

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
Filing Company: Continental American Insurance Company State Tracking Number: 43631  
Company Tracking Number: 7521  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AR AWA HI Plus filing  
Project Name/Number: AR AWA HI Plus filing/7521

## Filing at a Glance

Company: Continental American Insurance Company

Product Name: AR AWA HI Plus filing SERFF Tr Num: CAIC-126323441 State: Arkansas  
TOI: H14G Group Health - Hospital Indemnity SERFF Status: Closed-Approved- State Tr Num: 43631  
Closed

Sub-TOI: H14G.000 Health - Hospital Indemnity Co Tr Num: 7521 State Status: Approved-Closed  
Filing Type: Form Reviewer(s): Rosalind Minor  
Author: Lindsay Morden Disposition Date: 09/30/2009  
Date Submitted: 09/29/2009 Disposition Status: Approved-  
Closed  
Implementation Date Requested: On Approval Implementation Date:  
State Filing Description:

## General Information

Project Name: AR AWA HI Plus filing  
Project Number: 7521  
Requested Filing Mode: Review & Approval  
Explanation for Combination/Other:  
Submission Type: New Submission  
Overall Rate Impact:  
Filing Status Changed: 09/30/2009

Status of Filing in Domicile: Authorized  
Date Approved in Domicile: 12/18/2006  
Domicile Status Comments:  
Market Type: Group  
Group Market Size: Small and Large  
Group Market Type: Association  
Explanation for Other Group Market Type:  
State Status Changed: 09/30/2009  
Created By: Lindsay Morden  
Corresponding Filing Tracking Number: 7521

Deemer Date:  
Submitted By: Lindsay Morden  
Filing Description:  
September 29, 2009

Ms. Rosalind Minor  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904

Re: CONTINENTAL AMERICAN INSURANCE COMPANY NAIC 71730  
Affiliated Workers Association

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
Filing Company: Continental American Insurance Company State Tracking Number: 43631  
Company Tracking Number: 7521  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AR AWA HI Plus filing  
Project Name/Number: AR AWA HI Plus filing/7521

Enclosed: Bylaws and Articles of Incorporation and approved IL forms

Dear Ms. Minor,

We have a sales opportunity through an association called Affiliated Workers Association domiciled out of Illinois. We are submitting the bylaws, articles of incorporation, and approved Illinois forms approved by the IL department of insurance on December 18, 2006. We have researched this association and found it to be a valid, non-profit organization that is currently in good standing in Illinois.

Thank you for your consideration in this matter. If you have any questions please call Lindsay Morden at (888) 730-2244 extension 4335 or at [companycompliance@caicworksite.com](mailto:companycompliance@caicworksite.com).

Sincerely,

James J. Hennessy, AIRC, ACP, CCP  
Vice President, Compliance  
/lwm

## Company and Contact

### Filing Contact Information

Lindsay Morden, [lmorden@caicworksite.com](mailto:lmorden@caicworksite.com)  
2801 Devine Street 803-461-4335 [Phone]  
Columbia, SC 29205

### Filing Company Information

Continental American Insurance Company CoCode: 71730 State of Domicile: South Carolina  
2801 Devine Street Group Code: Company Type: LAH  
Columbia, SC 29205 Group Name: Continental Amer Ins State ID Number:  
Co  
(803) 256-6265 ext. [Phone] FEIN Number: 57-0514130  
-----

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
Filing Company: Continental American Insurance Company State Tracking Number: 43631  
Company Tracking Number: 7521  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AR AWA HI Plus filing  
Project Name/Number: AR AWA HI Plus filing/7521

## Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Continental American Insurance Company	\$50.00	09/29/2009	30922392

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
Filing Company: Continental American Insurance Company State Tracking Number: 43631  
Company Tracking Number: 7521  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AR AWA HI Plus filing  
Project Name/Number: AR AWA HI Plus filing/7521

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Rosalind Minor	09/30/2009	09/30/2009

*SERFF Tracking Number:* CAIC-126323441      *State:* Arkansas  
*Filing Company:* Continental American Insurance Company      *State Tracking Number:* 43631  
*Company Tracking Number:* 7521  
*TOI:* H14G Group Health - Hospital Indemnity      *Sub-TOI:* H14G.000 Health - Hospital Indemnity  
*Product Name:* AR AWA HI Plus filing  
*Project Name/Number:* AR AWA HI Plus filing/7521

## **Disposition**

Disposition Date: 09/30/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
 Filing Company: Continental American Insurance Company State Tracking Number: 43631  
 Company Tracking Number: 7521  
 TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
 Product Name: AR AWA HI Plus filing  
 Project Name/Number: AR AWA HI Plus filing/7521

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Approved-Closed	Yes
Supporting Document	Application	Approved-Closed	Yes
Supporting Document	submission letter	Approved-Closed	Yes
Supporting Document	by laws	Approved-Closed	Yes
Supporting Document	articles of incorporation	Approved-Closed	Yes
Supporting Document	AR checklist	Approved-Closed	Yes
Form	policy	Approved-Closed	Yes
Form	certificate	Approved-Closed	Yes
Form	dependent child rider	Approved-Closed	Yes
Form	dependent spouse rider	Approved-Closed	Yes
Form	CI Rider	Approved-Closed	Yes
Form	enrollment application	Approved-Closed	Yes
Form	master application	Approved-Closed	Yes

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
 Filing Company: Continental American Insurance Company State Tracking Number: 43631  
 Company Tracking Number: 7521  
 TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
 Product Name: AR AWA HI Plus filing  
 Project Name/Number: AR AWA HI Plus filing/7521

## Form Schedule

### Lead Form Number: CA6500-MP IL

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved-Closed 09/30/2009	CA6500-MP IL	Policy/Cont ract/Fratern al Certificate	policy	Initial		50.000	1HI PLUS Master Policy 6500 IL.pdf
Approved-Closed 09/30/2009	CA6500-CI IL	Certificate	certificate	Initial		50.000	2 HI Plus Certificate_6500 IL.pdf
Approved-Closed 09/30/2009	CA6500-DCR IL	Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	dependent child rider	Initial		50.000	3 HI Plus Depenent Rider 6500 IL.pdf
Approved-Closed 09/30/2009	CA6500-DSR IL	Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	dependent spouse rider	Initial		50.000	4 HI Plus Spouse Rider 6500 IL.pdf
Approved-Closed 09/30/2009	CIR06-REV	Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert	CI Rider	Initial		50.000	5 CI Rider-2.pdf

<i>SERFF Tracking Number:</i>	<i>CAIC-126323441</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Continental American Insurance Company</i>	<i>State Tracking Number:</i>	<i>43631</i>
<i>Company Tracking Number:</i>	<i>7521</i>		
<i>TOI:</i>	<i>H14G Group Health - Hospital Indemnity</i>	<i>Sub-TOI:</i>	<i>H14G.000 Health - Hospital Indemnity</i>
<i>Product Name:</i>	<i>AR AWA HI Plus filing</i>		
<i>Project Name/Number:</i>	<i>AR AWA HI Plus filing/7521</i>		
	Page,		
	Endorseme		
	nt or Rider		
Approved- CA6500-EA	Application/enrollment	Initial	50.000
Closed	Enrollment application		HI Plus
09/30/2009	Form		App.pdf
Approved- HIP – 6500	Application/master application	Initial	50.000
Closed MA	Enrollment		HI
09/30/2009	Form		Plus_Master
			App -
			6500.pdf



2801 Devine Street, Columbia, South Carolina 29205  
(800)433-3036

(herein called Continental American)

Based on the Application for this Group Supplemental Hospital Indemnity Insurance Policy (herein called the Plan) made by

**Affiliated Workers Association**

(herein called the Policyholder)

and based on the payment of the premium when due, Continental American agrees to pay the benefits provided on the following pages.

This Plan becomes effective at 12:01 a.m. Standard Time at the Policyholder's address on the Effective Date shown below. It may be continued in effect by the payment of premiums as provided in Section II. The Plan will terminate as provided in the provision titled "Termination of the Plan" in Section I.

The first anniversary of this Plan will be the Anniversary Date shown below. Subsequent anniversaries of the Plan will be the same date each year thereafter.

All matter printed or written by Continental American on the following pages form a part of this Plan as if recited over the signature below. This Plan is a legal contract between Continental American and the Policyholder.

**THIS PLAN IS NOT A SUBSTITUTE FOR MAJOR MEDICAL COVERAGE;  
IT IS DESIGNED TO SUPPLEMENT A MAJOR MEDICAL PROGRAM.**

This Plan is delivered in and is governed by the laws of the jurisdiction shown below.

In witness whereof Continental American has caused this Plan to be executed at its Home Office in Columbia, South Carolina, on the Effective Date.

**READ YOUR POLICY CAREFULLY.**  
Signed for the Company at its Home Office.

A handwritten signature in cursive script that reads "Eugene C. Smith".

President

Group Policy Number -  
Effective Date -  
Anniversary Date -  
Jurisdiction -  
Non-Participating

## **GROUP POLICY PROVISIONS**

- SECTION I** - Eligibility, Effective Date and Termination
- SECTION II** - Premium Provisions
- SECTION III** - Definitions
- SECTION IV** - Benefit Provisions
- SECTION V** - Limitations and Exclusions
- SECTION VI** - Claim Provisions
- SECTION VII** - General Provisions
- SECTION VIII** - Benefit Schedule
- SECTION IX** - Schedule of Operations
- SECTION X** - Incorporation of Rider Provisions
- SECTION XI** - Schedule of Premiums

## **SECTION I ELIGIBILITY, EFFECTIVE DATE AND TERMINATION**

### **ELIGIBILITY**

member as used in this Plan, means a person insured under this Plan who is:

1. a member of the Policyholder, and has served 90 days continuous employment;
2. under age 64; and
3. engaged in full-time work; and
4. included in the class of members eligible for coverage as shown on the Application.

### **EFFECTIVE DATE**

The Effective Date of this Plan is shown on Page 1.

The Effective Date for a member is as follows:

1. A member's insurance will be effective on the date shown on his or her Certificate Schedule provided the member is then actively at work.
2. If a member is not actively at work on the date coverage would otherwise become effective, the Effective Date of his coverage will be the date on which such member is first thereafter actively at work.

### **TERMINATION OF THE PLAN**

The Plan will cease if the Policyholder fails to pay the premium before the end of the Grace Period.

After the end of the first Plan year, Continental American has the right to cancel the Plan on the day prior to the date any premium is due by giving 31 days written notice.

The Plan will terminate when the number of participating members is less than the number mutually agreed upon by the Policyholder and Continental American in writing.

In these events, this Plan and all Certificates issued hereunder will terminate on such date at 12:01 a.m. Standard Time at the Policyholder's address. This will be without prejudice to the rights of any member as respects any claim arising during the period the Plan is in force.

The Policyholder has the sole responsibility to notify members of such termination.

### **TERMINATION OF A MEMBER'S INSURANCE**

A member's insurance will terminate on the earliest of:

1. the date the Plan is terminated;
2. on the 31st day after the premium due date if the required premium has not been paid;
3. on the date a member ceases to meet the definition of a member as defined in the Plan;
4. on the premium due date which falls on or first follows the member's 70<sup>th</sup> birthday; or
5. on the date he is no longer a member of an eligible class.

Termination of the insurance on any member shall be without prejudice to his rights as regarding any claim arising prior thereto.

## SECTION II

## PREMIUM PROVISIONS

### PREMIUM CALCULATIONS

Premiums payable on any premium due date for insurance will be calculated in accordance with the Schedule of Premiums. The rates shown in this schedule can be changed annually. Continental American will give the Policyholder written notice 31 days prior to the date any change in rates is to be effective.

### PREMIUM PAYMENTS

The first premiums are due on the Effective Date of this Plan. After that, premiums are due on the first day of each month that the Plan remains in effect.

Aggregate premiums for this Plan are to be paid by the Policyholder to Continental American at our Home Office in Columbia, South Carolina. Payment of any premium will not keep the Plan in force beyond the due date of the next premium, except as set forth in the Grace Period.

### GRACE PERIOD

This Plan has a 31-day Grace Period. This means that if a renewal premium is not paid on or before the date it is due, it may be paid during the next 31 days. During the Grace Period, the Plan will stay in force, unless the Policyholder has given Continental American written notice of discontinuance of the Plan.

## SECTION III

## DEFINITIONS

Whenever a male pronoun is used, it includes the female unless the context clearly shows otherwise.

When the terms below are used in this Plan, the following definitions will apply:

**We, Us, Our** - means Continental American.

**You and Your** - refer to a member as defined in this Plan.

**Injury or Injuries** - means accidental bodily injury or injuries caused solely by or as the result of a covered accident.

**Covered Accident** - means an accident, which occurs on or after your Effective Date, while your Certificate is in force, and which is not specifically excluded.

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

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

1. occurs while this Plan is in force; and
2. was not treated or for which an Insured did not receive advice within 12 months before his Effective Date; and
3. is not excluded by name or specific description in this Plan.

**Calendar Year** – means the period beginning on the Plan Effective Date and ending on December 31 of the

same year. Thereafter, it is the period beginning on January 1 and ending on December 31 of each following year.

**On-The-Job Benefits** - means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits. These benefits are shown in the Benefit Schedule under On-The-Job.

**Off-The-Job Benefits** - means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits. These benefits are shown in the Benefit Schedule under Off-The-Job.

**Monthly Benefit** - means a specified amount paid for a period of one month, with any periods of less than one month paid at the daily rate of 1/30th of the monthly amount.

**Doctor or Physician** - means a person, other than yourself, or a member of your immediate family, who:

1. is licensed by the state to practice a healing art;
2. performs services which are allowed by his license; and
3. performs services for which benefits are provided by this Plan.

**Family Member** means a spouse, son, daughter, mother, father, sister, or brother.

**Hospital** - means a place which:

1. is legally licensed and operated as a hospital;
2. provides overnight care of injured and sick people;
3. is supervised by a doctor;
4. has full-time nurses supervised by a registered nurse;
5. has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities; and
6. maintains permanent medical history records.

**A hospital is not:**

1. a nursing home;
2. an extended care facility;
3. a convalescent home;
4. a rest home or a home for the aged;
5. a place for alcoholics or drug addicts; or
6. a mental institution.

**Hospital Intensive Care Unit** - means a place which:

1. is a specifically designated area of the hospital called an intensive care unit that provides the highest level of medical care and is restricted to patients who are critically ill or injured and who require intensive comprehensive observation and care;
2. is separate and apart from the surgical recovery room and from rooms, beds and wards customarily used for patient confinement;
3. is permanently equipped with special lifesaving equipment for the care of the critically ill or injured;
4. is under constant and continuous observation by a specially trained nursing staff assigned exclusively to the intensive care unit on a twenty four hour basis; and
5. has a doctor assigned to the intensive care unit on a full-time basis.

**A Hospital Intensive Care Unit is not** any of the following step down units:

1. a progressive care unit;
2. a sub-acute intensive care unit;
3. an intermediate care unit;
4. a private monitored room;
5. an observation unit; or
6. any facility not meeting the definition of a hospital intensive care unit as defined in this Plan.

**Your Occupation** - means the occupation in which you are regularly engaged at the time you become insured.

**Actively at Work** - to be considered actively at work, you must perform for a full normal workday the regular duties of your employment at your regular place of employment or at a location to which you may be required to travel to perform the regular duties of your employment.

**Full-time Work** - means spending at least [20 hours] per week performing your occupational duties.

**Elimination Period** - means the number of days of hospital confinement that must elapse before benefits become payable. The number of days is shown in the Benefit Schedule. Benefits are not payable, nor do they accrue, during an Elimination Period.

**Treatment** - means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

#### SECTION IV

#### BENEFIT PROVISIONS

The benefit amounts payable are shown in the Benefit Schedule. Coverage terminates on the premium due date which falls on or first follows your 70<sup>th</sup> birthday; at that time all benefits cease regardless of the maximum benefit.

**Hospital Admission** - We will pay this benefit when you are admitted to a hospital and confined as a resident bed patient because of injuries received in a covered accident or because of a covered sickness. In order to receive this benefit for injuries received in a covered accident, you must be admitted to a hospital within 6 months of the date of the covered accident.

