterminate Premium - Single Life* |
| *Product Name:* | *Group Life Insurance Policy* | | |
| *Project Name/Number:* | */* | | |

# Supporting Document Schedules

**Item Status:** **Status Date:**

**Satisfied - Item:** Flesch Certification
**Comments:**
**Attachment:**
AR OL-6-G Readability Certification.pdf

**Item Status:** **Status Date:**

**Satisfied - Item:** Application
**Comments:**
under form schedule

**Item Status:** **Status Date:**

**Satisfied - Item:** Letter
**Comments:**
**Attachment:**
AR OL-6-G Cover Letter.pdf

ARKANSAS

OCCIDENTAL LIFE INSURANCE COMPANY OF NORTH CAROLINA

CERTIFICATION

This is to certify that the attached Certificate, Riders and Application, Form Number(s) OL 9832-A thru D, OL9833-A thru E, OL9834-A thru E, OL9836 and OL9830, have achieved Flesch Reading Ease Scores of 44, 42.4, 41.6, 56.9 and 62 and complies with the requirements of Arkansas Statue 23-80-201 through 23-80-208, cited as the Life and Disability Insurance Policy Simplification Act.

Signature

Clara Keel, FLMI
Product Filing Manager and Assistant Secretary

April 6, 2009

OCCIDENTAL LIFE INSURANCE
COMPANY OF NORTH CAROLINA
P.O. Box 2595 • Waco, Texas 76702-2595 • 254-297-2775

April 1, 2009

NAIC No. 67148

Mr. Joe Musgrove
Policy and Other Form Filings
State of Arkansas
Department of Insurance
1200 West Third Street
Little Rock, Arkansas 72201-1904
Attention: Compliance - Life and Health

Re: **Out-of-State Group Life Filing**
Group Life Insurance Policy No. OL-6-G
Group Life Insurance Certificate – Forms OL9832-A thru OL9832-D
Dependent's Insurance Coverage Rider – Forms OL9833-A thru OL9833-E
Children's Insurance Rider – Forms OL9834-A thru OL9834-E
Flexible Premium Deferred Annuity Rider – Form OL9836
Application for Life Insurance – Form No. OL9830

Dear Mr. Parsons:

The above referenced forms are being submitted for your consideration and approval. These forms are new and will not replace any forms previously approved by your department.

The terms of the group policy have been determined by negotiations between Occidental Life Insurance Company of North Carolina, Waco, Texas and the Officers Benefit Association (OBA) of Birmingham, Alabama. OBA is controlled by its members and is not affiliated with the insurance company or any insurance company with which the former is affiliated. OBA has been in existence since 1956 and has over 17,658 members. It was established for reasons other than the solicitation of insurance. The insurance program is just one of the benefits.

The Group Life Insurance Policy is issued in the State of Texas and delivered in the State of Alabama. Alabama, the Officers Benefit Association state of domicile, approved the Policy on April 3, 2009.

Copies of the individual certificates, riders and application which will be used in connection with the Policy are enclosed. The text of the Group Life Insurance Certificates OL9832-A thru D is identical in content with the exception of the Coverage Option (amount of insurance) the member may select. The text of the Dependent's Insurance Coverage Riders OL9833-A thru E is identical in content with the exception of the Schedule of Dependent's Insurance Coverage and the monthly premium for such insurance. The text of the Children's Insurance Riders OL9834-A thru E is identical in content with the exception of the Dependents Children's Insurance Coverage and the monthly premium for such insurance.

The above referenced submission meets the provisions of Arkansas Rule and Regulation 19 (Unfair Sex Discrimination in the Sale of Insurance) as well as all applicable requirements of the department.

The Company is providing, at time of delivery of the certificate, the Arkansas Life and Disability Insurance Guaranty Association disclaimer document as provided in Rule and Regulation 49 (Appendix A).

If I may be of assistance in your review, please contact me at 1-800-736-7311, extension 3216, or ckeel@aatx.com.

Sincerely,

Clara Keel

Clara Keel, FLMI
Product Filing Manager & Assistant Secretary

CJK:tad
Enc.