We will pay the Hospital Admission benefit amount shown in the Benefit Schedule. We will not pay benefits for confinement to an observation unit, a recovery room, or for emergency room treatment or outpatient treatment.

We will pay this benefit once for a period of confinement. We will only pay this benefit once for each covered accident or covered sickness. If we pay benefits for hospital confinement and the insured becomes confined to a hospital again within 6 months because of the same or related condition, we will treat this confinement as the same confinement.

**Hospital Intensive Care** - If you are confined in a hospital intensive care unit due to an injury received in a covered accident or because of a covered sickness, we will pay the daily benefit amount shown on the Benefit Schedule. In order to receive this benefit for a covered accident, you must be admitted to a hospital intensive care unit within 6 months of the date of the covered accident.

We will pay this amount for each day of such confinement, but not to exceed the maximum benefit period shown on the Benefit Schedule during any one period of confinement.

We will pay benefits for only one confinement in a hospital's intensive care unit at a time, even if it is caused by more than one covered accident, more than one covered sickness or a covered accident and a covered sickness.

If we pay benefits for confinement in a hospital's intensive care unit and you become confined to a hospital's intensive care unit again within 6 months because of the same or related condition, we will treat this confinement as the same period of confinement.

**Surgical Benefit** - If surgery, due to an injury received in a covered accident or because of a covered sickness, is performed by a physician we will pay the amount for the Surgical Operation shown opposite the procedure listed in the Schedule of Operations up to the maximum shown on the Benefit Schedule per surgical procedure. The surgery can be performed in a Hospital (on an inpatient or outpatient basis), in an Ambulatory Surgical Center, or in a Physician's office.

If an operation is not listed in the Schedule of Operations, we will pay an amount comparable to that which would be payable for the operation listed in the Schedule of Operations which is most nearly similar in severity and complexity.

If two or more surgical procedures are performed at the same time through the same or different incisions, only one benefit, the largest, will be provided.

**Outpatient Surgery Facility Fees** - If you are receiving surgery benefits under the Certificate due to an injury in a covered accident or have treatment as the result of a covered sickness, we will pay the benefit as shown in the Benefit Schedule for Outpatient Facility Fees.

We will pay an indemnity benefit, as shown in the Schedule, for each covered Outpatient Surgery performed in an outpatient facility. This benefit is paid in addition to any surgery benefits payable under the policy.

**Anesthesia Benefits** - When a surgical procedure is performed that is covered under the Surgical Benefit, we will pay 25% of the amount shown in the Schedule of Operations for anesthesia administered by a physician in connection with such procedure.

**Hospital Emergency Room/Physician Benefit** – If you have treatment as the result of a covered sickness, We will pay the benefit as shown in the Benefit Schedule for Physician's charges, Laboratory fees, X-rays and Injections/Medications while in the hospital. This benefit is subject to the calendar year maximum shown in the Benefit Schedule.

**Outpatient Diagnostic Lab Visits** - We will pay the amount shown for tests performed in an Outpatient Lab because of a covered sickness or injuries received in a covered accident:

We will pay benefits for no more than the amount shown per calendar year for each covered person due to outpatient diagnostic lab procedures. This benefit is no paid in addition to the wellness benefit.

**Wellness Benefit** - We will pay the amount shown on the Benefit Schedule page per calendar year when you visit a doctor and you are neither injured nor sick.

## SECTION V

## LIMITATIONS AND EXCLUSIONS

**[PRE-EXISTING CONDITION** - Pre-existing Condition means within the 12-month period prior to an Insured's Effective Date those conditions for which medical advice or treatment was received or recommended.

We will not pay benefits for any loss or injury resulting from a pre-existing condition for 12 months after an Insured's Effective Date, or for 12 months from the date medical care, treatment, or supplies were received for the pre-existing condition, whichever is less.

A claim for benefits for loss starting after 12 months from an Insured's Effective Date will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

Pregnancy is a "pre-existing condition" if conception was before an Insured's Effective Date.

Treatment means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

This certificate may have been issued as a replacement for a certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of this certificate applies only to any increase in benefits over the prior certificate. Any remaining period of pre-existing condition limitation of the prior certificate would continue to apply to the prior level of benefits.

Pregnancy will not be covered if conception was before an Insured's Effective Date. Pregnancy will be covered as any other sickness when the date of conception is after an Insured's Effective Date of coverage.]

## **EXCLUSIONS**

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss resulting from:

1. Service in the military, naval or air service of any country, or international organization.
2. **Suicide** - committing or attempting to commit suicide, while sane or insane.
3. **Self-inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Traveling** – while traveling outside the United States, Canada, Mexico, or any United States possessions, except for a Medical Emergency or a covered Accidental Death or Accidental Dismemberment.
5. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a Physician. Intoxication will be defined and determined by the laws of the state where the loss or cause of the loss was incurred.
6. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.

## **SECTION VI**

## **CLAIM PROVISIONS**

**Notice of Claim** - Written notice of claim must be given within 60 days after the covered accident or covered sickness, or as soon as reasonably possible. The notice must be sent to us at our Home Office in Columbia,

South Carolina. The notice should include the name of the Insured and the Certificate number.

**Claim Forms** - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on the Proof of Loss Section.

**Proof of Loss** - You must give us written proof within 90 days after the loss for which you are seeking benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident or sickness unless you were legally incapacitated during that time.

**Time Of Payment Of Claims** - After we receive written proof of loss and process your claim, we will pay monthly all benefits then due for the claims providing a periodic payment. Benefits for any other loss covered by this Plan will be paid as soon as we receive proper written proof. Claims paid 30<sup>th</sup> days after we receive due written proof of loss will accrue interest at 9% per annum from the 30<sup>th</sup> day.

**Payment Of Claims** - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

**Changing Your Beneficiary** - You can ask us to change your beneficiary at any time. The request must be in writing and the change must be approved by us. If approved, it will go into effect the day you sign the request. The change will not have any bearing on payments made before we approved the request.

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

**Physical Examination And Autopsy** - At our expense, we can require you to have a physical examination as often as reasonably necessary while a claim is pending, or an autopsy in the case of death, where allowed by law. This will be done at our expense.

**Legal Action** - You cannot take legal action against us for benefits under this Plan:

1. within 60 days after you have sent us written proof of loss; or
2. more than 3 years from the time written proof is required to be given.

## SECTION VII

## GENERAL PROVISIONS

**Entire Contract** - The entire contract consists of:

1. the Plan;
2. the Application of the Policyholder; and
3. your Application(s).

All statements made in such Application(s) shall, in the absence of fraud, be deemed representations and not

warranties. No statement will be used in defense of a claim under this Plan unless:

1. the statement is in writing signed by the Policyholder or by you; and
2. a copy of that statement is given to the Policyholder or to you or to your beneficiary.

**Contract Changes** - No change in this Plan is valid unless approved by our Home Office and unless such approval is endorsed by an officer and attached to this Plan. No agent has the authority to change this Plan or to waive any of its provisions.

**Misstatements of Age** - If you incorrectly stated your age or the ages of your dependents, if any, in the Application, the benefits will be such as the premium paid would have purchased at the correct age. If, based on the correct ages, we would not have issued your Certificate or insured certain dependents under this Certificate, then our responsibility will be to refund the excess premium paid, if any.

**Time Limit On Certain Defenses** - After this Plan has been in force for two years as respects a member, only fraudulent misstatements in the Application of that member may be used to void his coverage or to deny any claim for loss incurred or disability that starts after the two year period.

**Clerical Error** - Clerical error by the Policyholder will not end coverage or continue terminated coverage. In the event of such clerical error, a premium adjustment will be made.

**Individual Certificate** - Continental American will give the Policyholder a Certificate for each member. The Certificate will set forth:

1. the coverage;
2. to whom benefits will be paid; and
3. the rights and privileges under the Plan.

**Data Required** - The Policyholder will furnish all information and proofs which Continental American may reasonably require with regard to the Plan.

**Conformity With State Statutes** - Any provision of this Plan which, on the Effective Date, is in conflict with the laws of the state in which the Plan was issued, will be amended to conform to the minimum requirements of those laws.

## SECTION VIII

## BENEFIT SCHEDULE

<b>Physicians Office Visit/Hospital Emergency Room Visit</b>	<b>\$50</b> (max 6 visits per year)	<b>\$50</b> (max 6 visits per year)	<b>\$75</b> (max 6 visits per year)	<b>\$75</b> (max 6 visits per year)	<b>\$100</b> (max 6 visits per year)
<b>Hospital Admission (per admission)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Hospital Intensive Care (per day-max 30 days)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Surgical Benefit (per procedure)</b>	<b>\$0</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$5,000</b>
<b>Anesthesia (25% of Surgical Benefit)</b>	<b>\$0</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$1,250</b>
<b>Wellness Benefits (per calendar year)</b>	<b>\$150</b>	<b>\$150</b>	<b>\$150</b>	<b>\$225</b>	<b>\$75</b>
<b>Outpatient Diagnostic Lab (per test-max 6 test per calendar year)</b>	<b>\$0</b>	<b>\$50</b>	<b>\$100</b>	<b>\$125</b>	<b>\$125</b>
<b>Outpatient Surgery Facility Fee (per surgery)</b>	<b>\$0</b>	<b>\$100</b>	<b>\$150</b>	<b>\$250</b>	<b>\$250</b>
<b>Well Baby (per visit max 4 visits per calendar year)</b>	<b>\$50</b>	<b>\$60</b>	<b>\$70</b>	<b>\$80</b>	<b>\$60</b>

## SECTION IX

## SCHEDULE OF OPERATIONS

Plans 2, 3 and 4

<b>INTEGUMENTARY SYSTEM</b>	<b>Maximum</b>		<b>Maximum</b>
	<b>Surgical</b>		<b>Surgical</b>
	<b>Benefit</b>		<b>Benefit</b>
<b>SKIN</b>		<b>JOINTS</b>	
Incision and Drainage of Cyst	\$ 20.00	Shoulder or Elbow Arthrotomy	\$ 500.00
Acne Surgery	\$ 15.00	Arthroplasty	\$ 800.00
Biopsy	\$ 30.00	Wrist Arthrotomy	\$ 400.00
Excision of Benign Tumor	\$ 40.00	Arthroplasty	\$ 800.00
Excision of Malignant Tumor	\$ -	Hip Arthrotomy	\$ 700.00
(Trunk, Arms or Legs)	\$ 60.00	Arthroplasty	\$ 1,000.00
Excision of Malignant Tumor	\$ -	Knee Arthrotomy	\$ 500.00
(Face, Scalp, Ears, Neck, Hands	\$ -	Arthroplasty	\$ 1,000.00
Feet, Genitalia)	\$ 100.00	Ankle Arthrotomy	\$ 500.00
Excision of Malignant Tumor	\$ -	Arthroplasty	\$ 750.00
(Eyelids, Nose, Lips, Mucous	\$ -	Hammertoe	\$ 200.00
Membrane)	\$ 150.00		\$ -
Excision of Nail	\$ 100.00	<b>DISLOCATIONS</b>	\$ -
Repair – Simple Wounds	\$ 20.00	Jaw	\$ 50.00
Repair – Complex Wounds (Linear Repair)	\$ 70.00	Collar Bone (requiring reduction)	\$ 100.00
Repair – Skin Grafts (Single Stage)	\$ 50.00	Shoulder (humerus with anesthesia)	\$ -
Repair – Skin Grafts (Multiple Stage)	\$ 150.00	Or Elbow	\$ 50.00
Electro – surgical destruction of	\$ -	Wrist	\$ 50.00
Chemocautery	\$ 20.00	Fingers or Toes	\$ 20.00
Chemosurgery – malignancies of skin	\$ 200.00	Hip or Knee	\$ 200.00
	\$ -	Ankle	\$ 100.00
<b>BREAST</b>	\$ -		\$ -
Biopsy	\$ 150.00	<b>TENDONS</b>	\$ -
Excision of Cyst or Benign Tumor	\$ 150.00	Repair or Suture	\$ 120.00
Excision of Chest Wall Tumor	\$ 700.00	Lengthening or Shortening	\$ -
Mastectomy, simple	\$ 300.00	(e.g. Achilles tendon)	\$ 300.00
Mastectomy, radical	\$ 700.00		\$ -
Mammoplasty, Reconstructive	\$ 1,500.00	<b>AMPUTATIONS</b>	\$ -
	\$ -	Arm at Shoulder Joint	\$ 750.00
<b>MUSCULOSKELETAL SYSTEM</b>	\$ -	Arm below Shoulder Joint	\$ 350.00
	\$ -	Finger	\$ 150.00
<b>BONE OR CARTILAGE GRAFT</b>	\$ -	Leg at Hip Joint	\$ 800.00
Spinal Fusion	\$ 800.00	Leg at Knee	\$ 400.00
Spinal Fusion with removal of	\$ -	Leg above or below knee	\$ 500.00
Intervertebral disc	\$ 800.00	Toe	\$ 100.00
Spinal Fusion of Scoliosis	\$ 1,200.00		\$ -
	\$ -	<b>RESPIRATORY SYSTEM</b>	\$ -
<b>FRACTURES (Requiring Reduction)</b>	\$ -		\$ -
Skull	\$ 750.00	<b>NOSE</b>	\$ -
Nose	\$ 50.00	Excision of Nasal Polyps	\$ 30.00
Jaw	\$ 300.00	Submucous resection, Classic Nasal Sept	\$ 300.00
Vertabrae, one or more	\$ 300.00		\$ -
Collar Bone	\$ 150.00	<b>SINUSES</b>	\$ -

Shoulder blade (Scapula)	\$ 550.00	Frontal Sinusotomy – simple	\$ 200.00
Upper Arm	\$ 250.00	Frontal Sinusotomy – radical	\$ 600.00
	\$ -		\$ -
Lower Arm	\$ 150.00	<b>LARYNX</b>	\$ -
Hand	\$ 100.00	Laryngectomy	\$ 1,000.00
Fingers or Toes	\$ 50.00	Laryngoscopy	\$ 40.00
Upper Leg	\$ 400.00		\$ -
Lower Leg	\$ 150.00		
Ankle	\$ 250.00		
Foot	\$ 100.00		
	\$ -		
	\$ -		
<b>LUNGS</b>	\$ -	<b>TRACHEA AND BRONCHI</b>	\$ -
Thoracotomy	\$ 500.00	Tracheotomy	\$ 200.00
Pneumonotomy	\$ 600.00	Bronchoscopy	\$ 150.00
Pneumonocentesis	\$ 50.00	Closure of Tracheotomy	\$ 250.00
Thoracentesis	\$ 30.00		\$ -
Pneumonectomy, total	\$ 1,000.00		\$ -
Wedge Resection of Lung, Single or Multiple	\$ - \$ 800.00	Fistulotomy	\$ 100.00
Thoracoscopy (including biopsy)	\$ 200.00	Sphincterotomy	\$ 50.00
	\$ -	Fissurectomy or Hemorrhoidectomy	\$ 200.00
<b>CARDIOVASCULAR SYSTEM</b>	\$ -	Removal of External Hemorrhoids	\$ 30.00
	\$ -	Aspiration biopsy of liver, pancreas	\$ -
	\$ -	Or bile duct	\$ 50.00
<b>HEART</b>	\$ -	Cholecystotomy	\$ 500.00
Heart Transplant	\$ 2,000.00	Cholecystectomy	\$ 600.00
Catheterization of Heart	\$ 150.00	Pancreatectomy – partial	\$ 800.00
Suture of Heart wound or injury	\$ 1,000.00	Pancreatectomy – total	\$ 1,400.00
Valvotomy, aortic and pulmonic valve	\$ 1,500.00	Laparotomy	\$ 400.00
Valvotomy, mitral valve	\$ 1,400.00	Hemiotomy	\$ 350.00
Valvutoplasty or Replacement	\$ -		\$ -
Aortic and mitral valve	\$ 2,000.00	<b>URINARY SYSTEM</b>	\$ -
Coronary Bypass, single or multiple	\$ 2,000.00	Nephrolithotomy	\$ 800.00
Repair of Myocardial Aneurysm	\$ 2,000.00	Renal Biopsy	\$ 50.00
Repair of Septal Defect	\$ 1,800.00	Nephrectomy	\$ 800.00
Angioplasty, percutaneous	\$ 1,000.00	Lithotripsy	\$ 500.00
Peravenous or Transvenous insertion of	\$ -	Kidney Transplant	\$ 1,250.00
Pacemaker	\$ 500.00	Cystotomy	\$ 500.00
	\$ -	Cystectomy – partial	\$ 700.00
<b>ARTERIES</b>	\$ -	Cystectomy – complete	\$ 1,000.00
Arteriotomy, extramity	\$ 600.00	Urethroscopy or Cystoscopy	\$ 50.00
Thromboendarterectomy	\$ 1,200.00	Cystoplasty	\$ 800.00
Carotid endarterectomy	\$ 1,200.00	Dilation of Urethra	\$ 20.00
Excision and graft, Abdominal Aortic Aneurysm	\$ - \$ 1,500.00		\$ -
Injection – Varicose Veins	\$ 10.00	<b>GENITAL SYSTEM</b>	\$ -
	\$ -		\$ -
<b>HEMIC AND LYPHATIC SYSTEMS</b>	\$ -	<b>MALE</b>	\$ -
Splenectomy	\$ 600.00	Circumcision	\$ 30.00
Biopsy of Lymph Node	\$ 50.00	Orchlectomy	\$ 200.00
Radical Lymphadenectomy	\$ 510.00	Reduction of Torsion of Testis	\$ 300.00
	\$ -	Excision of Epididymis, Hydrocele,	\$ 100.00
<b>DIGESTIVE SYSTEM</b>	\$ -	Varicocale	\$ 300.00
Gastrotomy	\$ 500.00	Vasectomy	\$ 150.00
Gastrectomy, Total	\$ 1,000.00	Biopsy, Prostate	\$ 166.67
		Prostatectomy – partial	\$ 800.00

Gastrectomy, Partial	\$ 800.00	Prostatectomy – radical	\$ 1,000.00
Gastroscopy	\$ 150.00		\$ -
Gastro Gastrorrhaphy	\$ 500.00	<b>FEMALE</b>	\$ -
Enterectathy	\$ 600.00	Hysterectomy, Vaginal or Abdominal	\$ 600.00
Enterectomy	\$ 700.00	Hysterectomy, radical for cancer	\$ -
Colostomy	\$ 800.00	Including lymph nodes	\$ 1,000.00
Enterostomy	\$ 500.00	Salpingo – oophorectomy	\$ 450.00
Enterolysis	\$ 400.00	Repair of cystocele or rectocele	\$ 350.00
Diverticulectomy	\$ 500.00	Repair of cystocele and rectocele	\$ 520.00
Appendectomy	\$ 400.00	Tubal Ligation	\$ 400.00
Proctectomy	\$ 1,000.00	Biopsy or removal of cervical lesion	\$ -
Proctosigmoidoscopy	\$ 30.00	or polyp	\$ 300.00
Proctoplasty	\$ 400.00	Dilation and curettage	\$ 150.00
	\$ -	Myomectomy	\$ 500.00
	\$ -	Repair of uterine suspension	\$ 400.00
	\$ -	Cesarian Section	\$ 500.00
		Obstetrical Delivery	\$ 200.00
		Amniocentesis	\$ 50.00
<b>ENDOCRINE SYSTEM</b>	\$ -		
Incision and drainage of	\$ -		
Thyroid Gland	\$ 30.00		
Local excision of thyroid cyst	\$ -		
Or adenoma	\$ 400.00		
Thyroidectomy or parathyroidectomy	\$ 700.00		
Adrenalectomy	\$ 800.00		
	\$ -		
<b>NERVOUS SYSTEM</b>	\$ -		
Burr Holes	\$ 300.00		
Cranioplasty	\$ 1,000.00		
Craniotomy or Craniectomy	\$ 400.00		
Laminectomy	\$ 1,000.00		
Spinal Puncture	\$ 20.00		
Paravertebral block, lumbar,	\$ -		
Or thoracic nerve	\$ 50.00		
Median nerve decompression	\$ -		
(Carpal Tunnel)	\$ 300.00		
	\$ -		
<b>EYE</b>	\$ -		
Removal of eye	\$ 400.00		
Excision of pteryglum	\$ 250.00		
Sclerotomy – anterior	\$ 500.00		
Sclerotomy – posterior	\$ 300.00		
Iridectomy	\$ 500.00		
Extraction of lens (including	\$ -		
Cataract extraction)	\$ 800.00		
Reattachment of retina	\$ 1,000.00		
Muscle operation (one or more muscles)	\$ 600.00		
Excision of lacrimal gland or sac	\$ 500.00		
	\$ -		
<b>EAR</b>	\$ -		
Drainage of abscess	\$ 20.00		
Otoscopy	\$ 20.00		
Myringotomy	\$ 30.00		
Tympanotomy (diagnostic)	\$ 500.00		

Tympanotomy with insertion of	\$ -		
Collar Button Tube	\$ 250.00		
Mastoidectomy – simple	\$ 500.00		
Tympanoplasty	\$ 1,000.00		
Labyrinthotomy or Labyrinthectomy	\$ 1,000.00		

**Plan 5**

<b>INTEGUMENTARY SYSTEM</b>	<b>Maximum</b>		<b>Maximum</b>
	<b>Surgical</b>		<b>Surgical</b>
	<b>Benefit</b>		<b>Benefit</b>
<b>SKIN</b>		<b>JOINTS</b>	
Incision and Drainage of Cyst	\$ 50.00	Shoulder or Elbow Arthrotomy	\$ 1,250.00
Acne Surgery	\$ 375.00	Arthroplasty	\$ 2,000.00
Biopsy	\$ 75.00	Wrist Arthrotomy	\$ 1,000.00
Excision of Benign Tumor	\$ 100.00	Arthroplasty	\$ 2,000.00
Excision of Malignant Tumor		Hip Arthrotomy	\$ 1,750.00
(Trunk, Arms or Legs)	\$ 150.00	Arthroplasty	\$ 2,500.00
Excision of Malignant Tumor		Knee Arthrotomy	\$ 1,250.00
(Face, Scalp, Ears, Neck, Hands		Arthroplasty	\$ 2,500.00
Feet, Genitalia)	\$ 250.00	Ankle Arthrotomy	\$ 1,250.00
Excision of Malignant Tumor		Arthroplasty	\$ 1,875.00
(Eyelids, Nose, Lips, Mucous		Hammertoe	\$ 500.00
Membrane)	\$ 375.00		
Excision of Nail	\$ 250.00	<b>DISLOCATIONS</b>	
Repair – Simple Wounds	\$ 50.00	Jaw	\$ 125.00
Repair – Complex Wounds (Linear Repair)	\$ 175.00	Collar Bone (requiring reduction)	\$ 250.00
Repair – Skin Grafts (Single Stage)	\$ 125.00	Shoulder (humerus with anesthesia)	
Repair – Skin Grafts (Multiple Stage)	\$ 375.00	Or Elbow	\$ 125.00
Electro – surgical destruction of		Wrist	\$ 125.00
Chemocautery	\$ 50.00	Fingers or Toes	\$ 50.00
Chemosurgery – malignancies of skin	\$ 500.00	Hip or Knee	\$ 500.00
		Ankle	\$ 250.00
<b>BREAST</b>			
Biopsy	\$ 375.00	<b>TENDONS</b>	
Excision of Cyst or Benign Tumor	\$ 375.00	Repair or Suture	\$ 300.00
Excision of Chest Wall Tumor	\$ 1,750.00	Lengthening or Shortening	
Mastectomy, simple	\$ 750.00	(e.g. Achilles tendon)	\$ 750.00
Mastectomy, radical	\$ 1,750.00		
Mammoplasty, Reconstructive	\$ 3,750.00	<b>AMPUTATIONS</b>	
		Arm at Shoulder Joint	\$ 1,875.00
<b>MUSCULOSKELETAL SYSTEM</b>		Arm below Shoulder Joint	\$ 875.00
		Finger	\$ 375.00
<b>BONE OR CARTILAGE GRAFT</b>		Leg at Hip Joint	\$ 2,000.00
Spinal Fusion	\$ 2,000.00	Leg at Knee	\$ 1,000.00
Spinal Fusion with removal of		Leg above or below knee	\$ 1,250.00
Intervertebral disc	\$ 2,000.00	Toe	\$ 250.00
Spinal Fusion of Scoliosis	\$ 3,000.00		
		<b>RESPIRATORY SYSTEM</b>	
<b>FRACTURES (Requiring Reduction)</b>			
Skull	\$ 1,875.00	<b>NOSE</b>	
Nose	\$ 125.00	Excision of Nasal Polyps	\$ 75.00
Jaw	\$ 750.00	Submucous resection, Classic Nasal Sept	\$ 750.00
Vertabrae, one or more	\$ 750.00		
Collar Bone	\$ 375.00	<b>SINUSES</b>	
Shoulder blade (Scapula)	\$ 1,375.00	Frontal Sinusotomy – simple	\$ 500.00
Upper Arm	\$ 625.00	Frontal Sinusotomy – radical	\$ 1,500.00
Lower Arm	\$ 375.00		
Hand	\$ 250.00	<b>LARYNX</b>	
Fingers or Toes	\$ 125.00	Laryngectomy	\$ 2,500.00
Upper Leg	\$ 1,000.00	Laryngoscopy	\$ 100.00
Lower Leg	\$ 375.00		
Ankle	\$ 625.00	<b>TRACHEA AND BRONCHI</b>	
Foot	\$ 250.00	Tracheotomy	\$ 500.00
		Bronchoscopy	\$ 375.00
		Closure of Tracheotomy	\$ 625.00





**SECTION X**

**INCORPORATION OF RIDER PROVISIONS**

Dependent Children Benefit Rider      CA6500-DCR IL

Dependent Spouse Benefit Rider      CA6500-DSR IL

Critical Illness Rider      CIR06-REV

**SECTION XI OCCUPATIONAL CLASSIFICATIONS AND SCHEDULE OF PREMIUMS**

<b>Plan 1</b>	<b>18-64</b>	<b>Plan 2</b>	<b>18-64</b>
Employee	\$38.71	Employee	\$66.92
Employee & Spouse	\$77.04	Employee & Spouse	\$133.52
Employee & Dependent		Employee & Dependent	
Children	\$65.07	Children	\$103.10
Family	\$103.40	Family	\$169.70
<b>Plan 3</b>	<b>18-64</b>	<b>Plan 4</b>	<b>18-64</b>
Employee	\$96.02	Employee	\$115.75
Employee & Spouse	\$192.22	Employee & Spouse	\$233.01
Employee & Dependent		Employee & Dependent	
Children	\$146.50	Children	\$175.14
Family	\$242.70	Family	292.40
<b>Plan 5</b>	<b>18-64</b>		
Employee	\$165.68		
Employee & Spouse	\$333.15		
Employee & Dependent			
Children	\$242.10		
Family	\$409.57		



2801 Devine Street, Columbia, South Carolina 29205  
(800) 433-3036

**CERTIFICATE OF INSURANCE FOR  
SUPPLEMENTAL HOSPITAL INDEMNITY POLICY**

**THIS CERTIFICATE IS NOT A SUBSTITUTE FOR MAJOR MEDICAL COVERAGE  
IT IS DESIGNED TO SUPPLEMENT A MAJOR MEDICAL PROGRAM.**

**CERTIFICATE INDEX**

Definitions .....	Section I
Premiums and Individual Terminations .....	Section II
Benefit Provisions.....	Section III
Limitations and Exclusions.....	Section IV
Claim Provisions.....	Section V
General Provisions .....	Section VI
Benefit Schedule .....	Section VII
Schedule of Operations.....	Section VIII
Certificate Schedule .....	Section IX

We certify that you are insured under the Supplemental Hospital Indemnity Policy (herein called the Plan) issued to your policyholder subject to the definitions, exclusions and other provisions of the Plan against loss resulting from Hospital Confinement.

Certain provisions of the Plan are summarized in this certificate. All provisions of the Plan, whether contained in your certificate or not, apply to the insurance referred to by the certificate.

The Effective Date of your certificate is as shown in the Certificate Schedule if you are on that date actively at work for the policyholder. If not, this certificate will become effective on the next date you are actively at work as an eligible member. This certificate will remain in effect for the period for which the premium has been paid. This certificate may be continued for further periods as stated in the Plan.

This certificate is issued in consideration of the payment in advance of the required premium and of your statements and representations in the application.

This certificate, on its Effective Date, automatically replaces any certificate or certificates previously issued to you under the Plan.

**NO RECOVERY FOR PRE-EXISTING CONDITIONS--READ CAREFULLY. No benefits will be provided during the first twelve months of this certificate for conditions for which medical advice or treatment was received or recommended during the twelve-month period prior to the effective date shown in the Certificate Schedule.**

## SECTION I

## DEFINITIONS

Whenever a male pronoun is used, it includes the female unless the context clearly shows otherwise.

When the terms below are used in this certificate, the following definitions will apply:

**We, Us, Our** - means Continental American.

**You and Your** - refer to the person named in the Certificate Schedule.

**Insured** - means you if this certificate is issued as Individual coverage.

If this certificate is issued as:

1. member/Spouse coverage Insured means you and your legal spouse;
2. Single Parent Family coverage Insured means you and your covered dependent children as defined in the applicable rider, that have been accepted for coverage;
3. Family coverage Insured means you and your spouse and covered dependent children, as defined in the applicable rider that have been accepted for coverage.

**Injury or Injuries** - means accidental bodily injury or injuries caused solely by or as the result of a covered accident.

**Covered Accident** - means an accident, which occurs on or after an Insured's Effective Date, while this certificate is in force, and which is not specifically excluded.

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

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

1. occurs while this policy is in force; and
2. was not treated or for which an Insured did not receive advice within 12 months before the effective date of his coverage; and
3. is not excluded by name or specific description in this certificate.

**Calendar Year** – means the period beginning on the policy Effective Date and ending on December 31 of the same year. Thereafter, it is the period beginning on January 1 and ending on December 31 of each following year.

**On-The-Job Benefits** - means the benefits we will pay if a covered accident occurs while you are working at any job for pay or benefits. These benefits are shown in the Benefit Schedule under On-The-Job.

**Off-The-Job Benefits** - means the benefits we will pay if a covered accident occurs while you are not working at any job for pay or benefits. These benefits are shown in the Benefit Schedule under Off-The-Job.

**Monthly Benefit** - means a specified amount paid for a period of one month, with any periods of less than one month paid at the daily rate of 1/30th of the monthly amount.

**Doctor or Physician** - means a person, other than yourself, or a member of your immediate family, who:

1. is licensed by the state to practice a healing art;
2. performs services which are allowed by his license; and
3. performs services for which benefits are provided by this certificate.

**Immediate Family** - means your spouse, son, daughter, mother, father, sister, or brother.

**Hospital** - means a place which:

1. is legally licensed and operated as a hospital;
2. provides overnight care of injured and sick people;
3. is supervised by a doctor;
4. has full-time nurses supervised by a registered nurse;
5. has on-site or pre-arranged use of X-ray equipment, laboratory and surgical facilities; and
6. maintains permanent medical history records.

**A hospital is not:**

1. a nursing home;
2. an extended care facility;
3. a convalescent home;
4. a rest home or a home for the aged;
5. a place for alcoholics or drug addicts; or
6. a mental institution.

**Hospital Intensive Care Unit** - means a place which:

1. is a specifically designated area of the hospital called an intensive care unit that provides the highest level of medical care and is restricted to patients who are critically ill or injured and who require intensive comprehensive observation and care;
2. is separate and apart from the surgical recovery room and from rooms, beds and wards customarily used for patient confinement;
3. is permanently equipped with special lifesaving equipment for the care of the critically ill or injured;
4. is under constant and continuous observation by a specially trained nursing staff assigned exclusively to the intensive care unit on a twenty four hour basis; and
5. has a doctor assigned to the intensive care unit on a full-time basis.

**A hospital intensive care unit is not** any of the following step down units:

1. a progressive care unit;
2. a sub-acute intensive care unit;
3. an intermediate care unit;
4. a private monitored room;
5. an observation unit; or
6. any facility not meeting the definition of a hospital intensive care unit as defined in this policy.

**Your Occupation** - means the occupation in which you are regularly engaged at the time you become insured.

**Actively at Work** - to be considered actively at work, you must perform for a full normal workday the regular duties of your employment at your regular place of employment or at a location to which you may be required to travel to perform the regular duties of your employment.

**Full-Time Work** - means spending at least [20 hours] per week performing your occupational duties.

**Elimination Period** - means the number of days of hospital confinement that must elapse before benefits become payable. The number of days is shown in the Benefit Schedule. Benefits are not payable, nor do they accrue, during an Elimination Period.

**Treatment** - means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

## **SECTION II                      PREMIUMS AND INDIVIDUAL TERMINATIONS**

### **PREMIUMS**

The initial premium shown in the Certificate Schedule is the premium covering the period from the Effective Date to the next renewal date of this certificate. Renewal premiums will be in accordance with the schedule of premium rates in effect at the time of renewals as set forth in the Plan.

### **CERTIFICATE TERM**

The first term of this certificate starts on the Effective Date in the Certificate Schedule. It ends on the first renewal date also shown. Later terms will be the periods for which renewal premiums are paid when due. All terms will begin and end at 12:01 A.M., Standard Time, at the policyholder's address. The renewal premium for each term will be due on the day preceding term end.

### **INDIVIDUAL TERMINATIONS**

Your insurance will terminate on the earliest of:

1. the date the Plan is terminated;
2. the period ends for which premium has been paid;
3. on the date you cease to meet the definition of a member as defined in the Plan;
4. on the premium due date which falls on or first follows your 70<sup>th</sup> birthday; or
5. on the date you are no longer a member of an eligible class.

Termination of any Insured's coverage under this certificate shall be without prejudice to his rights as regarding any claim arising prior thereto.

## **SECTION III                      BENEFIT PROVISIONS**

The benefit amounts payable are shown in the Benefit Schedule. Coverage terminates on the premium due date which falls on or first follows your 65th birthday; at that time all benefits cease regardless of the benefit maximum.

**Hospital Admission** - We will pay this benefit when you are admitted to a hospital and confined as a resident bed patient because of injuries received in a covered accident or because of a covered sickness. In order to receive this benefit for injuries received in a covered accident, you must be admitted to a hospital within 6 months of the date of the covered accident.

We will pay the Hospital Admission benefit amount shown in the Benefit Schedule. We will not pay benefits for confinement to an observation unit, a recovery room, or for emergency room treatment or outpatient treatment.

We will pay this benefit once for a period of confinement. We will only pay this benefit once for each

covered accident or covered sickness. If we pay benefits for hospital confinement and the insured becomes confined to a hospital again within 6 months because of the same or related condition, we will treat this confinement as the same confinement.

**Hospital Intensive Care** - If you are confined in a hospital intensive care unit due to an injury received in a covered accident or because of a covered sickness, we will pay the daily benefit amount shown on the Benefit Schedule. In order to receive this benefit for a covered accident, you must be admitted to a hospital intensive care unit within 6 months of the date of the covered accident.

We will pay this amount for each day of such confinement, but not to exceed the maximum benefit period shown on the Benefit Schedule during any one period of confinement.

We will pay benefits for only one confinement in a hospital's intensive care unit at a time, even if it is caused by more than one covered accident, more than one covered sickness or a covered accident and a covered sickness.

If we pay benefits for confinement in a hospital and you become confined to a hospital again within 6 months because of the same or related condition, we will treat this confinement as the same period of confinement.

**Surgical Benefit** - If surgery, due to an injury received in a covered accident or because of a covered sickness, is performed by a physician we will pay the amount for the Surgical Operation shown opposite the procedure listed in the Schedule of Operations up to the maximum shown on the Benefit Schedule per surgical procedure. The surgery can be performed in a Hospital (on an inpatient or outpatient basis), in an Ambulatory Surgical Center, or in a Physician's office.

If an operation is not listed in the Schedule of Operations, we will pay an amount comparable to that, which would, be payable for the operation listed in the Schedule of Operations, which is most nearly similar in severity and complexity.

If two or more surgical procedures are performed at the same time through the same or different incisions, only one benefit, the largest, will be provided.

**Outpatient Surgery Facility Fees** - If you are receiving surgery benefits under the Certificate due to an injury in a covered accident or have treatment as the result of a covered sickness, we will pay the benefit as shown in the Benefit Schedule for Outpatient Facility Fees.

We will pay an indemnity benefit, as shown in the Schedule, for each covered Outpatient Surgery performed in an outpatient facility. This benefit is paid in addition to any surgery benefits payable under the policy.

**Anesthesia Benefits** - When a surgical procedure is performed that is covered under the Surgical Benefit, we will pay 25% of the amount shown in the Schedule of Operations for anesthesia administered by a physician in connection with such procedure.

**Hospital Emergency Room/Physician Benefit** – If you have treatment as the result of a covered sickness, We will pay the benefit as shown in the Benefit Schedule for Physician's charges, Laboratory fees, X-rays and Injections/Medications while in the hospital. This benefit is subject to the calendar year maximum shown in the Benefit Schedule.

**Outpatient Diagnostic Lab Visits** - We will pay the amount shown for tests performed in an Outpatient Lab because of a covered sickness or injuries received in a covered accident:

We will pay benefits for no more than the amount shown per calendar year for each covered person due to outpatient diagnostic lab procedures. This benefit is not paid in addition to the wellness benefit.



**Notice of Claim** - Written notice of claim must be given to us within 60 days after the covered accident or covered sickness, or as soon as reasonably possible. The notice must be sent to us at our Home Office in Columbia, South Carolina. The notice should include the name of the Insured and the certificate number.

**Claim Forms** - When we receive notice of a claim, we will send you the forms for filing proof of loss. If these forms are not sent to you within 15 days, you will meet the proof of loss requirements by giving us a written statement of the nature and extent of the loss within the time limit stated on the Proof of Loss Section.

**Proof of Loss** - You must give us written proof within 90 days after the loss for which you are seeking benefits. If it is not reasonably possible to give written proof in the time required, we shall not reduce or deny the claim for this reason if the proof is filed as soon as reasonably possible. In any event, the proof required must be given no later than one year from the covered accident or sickness unless you were legally incapacitated during that time.

**Time Of Payment Of Claims** - After we receive written proof of loss and process your claim, we will pay monthly all benefits then due for the claims providing a periodic payment. Benefits for any other loss covered by this certificate will be paid as soon as we receive proper written proof. Claims paid 30<sup>th</sup> days after we receive due written proof of loss will accrue interest at 9% per annum from the 30<sup>th</sup> day.

**Payment Of Claims** - Benefits will be paid to you. All of the benefits due will be paid to you unless you assign them elsewhere. Any benefits unpaid at the time of your death will be paid in the following order:

1. to any approved assignee;
2. your beneficiary;
3. your surviving spouse;
4. your estate.

**Changing Your Beneficiary** - You can ask us to change your beneficiary at any time. The request must be in writing and the change must be approved by us. If approved, it will go into effect the day you sign the request. The change will not have any bearing on payments made before we approved the request.

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

**Physical Examination And Autopsy** - At our expense, we can require an Insured to have a physical examination as often as reasonably necessary while a claim is pending, or an autopsy in the case of death, where allowed by law. This will be done at our expense.

**Legal Action** - You cannot take legal action against us for benefits under this certificate:

1. within 60 days after you have sent us written proof of loss; or
2. more than 6 years from the time written proof is required to be given.

## SECTION VI

## GENERAL PROVISIONS

**Entire Contract** - The entire contract consists of:

1. the Plan;
2. the application of the policyholder; and
3. your application(s).

All statements made in such application(s) shall, in the absence of fraud, be deemed representations and not warranties. No statement will be used in defense of a claim under this certificate unless:

1. the statement is in writing signed by the policyholder or by you; and
2. a copy of that statement is given to the policyholder or to you or to your beneficiary.

**Contract Changes** - No change in this certificate is valid unless approved by our Home Office and unless such approval is endorsed by an officer and attached to this certificate. No agent has the authority to change this certificate or to waive any of its provisions.

**Misstatements of Age** - If you incorrectly stated your age in the application, the benefits will be such as the premium paid would have purchased at the correct age. If, based on your correct age, we would not have issued your certificate, then our responsibility will be to refund the excess premium paid, if any.

**Time Limit On Certain Defenses** - We rely of the statements you made in the application when issuing this certificate. After this certificate has been in force for two years, we cannot cancel it or refuse to pay benefits because of any misstatements in the application unless you fraudulently made them.

**Conformity With State Statutes** - Any provision of this certificate which, on the Effective Date, is in conflict with the laws of the state in which it was issued, will be amended to conform to the minimum requirements of those laws.

## SECTION VII

## BENEFIT SCHEDULE

<b>Physicians Office Visit/Hospital Emergency Room Visit</b>	<b>\$50</b> (max 6 visits per year)	<b>\$50</b> (max 6 visits per year)	<b>\$75</b> (max 6 visits per year)	<b>\$75</b> (max 6 visits per year)	<b>\$100</b> (max 6 visits per year)
<b>Hospital Admission (per admission)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Hospital Intensive Care (per day-max 30 days)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Surgical Benefit (per procedure)</b>	<b>\$0</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$5,000</b>
<b>Anesthesia (25% of Surgical Benefit)</b>	<b>\$0</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$1,250</b>
<b>Wellness Benefits (per calendar year)</b>	<b>\$150</b>	<b>\$150</b>	<b>\$150</b>	<b>\$225</b>	<b>\$75</b>
<b>Outpatient Diagnostic Lab (per test-max 6 test per calendar year)</b>	<b>\$0</b>	<b>\$50</b>	<b>\$100</b>	<b>\$125</b>	<b>\$125</b>
<b>Outpatient Surgery Facility Fee (per surgery)</b>	<b>\$0</b>	<b>\$100</b>	<b>\$150</b>	<b>\$250</b>	<b>\$250</b>
<b>Well Baby (per visit max 4 visits per calendar year)</b>	<b>\$50</b>	<b>\$60</b>	<b>\$70</b>	<b>\$80</b>	<b>\$60</b>

## SECTION VIII

## SCHEDULE OF OPERATIONS

## Plans 2, 3 and 4

<b>INTEGUMENTARY SYSTEM</b>	<b>Maximum</b>		<b>Maximum</b>
	<b>Surgical</b>		<b>Surgical</b>
	<b>Benefit</b>		<b>Benefit</b>
<b>SKIN</b>		<b>JOINTS</b>	
Incision and Drainage of Cyst	\$ 20.00	Shoulder or Elbow Arthrotomy	\$ 500.00
Acne Surgery	\$ 15.00	Arthroplasty	\$ 800.00
Biopsy	\$ 30.00	Wrist Arthrotomy	\$ 400.00
Excision of Benign Tumor	\$ 40.00	Arthroplasty	\$ 800.00
Excision of Malignant Tumor	\$ -	Hip Arthrotomy	\$ 700.00
(Trunk, Arms or Legs)	\$ 60.00	Arthroplasty	\$ 1,000.00
Excision of Malignant Tumor	\$ -	Knee Arthrotomy	\$ 500.00
(Face, Scalp, Ears, Neck, Hands	\$ -	Arthroplasty	\$ 1,000.00
Feet, Genitalia)	\$ 100.00	Ankle Arthrotomy	\$ 500.00
Excision of Malignant Tumor	\$ -	Arthroplasty	\$ 750.00
(Eyelids, Nose, Lips, Mucous	\$ -	Hammertoe	\$ 200.00
Membrane)	\$ 150.00		\$ -
Excision of Nail	\$ 100.00	<b>DISLOCATIONS</b>	\$ -
Repair – Simple Wounds	\$ 20.00	Jaw	\$ 50.00
Repair – Complex Wounds (Linear Repair)	\$ 70.00	Collar Bone (requiring reduction)	\$ 100.00
Repair – Skin Grafts (Single Stage)	\$ 50.00	Shoulder (humerus with anesthesia)	\$ -
Repair – Skin Grafts (Multiple Stage)	\$ 150.00	Or Elbow	\$ 50.00
Electro – surgical destruction of	\$ -	Wrist	\$ 50.00
Chemocautery	\$ 20.00	Fingers or Toes	\$ 20.00
Chemosurgery – malignancies of skin	\$ 200.00	Hip or Knee	\$ 200.00
	\$ -	Ankle	\$ 100.00
<b>BREAST</b>	\$ -		\$ -
Biopsy	\$ 150.00	<b>TENDONS</b>	\$ -
Excision of Cyst or Benign Tumor	\$ 150.00	Repair or Suture	\$ 120.00
Excision of Chest Wall Tumor	\$ 700.00	Lengthening or Shortening	\$ -
Mastectomy, simple	\$ 300.00	(e.g. Achilles tendon)	\$ 300.00
Mastectomy, radical	\$ 700.00		\$ -
Mammoplasty, Reconstructive	\$ 1,500.00	<b>AMPUTATIONS</b>	\$ -
	\$ -	Arm at Shoulder Joint	\$ 750.00
<b>MUSCULOSKELETAL SYSTEM</b>	\$ -	Arm below Shoulder Joint	\$ 350.00
	\$ -	Finger	\$ 150.00
<b>BONE OR CARTILAGE GRAFT</b>	\$ -	Leg at Hip Joint	\$ 800.00
Spinal Fusion	\$ 800.00	Leg at Knee	\$ 400.00
Spinal Fusion with removal of	\$ -	Leg above or below knee	\$ 500.00
Intervertebral disc	\$ 800.00	Toe	\$ 100.00
Spinal Fusion of Scoliosis	\$ 1,200.00		\$ -
	\$ -	<b>RESPIRATORY SYSTEM</b>	\$ -
<b>FRACTURES (Requiring Reduction)</b>	\$ -		\$ -
Skull	\$ 750.00	<b>NOSE</b>	\$ -
Nose	\$ 50.00	Excision of Nasal Polyps	\$ 30.00
Jaw	\$ 300.00	Submucous resection, Classic Nasal Sept	\$ 300.00
Vertabrae, one or more	\$ 300.00		\$ -
Collar Bone	\$ 150.00	<b>SINUSES</b>	\$ -
Shoulder blade (Scapula)	\$ 550.00	Frontal Sinusotomy – simple	\$ 200.00
Upper Arm	\$ 250.00	Frontal Sinusotomy – radical	\$ 600.00

	\$ -		\$ -
Lower Arm	\$ 150.00	<b>LARYNX</b>	\$ -
Hand	\$ 100.00	Laryngectomy	\$ 1,000.00
Fingers or Toes	\$ 50.00	Laryngoscopy	\$ 40.00
Upper Leg	\$ 400.00		\$ -
Lower Leg	\$ 150.00		
Ankle	\$ 250.00		
Foot	\$ 100.00		
	\$ -		
	\$ -		
<b>LUNGS</b>	\$ -	<b>TRACHEA AND BRONCHI</b>	\$ -
Thoracotomy	\$ 500.00	Tracheotomy	\$ 200.00
Pneumonotomy	\$ 600.00	Bronchoscopy	\$ 150.00
Pneumonocentesis	\$ 50.00	Closure of Tracheotomy	\$ 250.00
Thoracentesis	\$ 30.00		\$ -
Pneumonectomy, total	\$ 1,000.00		\$ -
Wedge Resection of Lung,	\$ -	Fistulotomy	\$ 100.00
Single or Multiple	\$ 800.00	Sphincterotomy	\$ 50.00
Thoracoscopy (including biopsy)	\$ 200.00	Fissurectomy or Hemorrhoidectomy	\$ 200.00
	\$ -	Removal of External Hemorrhoids	\$ 30.00
<b>CARDIOVASCULAR SYSTEM</b>	\$ -	Aspiration biopsy of liver, pancreas	\$ -
	\$ -	Or bile duct	\$ 50.00
<b>HEART</b>	\$ -	Cholecystotomy	\$ 500.00
Heart Transplant	\$ 2,000.00	Cholecystectomy	\$ 600.00
Catheterization of Heart	\$ 150.00	Pancreatectomy – partial	\$ 800.00
Suture of Heart wound or injury	\$ 1,000.00	Pancreatectomy – total	\$ 1,400.00
Valvotomy, aortic and pulmonic valve	\$ 1,500.00	Laparotomy	\$ 400.00
Valvotomy, mitral valve	\$ 1,400.00	Hemiotomy	\$ 350.00
Valvutoplasty or Replacement	\$ -		\$ -
Aortic and mitral valve	\$ 2,000.00	<b>URINARY SYSTEM</b>	\$ -
Coronary Bypass, single or multiple	\$ 2,000.00	Nephrolithotomy	\$ 800.00
Repair of Myocardial Aneurysm	\$ 2,000.00	Renal Biopsy	\$ 50.00
Repair of Septal Defect	\$ 1,800.00	Nephrectomy	\$ 800.00
Angioplasty, percutaneous	\$ 1,000.00	Lithotripsy	\$ 500.00
Pervenous or Transvenous insertion of	\$ -	Kidney Transplant	\$ 1,250.00
Pacemaker	\$ 500.00	Cystotomy	\$ 500.00
	\$ -	Cystectomy – partial	\$ 700.00
<b>ARTERIES</b>	\$ -	Cystectomy – complete	\$ 1,000.00
Arterlotomy, extramity	\$ 600.00	Urethroscopy or Cystoscopy	\$ 50.00
Thromboendarterectomy	\$ 1,200.00	Cystoplasty	\$ 800.00
Carotid endarterectomy	\$ 1,200.00	Dilation of Urethra	\$ 20.00
Excision and graft, Abdominal Aortic	\$ -		\$ -
Aneurysm	\$ 1,500.00	<b>GENITAL SYSTEM</b>	\$ -
Injection – Varicose Veins	\$ 10.00		\$ -
	\$ -	<b>MALE</b>	\$ -
<b>HEMIC AND LYPHATIC SYSTEMS</b>	\$ -	Circumcision	\$ 30.00
Splenectomy	\$ 600.00	Orchlectomy	\$ 200.00
Biopsy of Lymph Node	\$ 50.00	Reduction of Torsion of Testis	\$ 300.00
Radical Lymphadenectomy	\$ 510.00	Excision of Epididymis, Hydrocele,	\$ 100.00
	\$ -	Varicocale	\$ 300.00
<b>DIGESTIVE SYSTEM</b>	\$ -	Vasectomy	\$ 150.00
Gastrotomy	\$ 500.00	Biopsy, Prostate	\$ 166.67
Gastrectomy, Total	\$ 1,000.00	Prostatectomy – partial	\$ 800.00
Gastrectomy, Partial	\$ 800.00	Prostatectomy – radical	\$ 1,000.00

Gastroscopy	\$ 150.00		\$ -
Gastro Gastrorrhaphy	\$ 500.00		\$ -
Enterectathy	\$ 600.00	Hysterectomy, Vaginal or Abdominal	\$ 600.00
Enterectomy	\$ 700.00	Hysterectomy, radical for cancer	\$ -
Colostomy	\$ 800.00	Including lymph nodes	\$ 1,000.00
Enterostomy	\$ 500.00	Salpingo – oophorectomy	\$ 450.00
Enterolysis	\$ 400.00	Repair of cystocele or rectocele	\$ 350.00
Diverticulectomy	\$ 500.00	Repair of cystocele and rectocele	\$ 520.00
Appendectomy	\$ 400.00	Tubal Ligation	\$ 400.00
Proctectomy	\$ 1,000.00	Biopsy or removal of cervical lesion	\$ -
Protosigmoidoscopy	\$ 30.00	or polyp	\$ 300.00
Proctoplasty	\$ 400.00	Dilation and curettage	\$ 150.00
	\$ -	Myomectomy	\$ 500.00
	\$ -	Repair of uterine suspension	\$ 400.00
	\$ -	Cesarian Section	\$ 500.00
		Obstetrical Delivery	\$ 200.00
		Amniocentesis	\$ 50.00
<b>ENDOCRINE SYSTEM</b>	\$ -		
Incision and drainage of	\$ -		
Thyroid Gland	\$ 30.00		
Local excision of thyroid cyst	\$ -		
Or adenoma	\$ 400.00		
Thyroidectomy or parathyroidectomy	\$ 700.00		
Adrenalectomy	\$ 800.00		
	\$ -		
<b>NERVOUS SYSTEM</b>	\$ -		
Burr Holes	\$ 300.00		
Cranioplasty	\$ 1,000.00		
Craniotomy or Craniectomy	\$ 400.00		
Laminectomy	\$ 1,000.00		
Spinal Puncture	\$ 20.00		
Paravertebral block, lumbar,	\$ -		
Or thoracic nerve	\$ 50.00		
Median nerve decompression	\$ -		
(Carpal Tunnel)	\$ 300.00		
	\$ -		
<b>EYE</b>	\$ -		
Removal of eye	\$ 400.00		
Excision of pterygium	\$ 250.00		
Sclerotomy – anterior	\$ 500.00		
Sclerotomy – posterior	\$ 300.00		
Iridectomy	\$ 500.00		
Extraction of lens (including	\$ -		
Cataract extraction)	\$ 800.00		
Reattachment of retina	\$ 1,000.00		
Muscle operation (one or more muscles)	\$ 600.00		
Excision of lacrimal gland or sac	\$ 500.00		
	\$ -		
<b>EAR</b>	\$ -		
Drainage of abscess	\$ 20.00		
Otoscopy	\$ 20.00		
Myringotomy	\$ 30.00		
Tympanotomy (diagnostic)	\$ 500.00		

Tympanotomy with insertion of	\$	-		
Collar Button Tube	\$	250.00		
Mastoidectomy – simple	\$	500.00		
Tympanoplasty	\$	1,000.00		
Labyrinthotomy or Labyrinthectomy	\$	1,000.00		

<b>INTEGUMENTARY SYSTEM</b>	<b>Maximum</b>		<b>Maximum</b>
	<b>Surgical</b>		<b>Surgical</b>
	<b>Benefit</b>		<b>Benefit</b>
<b>SKIN</b>		<b>JOINTS</b>	
Incision and Drainage of Cyst	\$ 50.00	Shoulder or Elbow Arthrotomy	\$ 1,250.00
Acne Surgery	\$ 375.00	Arthroplasty	\$ 2,000.00
Biopsy	\$ 75.00	Wrist Arthrotomy	\$ 1,000.00
Excision of Benign Tumor	\$ 100.00	Arthroplasty	\$ 2,000.00
Excision of Malignant Tumor		Hip Arthrotomy	\$ 1,750.00
(Trunk, Arms or Legs)	\$ 150.00	Arthroplasty	\$ 2,500.00
Excision of Malignant Tumor		Knee Arthrotomy	\$ 1,250.00
(Face, Scalp, Ears, Neck, Hands		Arthroplasty	\$ 2,500.00
Feet, Genitalia)	\$ 250.00	Ankle Arthrotomy	\$ 1,250.00
Excision of Malignant Tumor		Arthroplasty	\$ 1,875.00
(Eyelids, Nose, Lips, Mucous		Hammertoe	\$ 500.00
Membrane)	\$ 375.00		
Excision of Nail	\$ 250.00	<b>DISLOCATIONS</b>	
Repair – Simple Wounds	\$ 50.00	Jaw	\$ 125.00
Repair – Complex Wounds (Linear Repair)	\$ 175.00	Collar Bone (requiring reduction)	\$ 250.00
Repair – Skin Grafts (Single Stage)	\$ 125.00	Shoulder (humerus with anesthesia)	
Repair – Skin Grafts (Multiple Stage)	\$ 375.00	Or Elbow	\$ 125.00
Electro – surgical destruction of		Wrist	\$ 125.00
Chemocautery	\$ 50.00	Fingers or Toes	\$ 50.00
Chemosurgery – malignancies of skin	\$ 500.00	Hip or Knee	\$ 500.00
		Ankle	\$ 250.00
<b>BREAST</b>			
Biopsy	\$ 375.00	<b>TENDONS</b>	
Excision of Cyst or Benign Tumor	\$ 375.00	Repair or Suture	\$ 300.00
Excision of Chest Wall Tumor	\$ 1,750.00	Lengthening or Shortening	
Mastectomy, simple	\$ 750.00	(e.g. Achilles tendon)	\$ 750.00
Mastectomy, radical	\$ 1,750.00		
Mammoplasty, Reconstructive	\$ 3,750.00	<b>AMPUTATIONS</b>	
		Arm at Shoulder Joint	\$ 1,875.00
<b>MUSCULOSKELETAL SYSTEM</b>		Arm below Shoulder Joint	\$ 875.00
		Finger	\$ 375.00
<b>BONE OR CARTILAGE GRAFT</b>		Leg at Hip Joint	\$ 2,000.00
Spinal Fusion	\$ 2,000.00	Leg at Knee	\$ 1,000.00
Spinal Fusion with removal of		Leg above or below knee	\$ 1,250.00
Intervertebral disc	\$ 2,000.00	Toe	\$ 250.00
Spinal Fusion of Scoliosis	\$ 3,000.00		
		<b>RESPIRATORY SYSTEM</b>	
<b>FRACTURES (Requiring Reduction)</b>			
Skull	\$ 1,875.00	<b>NOSE</b>	
Nose	\$ 125.00	Excision of Nasal Polyps	\$ 75.00
Jaw	\$ 750.00	Submucous resection, Classic Nasal Sept	\$ 750.00
Vertabrae, one or more	\$ 750.00		
Collar Bone	\$ 375.00	<b>SINUSES</b>	
Shoulder blade (Scapula)	\$ 1,375.00	Frontal Sinusotomy – simple	\$ 500.00
Upper Arm	\$ 625.00	Frontal Sinusotomy – radical	\$ 1,500.00
Lower Arm	\$ 375.00		
Hand	\$ 250.00	<b>LARYNX</b>	
Fingers or Toes	\$ 125.00	Laryngectomy	\$ 2,500.00
Upper Leg	\$ 1,000.00	Laryngoscopy	\$ 100.00
Lower Leg	\$ 375.00		
Ankle	\$ 625.00	<b>TRACHEA AND BRONCHI</b>	
Foot	\$ 250.00	Tracheotomy	\$ 500.00
		Bronchoscopy	\$ 375.00
		Closure of Tracheotomy	\$ 625.00





**SECTION IX**

**CERTIFICATE SCHEDULE**

**Insured -** [John A. Doe]  
[895]

**Effective Date -** [June 1, 1992]

**\*Initial Premium -** [\$19.75 Monthly]

**Group Policy Number -**

**Certificate Number -**[51491]

**First Renewal Date -**[July 1, 1992]

\* Initial premium includes the premium for any riders purchased at the same time as the coverage provided by this certificate.



2801 Devine Street Columbia, South Carolina 29205  
(800) 433-3036

**DEPENDENT CHILDREN BENEFIT RIDER  
TO CERTIFICATE OF INSURANCE  
FOR SUPPLEMENTAL HOSPITAL INDEMNITY COVERAGE**

This rider is a part of the certificate to which it is attached. We have issued this rider to you because: (1) you paid the additional premium for this rider; and (2) we relied on the application you made. Unless amended by this rider, Certificate Definitions, other Provisions and terms apply to this rider.

**Effective Date** - If issued at the same time as the certificate, this rider becomes effective when the certificate becomes effective. If issued after the certificate becomes effective, this rider will have a later Effective Date, which will be shown in the Dependent Rider Schedule issued with this rider. The insurance of a dependent will become effective on the rider date if such person is active on that date. Otherwise, the Effective Date will be deferred until the day following the date he becomes active.

**DEFINITIONS**

When the terms below are used in this rider, the following definitions will apply:

**YOU, YOUR** Means the insured named in the Dependent Rider Schedule.

**CHILD or CHILDREN** Means your natural child(ren), step-children, legally adopted child(ren) or child(ren) placed for adoption, who are:

1. unmarried;
2. chiefly dependent on you or your spouse for support;
3. living with you in a regular parent-child relationship; and
4. younger than age 19, or younger than age 25 if they are full-time students. The definition of "full-time student" will be based on the criteria of the learning institution at which the student is enrolled.

"Child or Children" also includes child(ren), regardless of age, who:

1. are mentally or physically handicapped;
2. became or become handicapped prior to age 19; and
3. cannot support themselves because of their handicap.

A child born after the Effective Date of this rider will also be covered from the moment of live birth. No notice or additional premium is required.

**DEPENDENT** Means your child or children covered under this rider.

**ACTIVE** "Active" as used refers a dependent who is not confined in a hospital and who is

able to carry on regular activities customary of a person in good health of the same age and sex.

**TREATMENT**

Means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

**BENEFITS**

If a dependent qualifies for benefits under the certificate to which this rider is attached because of a covered accident or a covered sickness, we will provide the benefits contained in the certificate under the Benefit Provisions. The appropriate benefit amounts payable for the dependent are shown in the Benefit Schedule issued with this rider.

**ADDITIONAL BENEFIT**

**Well Baby Care** -We will pay the amount shown on the Benefit Schedule page per visit. Pays for up to 4 visits per calendar year per insured baby. (Our definition of a baby is a dependent child 12 months of age or younger.)

**LIMITATIONS AND EXCLUSIONS**

**PRE-EXISTING CONDITION** - Pre-existing Condition means within the 12-month period prior to an Insured's Effective Date those conditions for which medical advice or treatment was received or recommended.

We will not pay benefits for any loss or injury resulting from a pre-existing condition for 12 months after an Insured's Effective Date, or for 12 months from the date medical care, treatment, or supplies were received for the pre-existing condition, whichever is less.

A claim for benefits for loss starting after 12 months from an Insured's Effective Date will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

Pregnancy is a "pre-existing condition" if conception was before an Insured's Effective Date.

Treatment means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

This certificate may have been issued as a replacement for a certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of this certificate applies only to any increase in benefits over the prior certificate. Any remaining period of pre-existing condition limitation of the prior certificate would continue to apply to the prior level of benefits.

Pregnancy will not be covered if conception was before an Insured's Effective Date. Pregnancy will be covered as any other sickness when the date of conception is after an Insured's Effective Date of coverage.

**EXCLUSIONS**

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss contributed to, caused by, or resulting from:

1. Service in the military, naval or air service of any country, or international organization.
2. **Suicide** - committing or attempting to commit suicide, while sane or insane.
3. **Self-inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Traveling** – while traveling outside the United States, Canada, Mexico, or any United States possessions, except for a Medical Emergency or a covered Accidental Death or Accidental Dismemberment.
5. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a Physician.
6. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.

### GENERAL PROVISIONS

If your dependent child's coverage is terminated because of marriage or attainment of the limiting age, we will still pay benefits for any covered accident or sickness which occurred while the dependent was covered under this rider.

#### TIME LIMIT ON CERTAIN DEFENSES

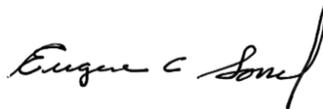
After this rider has been in force for a period of two years it shall become incontestable as to the statements contained in the application.

#### CONTRACT

This rider is part of the certificate, and will terminate when the certificate terminates, or when premiums are no longer paid for this rider.

This rider is subject to all of the terms of the certificate to which it is attached unless any such terms are inconsistent with the terms of this rider.

Signed by the Company at its Home Office.



President

### DEPENDENT RIDER SCHEDULE

<b>Insured -</b>	John A. Doe	<b>Group Policy Number -</b>	1234
<b>Rider Effective Date -</b>	June 1, 1998	<b>Rider Number -</b>	0599
<b>First Renewal Date-</b>	July 1, 1999	<b>Certificate Number-</b>	51491
<b>Initial Premium -</b>	\$10.25 Monthly		

### BENEFIT SCHEDULE

<b>Physicians Office Visit/Hospital</b>	<b>\$50</b>	<b>\$50</b>	<b>\$75</b>	<b>\$75</b>	<b>\$100</b>
<b>Emergency Room Visit</b>	(max 6 visits per year)				
<b>Hospital Admission (per admission)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Hospital Intensive Care (per day-max 30 days)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Surgical Benefit (per procedure)</b>	<b>\$0</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$5,000</b>
<b>Anesthesia (25% of Surgical Benefit)</b>	<b>\$0</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$1,250</b>
<b>Wellness Benefits (per calendar year)</b>	<b>\$150</b>	<b>\$150</b>	<b>\$150</b>	<b>\$225</b>	<b>\$75</b>
<b>Outpatient Diagnostic Lab (per test-max 6 test per calendar year)</b>	<b>\$0</b>	<b>\$50</b>	<b>\$100</b>	<b>\$125</b>	<b>\$125</b>
<b>Outpatient Surgery Facility Fee (per surgery)</b>	<b>\$0</b>	<b>\$100</b>	<b>\$150</b>	<b>\$250</b>	<b>\$250</b>
<b>Well Baby (per visit max 4 visits per calendar year)</b>	<b>\$50</b>	<b>\$60</b>	<b>\$70</b>	<b>\$80</b>	<b>\$60</b>



2801 Devine Street Columbia, South Carolina 29205

**DEPENDENT SPOUSE BENEFIT RIDER  
TO CERTIFICATE OF INSURANCE  
FOR SUPPLEMENTAL HOSPITAL INDEMNITY COVERAGE**

This rider is a part of the certificate to which it is attached. We have issued this rider to you because: (1) you paid the additional premium for this rider; and (2) we relied on the application you made. Unless amended by this rider, Certificate Definitions, other Provisions and terms apply to this rider.

**Effective Date** - If issued at the same time as the certificate, this rider becomes effective when the certificate becomes effective. If issued after the certificate becomes effective, this rider will have a later Effective Date, which will be shown in the Rider Schedule issued with this rider. The insurance of a spouse will become effective on the rider date if such person is active on that date. Otherwise, the Effective Date will be deferred until the day following the date he becomes active.

**DEFINITIONS**

When the terms below are used in this rider, the following definitions will apply:

<b>YOU, YOUR</b>	Means the insured named in the Rider Schedule.
<b>SPOUSE</b>	Means your legal spouse who is between the ages of 18 and 64.
<b>ACTIVE</b>	"Active" as used refers a dependent who is not confined in a hospital and who is able to carry on regular activities customary of a person in good health of the same age and sex.
<b>TREATMENT</b>	Means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

**BENEFITS**

If your insured spouse qualifies for benefits under the certificate to which this rider is attached because of a covered accident or a covered sickness, we will provide the benefits contained in the certificate under the Benefit Provisions. The appropriate benefit amounts payable for your insured spouse are shown in the Benefit Schedule issued with this rider.

## LIMITATIONS AND EXCLUSIONS

**PRE-EXISTING CONDITION** - Pre-existing Condition means within the 12-month period prior to an Insured's Effective Date those conditions for which medical advice or treatment was received or recommended.

We will not pay benefits for any loss or injury resulting from a pre-existing condition for 12 months after an Insured's Effective Date, or for 12 months from the date medical care, treatment, or supplies were received for the pre-existing condition, whichever is less.

A claim for benefits for loss starting after 12 months from an Insured's Effective Date will not be reduced or denied on the grounds that it is caused by a pre-existing condition.

Pregnancy is a "pre-existing condition" if conception was before an Insured's Effective Date.

Treatment means consultation, care or services provided by a physician including diagnostic measures and taking prescribed drugs and medicines.

This certificate may have been issued as a replacement for a certificate previously issued to you under the Plan. If so, then the pre-existing condition limitation provision of this certificate applies only to any increase in benefits over the prior certificate. Any remaining period of pre-existing condition limitation of the prior certificate would continue to apply to the prior level of benefits.

Pregnancy will not be covered if conception was before an Insured's Effective Date. Pregnancy will be covered as any other sickness when the date of conception is after an Insured's Effective Date of coverage.

## EXCLUSIONS

We will not pay benefits for loss caused by pre-existing conditions (except as stated in the previous provision).

We will not pay benefits for loss contributed to, caused by, or resulting from:

1. Service in the military, naval or air service of any country, or international organization.
2. **Suicide** - committing or attempting to commit suicide, while sane or insane.
3. **Self-inflicted Injuries** - injuring or attempting to injure yourself intentionally.
4. **Traveling** – while traveling outside the United States, Canada, Mexico, or any United States possessions, except for a Medical Emergency or a covered Accidental Death or Accidental Dismemberment.
5. **Intoxication** - being legally intoxicated, or being under the influence of any narcotic, unless such is taken under the direction of a Physician.
6. **Illegal Acts** - participating or attempting to participate in an illegal activity, or working at an illegal job.

## GENERAL PROVISIONS

If your spouse's coverage is terminated because of attainment of the limiting age, we

will still pay benefits for any covered accident or sickness, which occurred while he was covered under this rider.

**TIME LIMIT  
ON CERTAIN  
DEFENSES**

After this rider has been in force for a period of two years it shall become incontestable as to the statements contained in the application.

**CONTRACT**

This rider is part of the certificate, and will terminate when the certificate terminates, or when premiums are no longer paid for this rider.

This rider is subject to all of the terms of the certificate to which it is attached unless any such terms are inconsistent with the terms of this rider.

Signed by the Company at its Home Office.

A handwritten signature in cursive script that reads "Eugene C. Smith". The signature is written in black ink and is centered on the page.

President

**RIDER SCHEDULE**

**Insured -** [John A. Doe]  
**Rider Effective Date -** [July 1, 2001]  
**First Renewal Date-** [August 1, 2002]  
**Initial Premium -** [\$10.25 Monthly]

**Group Policy Number -** [1234]  
**Rider Number -** [0599]  
**Certificate Number-** [51491]

**BENEFIT SCHEDULE**

<b>Physicians Office Visit/Hospital Emergency Room Visit</b>	<b>\$50</b> (max 6 visits per year)	<b>\$50</b> (max 6 visits per year)	<b>\$75</b> (max 6 visits per year)	<b>\$75</b> (max 6 visits per year)	<b>\$100</b> (max 6 visits per year)
<b>Hospital Admission (per admission)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Hospital Intensive Care (per day-max 30 days)</b>	<b>\$250</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>	<b>\$1,500</b>
<b>Surgical Benefit (per procedure)</b>	<b>\$0</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$2,000</b>	<b>Up to \$5,000</b>
<b>Anesthesia (25% of Surgical Benefit)</b>	<b>\$0</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$500</b>	<b>Up to \$1,250</b>
<b>Wellness Benefits (per calendar year)</b>	<b>\$150</b>	<b>\$150</b>	<b>\$150</b>	<b>\$225</b>	<b>\$75</b>
<b>Outpatient Diagnostic Lab (per test-max 6 test per calendar year)</b>	<b>\$0</b>	<b>\$50</b>	<b>\$100</b>	<b>\$125</b>	<b>\$125</b>
<b>Outpatient Surgery Facility Fee (per surgery)</b>	<b>\$0</b>	<b>\$100</b>	<b>\$150</b>	<b>\$250</b>	<b>\$250</b>
<b>Well Baby (per visit max 4 visits per calendar year)</b>	<b>\$50</b>	<b>\$60</b>	<b>\$70</b>	<b>\$80</b>	<b>\$60</b>





2801 Devine Street, Columbia, South Carolina 29205  
(800) 433-3036

**CRITICAL ILLNESS RIDER  
TO CERTIFICATE OF INSURANCE FOR HOSPITAL INDEMNITY**

This rider is a part of the certificate to which it is attached. We have issued this rider to you because (1) you paid the additional premium for this rider; and (2) we relied on the application you made. Unless amended by this rider, Certificate Definitions, other Provisions and terms apply to this rider.

**Effective Date** - If issued at the same time as the certificate, this rider becomes effective when the certificate becomes effective. If issued after the certificate becomes effective, this rider will have a later Effective Date, which will be shown in the Rider Schedule issued with this rider.

**Termination** – This rider terminates when your Certificate terminates or when premium for this rider is no longer paid.

**DEFINITIONS**

**Pathologist** means a doctor, other than yourself or a family member, who is licensed to practice medicine and who is also licensed to practice pathologic anatomy by the American Board of Pathology. A pathologist also means an osteopathic pathologist who is certified by the Osteopathic Board of Pathology.

**Doctor or Physician** means any licensed practitioner of the healing arts acting within the scope of his or her license in treating an injury or illness. It doesn't include you or a member of your family.

**Illness** means sickness or disease which first manifests itself while this rider is in force and after any applicable Waiting Period. Any loss due to illness must begin while this rider is in force.

**Date of Diagnosis** The date of diagnosis is:

**For cancer and/or carcinoma in situ:** The day the tissue specimen, blood samples and/or titer(s) are taken on which the first diagnosis of cancer or carcinoma in situ is based.

**For heart attack:** The date that the death (infarction) of a portion of the heart muscle occurred based on the criteria listed under the Heart Attack definition.

**For stroke:** The date a stroke occurred based on documented neurological deficits and neuroimaging studies.

**For end stage renal failure:** The date that a doctor or physician recommends that an Insured begin renal dialysis.

**Major organ transplant surgery or coronary artery bypass surgery:** The date the surgery occurs for covered transplants or covered coronary artery bypass surgery.

**Medical Necessity** and “Medically Necessary” means surgery when provided as needed by your medical condition and according to generally accepted medical practice standards. The fact that your physician may prescribe, order, recommend or approve a surgery doesn’t, of itself, make it Medically Necessary.

**Specified Critical Illness** means such illness shown in the Schedule and as defined in this rider.

**Waiting Period** means the first thirty (30) days after the Covered Person’s Effective Date. We won’t pay benefits for a Specified Critical Illness that begins during the Waiting Period.

## **BENEFIT DEFINITIONS**

**Cancer** means a malignant tumor characterized by the uncontrolled growth and spread of malignant cells and the invasion of distant tissue. Cancer includes leukemia. Excluded are Cancers such as:

1. Pre-malignant tumors or polyps;
2. Carcinoma in Situ (non-invasion);
3. Any skin cancers except melanomas;
4. Stage 1 Hodgkin’s disease and Stage A Prostate Cancer;
5. Basal cell carcinoma and squamous cell carcinoma of the skin; and
6. Melanoma that is diagnosed as Clark’s Level I or II or Breslow less than .77mm.

Cancer which meets the diagnosis criteria of malignancy established by The American Board of Pathology after a study of the histocytologic architecture or pattern of the suspect tumor, tissue or specimen.

**Myocardial Infarction (Heart Attack)** means the death of a portion of the heart muscle (myocardium) resulting from a blockage of one or more coronary arteries. Heart attack does not include any other disease or injury involving the cardiovascular system. Cardiac arrest not caused by a myocardial infarction is not a heart attack. The diagnosis must include all of the following criteria:

1. New and serial Electrocardiographic (EKG) findings consistent with Myocardial Infraction; and
2. Elevation of cardiac enzymes above generally accepted laboratory levels of normal in case of creatine phosphokinase (CPK), a CPK-MB measurement must be used.
3. Confirmatory imaging studies such as thallium scans, MUGA scans, or stress echocardiograms.
4. Chest Pain.

**Stroke** means Apoplexy (due to rupture or acute occlusion of a cerebral artery), or a cerebral vascular accident or incident, which is first manifested on or after the policy date. Stroke does not include Transient Ischemic Attacks and attacks of Vertebrobasilar Ischemia. We will pay a benefit for Stroke that produces permanent clinical neurological sequela persisting for at least 30 days following an initial diagnosis made after any applicable Waiting Period. We must receive evidence of the permanent neurological damage provided from Computed Axial Tomography (CAT scan) or magnetic Resonance Imaging (MRI). **Stroke does not mean head injury, transient ischemic attack or chronic cerebrovascular insufficiency.**

**Renal Failure (Kidney Failure)** means the end stage renal failure presenting as chronic, irreversible failure of both of your kidneys to function. The Kidney Failure must necessitate regular renal dialysis, hemo-dialysis or peritoneal dialysis (at least weekly); or which results in kidney transplantation. Renal failure is covered, provided it is not caused by a traumatic event, including surgical traumas.

**Major Organ Transplant** means having a major organ transplant means undergoing surgery as a recipient of a transplant of a human heart, lung, liver, kidney, or pancreas.

## **BENEFITS**

### **Specified Critical Illness Benefit**

We will pay this benefit if you are diagnosed with one of the specified critical illnesses shown on the Rider Schedule if:

1. The Date of Diagnosis is after the Waiting Period;
2. The Date of Diagnosis is while this rider is in force; and
3. It is not excluded by name or specific description in this rider.

The critical illness benefit is payable only once during the insured's lifetime.

We will pay this benefit if an Insured Person is diagnosed with one of the Specified Critical Illnesses shown on the Certificate Schedule if:

1. The date of diagnosis is after the Waiting Period;
2. The date of diagnosis is while this Certificate and is in force; and
3. It is not excluded by name or specific description in this Certificate.

If the date of diagnosis of a Specified Critical Illness occurs during the Waiting Period, the Certificate may be returned for a full refund of premium.

The Certificate's Initial Maximum Benefit amount is shown in the Schedule.

We will figure the benefits for each Specified Critical Illness by multiplying:

1. The Benefit Amount; LESS
2. Any partial benefits paid.

Payment of benefits is subject to the following:

1. We will pay benefits for a Specified Critical Illness in the order the events occur.
2. No benefits are payable for each Specified Critical Illness after the first unless its date of diagnosis is separated from the prior Specified Critical Illness by at least 180 days.
3. Once benefits have been paid for a Specified Critical Illness, no additional benefits are payable for that same Specified Critical Illness unless the dates of diagnosis are separated by at least 12 months (12 treatment free for cancer).

## LIMITATIONS AND EXCLUSIONS

This rider contains a 30-day "waiting period". If a Covered Person is first diagnosed during the "waiting period", or, at your option, you may elect to void the Certificate from the beginning and receive a full refund of premium.

### EXCLUSIONS

We won't pay for loss due to:

1. Intentionally self inflicted injury or action.
2. Suicide or attempted suicide while sane.
3. Illegal activities or participation in an illegal occupation.
4. War -declared or undeclared or military conflicts, participation in an insurrection or riot, civil commotion or state of belligerence.
5. Under the influence of any narcotic unless prescribed to you by a physician.

### GENERAL PROVISIONS

1. This Rider is part of the Hospital Indemnity Certificate and will terminate when that Certificate terminates, or when premiums are no longer paid for this Rider.
2. The premium for this Rider is included in the premium shown in your certificate schedule.
3. This Rider is subject to all of the terms of the Hospital Indemnity Certificate to which it is attached unless any such items are inconsistent with the terms of this Rider.

**Signed for the Company at its Home Office.**

A handwritten signature in cursive script, appearing to read "Eugene C. Smith".

President







**ENROLLMENT FORM**

Post Office Box 427  
Columbia, South Carolina 29202 (800) 433-3036

For Home Office Use Only	
ID#	
Plan Code:	
Effective Date	

Member		Social Security Number / ID Number		Gender	Date of Birth
Street Address			City	State	Zip Code
Policyholder		Occupation		Location	Date of Hire
Hours worked per week	Daytime Phone Number	Beneficiary Name & Relationship			
<b>Are you actively at work?</b> <input type="checkbox"/> YES <input type="checkbox"/> NO					

**H.I. PLUS COVERAGE**

<input type="checkbox"/> Plan # _____		<b>Monthly Premium: \$</b> _____		Section 125: <input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Member Only		<input type="checkbox"/> Member + Spouse		<input type="checkbox"/> Member + Children	
				<input type="checkbox"/> Family	
<i>Please list all covered dependents (Spouse and/or Children) below:</i>					
	Name	Date of Birth		Name	Date of Birth
Spouse			Child		
Child			Child		
Child			Child		

To the best of my knowledge and belief, the answers to the questions on this application are true and complete. They are offered to Continental American Insurance Company as the basis for any insurance issued.

**CERTIFICATION:** The undersigned applicant has read the completed application and realizes that any false statement or misrepresentation in the application may result in loss of coverage under the certificate. I understand that no insurance will be in effect until my application is approved and the necessary premium is paid.

I authorize my policyholder to deduct the appropriate dollar amount from my earnings and to deduct and pay Continental American Insurance Company the premium required thereafter each pay period for my insurance.

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

Deduction Start Date \_\_\_\_\_

Date \_\_\_\_\_ Signature of Applicant: \_\_\_\_\_

Date \_\_\_\_\_ Signature of Agent: \_\_\_\_\_ State of Enrollment \_\_\_\_\_

***THIS IS NOT BASIC HEALTH INSURANCE OR MAJOR MEDICAL COVERAGE AND IS NOT DESIGNED AS A SUBSTITUTE FOR BASIC HEALTH INSURANCE OR MAJOR MEDICAL COVERAGE.***



2801 Devine Street, Columbia, South Carolina 29205  
Member: Continental American Insurance Group

### GROUP MASTER APPLICATION

Application is hereby made to: Continental American Insurance Company  
By:

<b>POLICYHOLDER / UNION / ASSOCIATION NAME</b>
<b>HOME OFFICE LOCATION (City and State)</b>

#### REPRESENTATIONS

<p><b>Class of Members Eligible for Coverage:</b> Regular _____ Members / members under age _____</p> <p>An eligible applicant is one who works _____ hours or more per week. An applicant must be Actively at Work on the date he/she applies and on the date his or her Certificate of Insurance is to become effective. An applicant must have completed _____ months of continuous service before being eligible.</p>
<p><b>The minimum number of enrolled Members necessary to keep the Group Policy in force is:</b></p>

#### COVERAGE REQUESTED

<input type="checkbox"/> <b>Group Hospital Indemnity</b>	Plan: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4
Optional Features: _____ The requested effective date: _____	
<i>Will this Group Hospital Indemnity Policy replace any existing Group Hospital Indemnity Policy?</i> <input type="checkbox"/> Yes <input type="checkbox"/> No	

#### GENERAL AGREEMENT:

The applicant agrees to transmit the total premiums under the group policy to Continental American Insurance Company at its Home Office when due. No agent or other person except an officer can make or change any contract or agreement on behalf of Continental American Insurance Company.

**Warning:** Any person who, with the intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

By	Date
Title	

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
 Filing Company: Continental American Insurance Company State Tracking Number: 43631  
 Company Tracking Number: 7521  
 TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
 Product Name: AR AWA HI Plus filing  
 Project Name/Number: AR AWA HI Plus filing/7521

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification <b>Comments:</b> <b>Attachment:</b> CAIC Readability Certificate.pdf	Approved-Closed	09/30/2009

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application <b>Bypass Reason:</b> see froms tab <b>Comments:</b>	Approved-Closed	09/30/2009

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> submission letter <b>Comments:</b> <b>Attachment:</b> Submission letter.pdf	Approved-Closed	09/30/2009

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> by laws <b>Comments:</b> <b>Attachment:</b> AWA-Bylaws.pdf	Approved-Closed	09/30/2009

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> articles of incorporation <b>Comments:</b> <b>Attachment:</b>	Approved-Closed	09/30/2009

SERFF Tracking Number: CAIC-126323441 State: Arkansas  
Filing Company: Continental American Insurance Company State Tracking Number: 43631  
Company Tracking Number: 7521  
TOI: H14G Group Health - Hospital Indemnity Sub-TOI: H14G.000 Health - Hospital Indemnity  
Product Name: AR AWA HI Plus filing  
Project Name/Number: AR AWA HI Plus filing/7521  
AWA-Articles of Incorp-bylaws.pdf

	<b>Item Status:</b>	<b>Status</b>
<b>Satisfied - Item:</b> AR checklist	Approved-Closed	<b>Date:</b> 09/30/2009
<b>Comments:</b>		
<b>Attachment:</b>		
ARKANSAS CHECKLIST~AWA.pdf		



**READABILITY CERTIFICATION**

I, James J. Hennessy, hereby certify that the following form has the following combined policy, certificate, rider and application readability score as calculated by the Flesch Reading Ease Test: **50**.

**Form**

<b>CA6500-MP IL</b>	<b>Master Policy</b>
<b>CA6500-CI IL</b>	<b>Certificate</b>
<b>CA6500-DCR IL</b>	<b>Children Rider</b>
<b>CA6500-DSR IL</b>	<b>Spouse Rider</b>
<b>HIP-6500 MA</b>	<b>Master Application</b>
<b>CA6500-EA</b>	<b>Enrollment Form</b>
<b>CIR06-REV</b>	<b>CI Rider</b>

---

James J. Hennessy, AIRC, ACP, CCP  
Vice President, Compliance, CAIC

September 29, 2009  
Date



**2801 Devine Street  
Columbia, South Carolina 29205**

September 29, 2009

Ms. Rosalind Minor  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201-1904

**Re: CONTINENTAL AMERICAN INSURANCE COMPANY NAIC 71730  
Affiliated Workers Association**

**Enclosed: Bylaws and Articles of Incorporation and approved IL forms**

Dear Ms. Minor,

We have a sales opportunity through an association called Affiliated Workers Association domiciled out of Illinois. We are submitting the bylaws, articles of incorporation, and approved Illinois forms approved by the IL department of insurance on December 18, 2006. We have researched this association and found it to be a valid, non-profit organization that is currently in good standing in Illinois.

Thank you for your consideration in this matter. If you have any questions please call Lindsay Morden at (888) 730-2244 extension 4335 or at [companycompliance@caicworksites.com](mailto:companycompliance@caicworksites.com).

Sincerely,

James J. Hennessy, AIRC, ACP, CCP  
Vice President, Compliance  
/lwm

**BYLAWS  
OF  
AFFILIATED WORKERS ASSOCIATION**

**ARTICLE 1.  
PURPOSES AND POWERS**

**1.01 Purposes.** As set forth in its Articles of Incorporation or any amendments thereto, the Corporation is formed for educational purposes. The term "educational" relates to the instruction, training or providing of information to the Corporation's members for the purpose of enhancing consumer awareness in areas related to finance, health, wellness, the environment and other human issues which make a difference in our world. The Corporation is further organized for any lawful purpose or purposes.

**1.02 Mission.** The mission of the Corporation, in keeping with its general purposes, is: (a) the fostering and promoting of education and research concerning the advantages and availability of suitable discounted medical, medically related, non-medical and other benefit and service programs in respect of its members; (b) the collection and dissemination of statistics and other relevant and reliable information, facts and data concerning the benefits, medical issues and other related matters; (c) the location and determination of suitable and appropriate benefits, medical and other related products and services needed and desired by members at efficient and reasonable costs; and (d) the providing of emails, internet websites, media, newsletters, conferences, meetings, seminars, forums and other means of effective communication to members and others concerning the purposes of the Corporation.

**1.03 Powers.** The Corporation shall possess all powers which a Corporation may have that is organized under the Illinois Non-Profit Corporation Act, as the same may from time to time be amended.

**1.04 Bylaws.** These bylaws shall govern and control the internal corporate affairs of the Corporation and guide the officers, directors and members of the Corporation in their efforts to promote the business and objectives of the Corporation.

**ARTICLE 2.  
PRINCIPAL OFFICE; REGISTERED OFFICE AND AGENT**

**2.01 Principal Office.** The principal office in the State of Illinois shall be at such place as the board of directors may from time to time designate by duly adopted resolution. The Corporation may also have an office or offices at such other place or places within or without the State of Illinois as the board of directors may from time to time designate or the business of the Corporation requires.

**2.02 Registered Office.** The Corporation shall have and continuously maintain in Illinois a registered office which may be, but need not be, the same as its principal office. The address of the registered office will be identical with the office of the registered agent of the Corporation. Such office will be continuously maintained within Illinois for the duration of the Corporation. The board of directors may from time to time change the address of its registered office by duly adopted resolution and submission of the appropriate forms to the Office of the Secretary of State.

**2.03 Registered Agent.** The Corporation shall have and continuously maintain in Illinois a registered agent, which agent may be an individual resident in Illinois whose business office is identical with such registered office, or a domestic Corporation, whether for profit or not for profit, or a foreign Corporation for profit or not for profit, authorized to transact business or to conduct its affairs in Illinois which has a business office identical with such registered office.

**2.04 Change of Registered Office or Agent.** The Corporation may change its registered office or change its registered agent, or both, upon filing in the office of the Secretary of State a statement setting forth such change. The change shall be authorized by the board of directors or by an officer so authorized by the board of directors. The registered agent shall be agent of the Corporation upon whom any process, notice or demand required or permitted by law to be served on the Corporation may be served.

**2.05 Resignation of Registered Agent.** Any registered agent may resign; however, the Corporation will not recognize the resignation of any registered agent appointed by it, or the discontinuance of any registered office, unless it receives a copy of such agent's resignation, or discontinuance of the registered office, as sent to the Office of the Secretary of State, such copy to be delivered or sent to the Corporation registered or certified mail, addressed to the principal office of the Corporation and directed to the attention of the secretary of the Corporation. A copy of such notice shall be delivered or mailed no later than the date of filing of the statement with the Office of the Secretary of State; and such statement of resignation, or discontinuance of the registered office, shall be effective on the earlier of the filing by the Corporation of an amendment to its annual registration statement designating a new registered agent, or registered office if discontinued, or the thirty-first (31<sup>st</sup>) day after the date on which the statement is filed.

### **ARTICLE 3. MEMBERS**

**3.01 Members.** The Corporation shall have members.

A. **Designation of Class of Members.** The Corporation shall have one (1) class of members which shall be designated as "*Individual Members*". The board of directors may change the class or classes of members at any time by an amendment to these bylaws. Nothing shall be construed as to create any employer-employee relationship between the Corporation and any member.

B. **Manner of Election or Appointment of Members of Each Class of Members.** The board of directors by resolution may create, change, eliminate or modify categories, divisions or sub-divisions within each class or classes of members. The board of directors may also determine additional or special qualifications for members in any such category, division or sub-division.

C. **General Qualifications of Members.** Membership in the Corporation shall be open to any individual consumer who is a United States citizen or has a lawful permanent residence in the United States ("Green Card"), is at least eighteen (18) years of age and has a valid Social Security Number. Members shall have a shared or common interest in having a need for the education, benefits, products and/or services offered by the Corporation and must subscribe to the purposes, principles and objectives of the Corporation. A spouse or domestic partner and/or the dependents of an active member may also be eligible for optional family membership benefits through the active member. The definition of "domestic partner" and "dependents" shall be set forth in the terms and conditions of the membership application or as determined by applicable state law.

**3.02 Application and Admission.** Application for membership shall be made in writing, by electronic message confirmation or by telephonic recording and shall contain such information as the Corporation may require. Each application shall be accompanied by an application or activation fee and monthly dues in amounts to be determined by the board of directors. A refund policy shall also be

determined by the board of directors in accordance with these bylaws and any applicable law.

**3.03 Programs, Services or Benefit Packages.** Programs, services or benefit packages offered to members in any class, category, division or sub-division may be determined by resolution of the board of directors or the officers of the Corporation. Programs, services or benefit packages are offered at the sole discretion of the Corporation and may vary by membership or availability and may be changed at any time.

**3.04 Active Member.** Any member who is not in default in the payment of dues for a period of one (1) month or more from the beginning of the period for which such dues become payable shall be an active member and shall be entitled to all of the rights, privileges and benefits provided to such members as so determined by the board of directors.

**3.05 Certificates or Cards Evidencing Membership.** The board of directors by duly adopted resolution may, but is not required, to provide for the issuance of certificates or cards evidencing membership in the Corporation. Such certificates or cards may be signed by the president, vice-president or executive director and by the secretary or an assistant secretary. The name and address of each member and the date of issuance of the certificate or card shall be entered in the records of the Corporation. If any certificate or card shall become lost, mutilated or destroyed, a new certificate or card may be issued upon such terms, provisions and conditions as the board of directors may determine.

**3.06 Voting Rights.** Each member of each class shall have full voting rights and shall be entitled to one vote.

**3.07 Termination of Membership.** Membership in the Corporation terminates upon the death of a member. A member shall also be automatically ineligible for membership and loses all privileges, rights and benefits of the Corporation when the member of any class shall be in default in the payment of dues for a period of one (1) month from the beginning of the period from which such dues became payable, unless the board of directors, in its discretion, extends the time for payment of dues. Termination for the failure to pay dues shall be effective retroactively to the date such dues were payable and no further notice of such termination shall be required, although it may be given. Furthermore, the board of directors may expel or suspend a member pursuant to a procedure, duly adopted by the board of directors, that is fair and reasonable and carried out in good faith. The expulsion or suspension of a member, or termination of a membership, does not relieve the member from obligations the member may have to the Corporation for dues, fees or charges for goods or services.

**3.08 Resignation.** Any member personally or through his duly authorized attorney-in-fact may resign by filing a written resignation with the secretary of the Corporation but such resignation shall not entitle such member to any refund of dues and the member shall immediately lose all privileges and rights of the Corporation.

**3.09 Reinstatement.** Upon written request signed by a former member and filed with the Corporation, the board of directors may reinstate such former member to membership in the Corporation upon such terms as the board of directors may deem appropriate.

**3.10 Transfer of Membership.** Membership in the Corporation is not transferable or assignable.

**3.11 Dues.** The board of directors shall from time to time determine the application or activation fees and the amount of dues payable to the Corporation by its members, classes of members or divisions of members. The board of directors may waive any application or activation fees or dues for

members.

**3.12 Payment of Dues.** Dues shall be payable monthly or annually, in advance, or in such other manner as the board of directors may so determine. The Corporation reserves the right to change the membership dues or fees after thirty (30) days notice in writing or by email to the member. A person may only enroll in one membership in the Corporation.

**3.13 Liability of Members.** The members shall not have ownership rights in the Corporation and shall not be personally liable for the debts, liabilities or obligations of the Corporation.

#### **ARTICLE 4. MEETINGS OF MEMBERS**

**4.01 Place of Meetings.** Meetings of members shall be held at the time and place, within or outside of the State of Illinois, stated in the notice of the meeting or in a waiver of notice.

**4.02 Annual Meeting.** An annual meeting of the members shall be held each year on a day and hour to be selected by the board of directors for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the board of directors fails to call the annual meeting at the designated time, a member of the Corporation may demand that the meeting be held within a reasonable time. The demand must be made in writing and sent to an officer of the Corporation by registered mail. If the annual meeting is not called within sixty-one (61) days after the date of demand, a member may compel the holding of such annual meeting by legal action directed against the board of directors, and each of the extraordinary writs of common law and of courts of equity are available to the member to compel the holding of the meeting. Failure to hold an annual meeting at the designated time does not result in the winding up and termination of the Corporation.

**4.03 Special Meetings.** Special meetings of the members of the Corporation may be called by the president, the secretary, the board of directors or by members having not less than one-tenth (1/10) of the votes entitled to be cast at such meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of the meeting.

**4.04 Notice of Meetings.** Notice of an annual meeting is not required. The Corporation may, however, provide written notice of the place, date, and time of a meeting of members of the Corporation and, if the meeting is a special meeting, the purpose or purposes for which the meeting is called. The notice shall be delivered to each member entitled to vote at the meeting not later than the 10<sup>th</sup> day and not earlier than the 60<sup>th</sup> day before the date of the meeting. Notice may be delivered personally, by mail, or by facsimile or electronic message. "Mailed" is considered to be delivered on the date notice is deposited in the United States mail with postage paid in an envelope addressed to the person at the person's address as it appears on the membership records. "Transmitted by facsimile or electronic message" is considered to be delivered when the facsimile or electronic message is successfully transmitted. If there are more than one thousand (1,000) members at the time a meeting is scheduled or called, notice may be given by publication in any newspaper of general circulation in the community in which the principal office of the Corporation is located or may be posted on the Corporation's general website.

**4.05 Quorum.** The members of the Corporation holding one tenth (1/10) of the votes entitled to be cast, in person or by proxy, constitute a quorum. The vote of the majority of the votes entitled to be cast by the members present, or represented by proxy, at a meeting at which a quorum is present, shall be the act of the members, unless the vote of a greater number is required by law, the articles or the bylaws. If, however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereat, present in person, shall have the power to adjourn the meeting from time to time,

without notice other than announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the original meeting. The members present at a duly constituted meeting may continue to transact business until adjournment, despite the withdrawal of enough members to leave less than a quorum.

**4.06 Voting Of Members.** Each member, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of members, except to the extent that the voting rights of members of any class or classes are limited, enlarged or denied by the articles or the bylaws.

**4.07 Proxies by Members.** A member may vote in person or by proxy executed in writing by the member or the member's attorney-in-fact. A member can revoke his proxy in writing at anytime by sending notice of such revocation to the Corporation. Any person who becomes a member shall execute an appropriate written proxy if such person desires to have any director or officer of the Corporation receive notice of and vote and act on said member's behalf in regard to any such meetings of the members. A proxy is not effective for voting purposes unless the original of the proxy is filed with the secretary of the Corporation at least ten (10) days before the meeting at which it is to be used.

**4.08 Meetings by Communications Equipment.** Members may participate in and hold a meeting by means of telephone conference or similar communications equipment in which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

**4.09 Action by Unanimous Written Consent.** Any action required to be or which may be taken at a meeting of the members of the Corporation may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the members entitled to vote with respect to the subject matter thereof, and then delivered to the Secretary of the Corporation for inclusion in the corporate record book. Such consent shall have the same force and effect as a unanimous vote of members at a meeting, and may be stated as such in any documents filed with the Secretary of State.

## **ARTICLE 5. DIRECTORS**

**5.01 Management by Board of Directors.** The business and affairs of the Corporation shall be managed by the Board of Directors who may exercise all such powers of the Corporation and do all such lawful acts as are not directed or required to be exercised by the members.

**5.02 Number, Term; Election.** The Board of Directors may not have fewer than three (3) or more than nine (9) directors, and shall consist of the number set by majority vote of the Board of Directors, which may be changed from time to time by resolution of the board of directors. Each director shall hold office for a term of twelve (12) months and shall be eligible for re-election. Directors shall be elected by plurality vote. Each director elected shall hold office for the term for which elected until his or her successor shall be elected and shall qualify, or until his or her earlier death, resignation or removal.

**5.03 Qualifications of Directors.** The qualification for becoming and remaining a Director of the Corporation are as follows:

- (a) directors must be residents of any state in the United States or the District of Columbia;

(b) notwithstanding the provisions of Section 3.01, any person serving as a director of the Corporation shall automatically be enrolled as an active member of the Corporation;

(c) proposed directors must be nominated by existing directors; and

(d) directors must attend at least seventy-five (75%) percent of the annual and special meetings of the board of directors.

**5.04 Change in Number.** The number of directors may be increased or decreased from time to time by vote of a majority of the Board of Directors, but no decrease shall have the effect of shortening the term of any incumbent Director. Any directorship required to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or at a special meeting of members called for that purpose.

**5.05 Removal; Resignation.** Any director may be removed either for or without cause at any special or annual meeting of members, by the affirmative vote of a majority in number of members present, in person or by proxy, at such meeting and entitled to vote for the election of such director if notice of intention to act upon such matter shall have been given in the notice calling such meeting. Any director may resign by giving written notice to the president or secretary. The resignation shall take effect at the time specified in the notice, or immediately if no time is specified. The acceptance of such resignation shall not be necessary to make it effective.

**5.06 Vacancies.** Any vacancies occurring in the Board of Directors for any reason may be filled by the affirmative vote of a majority of the remaining directors then in office though less than a quorum. Any director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. If there are no directors in office, then an election of directors may be held in the manner provided by law.

**5.07. First Meetings.** The first meeting of a newly elected Board shall be held without further notice immediately following the annual meeting of members, and at the same place, unless the time or place is changed by unanimous consent of the Directors then elected and serving.

**5.08 Regular Meetings.** Regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board.

**5.09 Special Meetings.** Special meetings of the Board of Directors may be called by the President on three days' notice to each Director. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two directors. The purpose of any special meeting of the board of directors shall be specified in the notice of such meeting.

**5.10 Quorum; Majority Vote.** At meetings of the board of directors a majority of the number of directors shall constitute a quorum for the transaction of business; provided, however, that a quorum shall not consist of less than fifty-one percent (51%) of the entire board of directors. The act of a majority of the directors present at a meeting at which a quorum is present will be the act of the board of directors unless a greater number is required by law, the articles or the bylaws. If a quorum is not present at a meeting of the board of directors, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. The board of directors shall keep minutes of its proceedings which shall be placed in the minute book of the Corporation.

**5.11 Action by Unanimous Written Consent.** Any action required to be or which may be taken at a meeting of the board of directors or any other committee of the board of directors of the Corporation may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors, or any other committee of the board of directors as the case may be, and then delivered to the Secretary of the Corporation for inclusion in the corporate record book. Such consent shall have the same force and effect as a unanimous vote of members at a meeting, and may be stated as such in any documents filed with the Secretary of State.

**5.12 Participation in Meetings by Use of Communications Equipment.** Any Director may participate in and hold a meeting of the directors by means of a conference telephone, or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

**5.13 Compensation.** By resolution of the board of directors, the directors may be paid their reasonable expenses (i.e. travel, meals, lodging and entertainment), if any, and may be paid a fixed sum for attendance at each meeting of the board of directors, or receive a stated fee as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefore. Members of the executive committee or of special or standing committees may, by resolution of the board of directors, be allowed like compensation for attending committee meetings.

**5.14 Minutes.** The board of directors shall keep regular minutes of its proceedings. The minutes shall be placed in the Corporate Record Book of the Corporation.

**5.15 Conflicts of Interest.** Any contract or other transaction between the Corporation and one or more of its directors, or between the Corporation and any firm in which one or more of its Directors are members or employees, or in which they are interested, or between the Corporation and any Corporation or association of which one or more of its Directors are shareholders, members, directors, officers or employees, or in which they are interested, shall be valid for all purposes, notwithstanding the presence of such Director or Director at the meeting of the Board of Directors of the Corporation which acts upon or in reference to such contract or transaction, and notwithstanding his or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors, and the Board of Directors shall, nevertheless, authorize, approve and/or ratify such contract or transaction by a vote of the majority of the Directors present, such interested Director or Directors to be counted in determining whether a quorum is present, but not to be counted in calculating a majority of such quorum necessary to carry such a vote.

**5.16 Limitation of Liability of Directors.** To the fullest extent permitted by Illinois law no governing person (director or officer) of the Corporation shall be liable to the Corporation or its members for monetary damages for an act or omission in such capacity except for liability arising out of (i) any breach of such person's duty of loyalty, if any, to the Corporation or its members; (ii) acts by or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; (iii) a transaction from which such person received an improper benefit, whether or not the benefit resulted from an action taken within the scope of such person's office or position; or (iv) an act by or omission of such person for which the liability is expressly provided for by statute. The foregoing elimination of the liability to the Corporation or its members for monetary damages should not be deemed exclusive of any other rights or limitations of liability or indemnity to which a person may be entitled under any other provision of the Certificate of Formation and Bylaws of the Corporation, contract or agreement, vote of members and/or disinterested directors, or otherwise.

## ARTICLE 6. OFFICERS

**6.01 Officers.** The officers of the Corporation shall be a president and a secretary and may include an executive vice-president as well as one or more vice-presidents (the number to be determined by the board of directors), a treasurer, or combination thereof, and such other officers, including an executive director, as may be elected in accordance with the provisions of this Article. The board of directors may elect or appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and perform such duties in the management of the Corporation as prescribed from time to time by the board of directors or as may be provided in these bylaws. Any two or more offices may be held by the same person, except for the offices of president and secretary.

**6.02 Officers to be Active Members.** Notwithstanding the provisions of Section 3.01, any person serving as an officer of the Corporation shall automatically be enrolled as an active member of the Corporation.

**6.03 Election and Term of Office.** The officers of the Corporation shall be elected by the board of directors at the annual meeting of the board of directors for a term of twelve (12) months. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

**6.04 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors at any meeting for the unexpired portion of the term. New offices may also be created and filled by the board of directors at any such meeting. An assistant or assistants to the elected officers may be made available as necessary upon authorization by the board of directors.

**6.05 President.** The president will be the chief executive officer of the Corporation and shall, subject to the control of the board of directors, supervise and control the business affairs of the Corporation. The president will perform all duties incident to such office and such other duties as may be provided in these bylaws or as may be prescribed from time to time by the board of directors. The board of directors shall delegate to the president the necessary authority and responsibility for the administration of the affairs of the Corporation subject only to such bylaws as may be adopted and such orders as may be issued by the board of directors relating to the operation of the Corporation and long range planning. The president shall be an ex-officio member of each directorial committee of the board of directors without a vote except the executive committee on which he shall serve with a vote, or, except as otherwise provided for in these bylaws or through a resolution of the board of directors. The president shall present a report at each annual meeting of the board of directors covering the operations of the Corporation during the preceding fiscal year.

**6.06 Executive Vice-President.** In the absence of the president, or in the event of his inability or refusal to act, the executive vice president, if one has been appointed, shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The executive vice president shall be the chief administrative and operating officer. He shall serve as secretary to the board of directors and cause to be prepared notices and minutes of meetings of the board. The executive vice president shall be a member of the board of directors and all committees. With the assistance of committee chairmen, he shall be responsible for the administration of all activities in accordance with the policies and regulations of the board of directors. The executive vice president shall be responsible for hiring, discharging, directing and supervising all employees.

**6.07 Vice-President.** In the absence of the president and executive vice president or in the event of their inability or refusal to act, the vice presidents, if any, in the order of their seniority, unless otherwise determined by the board of directors, shall, perform the duties of the president, and when so acting, shall have all the power of and be subject to all the restrictions upon the president. A vice president shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

**6.08 Treasurer.** The treasurer or assistant treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies received by the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the board of directors. The treasurer or assistant treasurer shall prepare and present quarterly a detailed financial statement of the financial affairs of the Corporation. All of the duties, responsibilities and obligations of the treasurer or assistant treasurer may be assigned to a qualified third person or entity by written agreement; however, under such circumstances, the treasurer or assistant treasurer shall retain ultimate responsibility for such functions.

**6.09 Secretary.** The secretary or assistant secretary of the Corporation shall keep the minutes of the meetings of the members, the board of directors and any committees in one or more books provided for that purpose, oversee that all notices are duly given in accordance with the provisions of these by-laws or as required by law, be custodian of the corporate records of the Corporation, oversee that the seal of the Corporation, if required, is affixed to all documents of the Corporation, keep a register of the mailing address of each member which shall be furnished to the secretary or assistant secretary by such member, and in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary or assistant secretary by the president or by the board of directors.

**6.10 Executive Director.** An executive director of the Corporation may be appointed at such time as the board of directors so designates. The executive director of the Corporation may be the chief administrative and operating officer of the Corporation and shall be selected by and report to the board of directors, which shall determine the term of his appointment as well as his duties and functions. The executive director of the Corporation shall carry out the purposes of the Corporation within the framework of the Articles of Incorporation, these by-laws, corporate policies and procedures, and the general and specific assignments given to him by the board of directors. The functions of the executive director shall include, but not be limited to, the following:

- a. selection, employment, and supervision of any employees of the Corporation as authorized by the president and the board of directors. All staff employed by the Corporation must meet required personnel standards as set forth in the personnel policies of the Corporation;
- b. coordination and implementation of planning activities according to an approved work program;
- c. attendance at all meetings of the board of directors and the Executive Committee, except as otherwise determined by the President;
- d. representing the board of directors in dealing with the public and with all governmental agencies, if required; and
- e. such other duties and responsibilities as may from time to time be delegated to him by the president or the board of directors.

**6.11 Removal of Officers.** Any officer elected or appointed to office may be removed by those persons authorized under these bylaws to elect or appoint such officers whenever in their judgment the best interests of this Corporation would be served. Such removal will be without prejudice to the contractual rights, if any, of the officer so removed. Any election or appointment of an officer shall not of itself create contract rights.

**6.12 Resignation of Officer.** Any officer may resign by giving written notice to the president or the board of directors. The resignation shall take effect at the time specified therein. The acceptance of such resignation shall not be necessary to make it effective.

**6.13 Compensation.** The compensation of officers of the Corporation, if any, shall be determined from time to time by the board of directors.

## **ARTICLE 7. COMMITTEES**

**7.01 Establishment of Committees.** The board of directors, by resolution duly adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two (2) or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the board of directors in the management of the Corporation. The designation of such committees and the delegation of authority thereto shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed on it or him by law.

**7.02 Executive Committee.** The board of directors may designate and appoint an executive committee which shall consist of no less than three (3) members of the board of directors and who each shall serve in such capacity for one (1) year, unless the board shall determine otherwise. The executive committee shall have the authority, those, duties, and exercise those powers as such are determined from time to time by the board by resolution duly adopted and not inconsistent with these bylaws. The executive committee shall have the authority of the board between its meetings, except for that business of the Corporation as can only be addressed by a majority of the board of directors at a meeting of said board. A majority of all the members of the executive committee may determine its action and fix the time and place of its meetings, unless the board shall otherwise provide. The board shall have the power at any time to change the number, powers, and members of the executive committee, to fill vacancies, and to discharge any such member of the executive committee.

**7.03 Benefits Review Committee.** The board of directors, by resolution duly adopted by a majority of the directors in office, may also designate a benefits review committee consisting of the president of the Corporation and at least two (2) other persons who are selected by the board of directors. The benefits review committee shall have the responsibility for locating and reviewing potential benefit programs for the different classes of members of the Corporation, and recommending such programs to the board of directors for its review, approval and adoption, if it believes it to be in the best interests of the members of the Corporation to do so. A majority of all the members of the benefits review committee may determine its action and fix the time and place of its meetings, unless the board of directors shall otherwise provide. The board of directors shall have the power at any time to change the number, powers, and members of the benefits review committee, to fill vacancies, and to discharge any such member of the benefits review committee.

**7.04 Other Committees.** Other committees not having and exercising the authority of the board of directors in the management of the Corporation may be designated and appointed by a resolution duly adopted by the board of directors or by the president if authorized by a resolution duly adopted by

the board of directors. Except as otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and the president of the Corporation shall appoint the members thereof. Any member may be removed by the person or persons authorized to appoint such member whenever in his or their judgment the best interests of the Corporation will be served by such removal. At least one member of each committee shall be a director of the Corporation. A majority of all members of such a committee may determine its action and fix the time and place of its meetings, unless the board of directors shall otherwise provide. The board of directors shall have the power at any time to change the number, powers and members of such a committee, to fill vacancies and to discharge any member of such a committee.

**7.05 Term of Office.** Each member of a committee shall continue as such until the next annual meeting of the board of directors, unless the committee shall be sooner terminated, or unless such member is removed from such committee or resigns. A member of any committee shall be eligible for re-appointment.

**7.06 Chairman.** One member of each committee shall be designated the chairman of such committee by the board of directors unless otherwise set forth in these bylaws.

**7.07 Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of original appointments.

**7.08 Quorum.** Unless provided in the resolution duly adopted by the board of directors designating a committee, a majority of the entire committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

## **ARTICLE 8. CONTRACTS, CHECKS, DEPOSITS AND FUNDS**

**8.01 Contracts.** The board of directors may authorize the officers or agents of the Corporation to enter into contracts or to execute and deliver documents in the name of and on behalf of the Corporation. Such authority shall be confined to specific instances. Such contracts may be for any purpose deemed by the board of directors to be appropriate, including the contracting with a third party for any or all management, operational, administrative, marketing, providing of member benefits and other services and functions necessary for the Corporation to achieve its purpose.

**8.02 Checks, Drafts and Other Orders for Payment.** All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation, and in such manner as shall from time to time be determined by duly adopted resolution of the board of directors. However, such responsibility may be assigned to a qualified third person or entity by written agreement.

**8.03 Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the board of directors may select.

**8.04 Gifts.** The board of directors may accept on behalf of the Corporation any contributions, gifts, bequests, or devise for the general purpose or for any special purpose of the Corporation.

**8.05 Loans.** The Corporation may, upon authorization of the board of directors, from time to time accept or negotiate loans of financial assistance to be repaid at such time as the Corporation is

reasonably able to repay.

## **ARTICLE 9. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**9.01 Indemnification of Directors and Officers.** Except as otherwise expressly provided by law or these bylaws, each director or officer, whether or not then in office, shall be indemnified by the Corporation against all expenses reasonably incurred by or imposed upon him in connection with or arising out of any proceeding in which he may be involved by reason of his being or having been a director or officer of the Corporation. The foregoing right of indemnification shall not be exclusive of other rights to which any director or officer may be entitled as a matter of law.

**9.02 Power to Indemnify.** The power to indemnify applies only if it is determined that the director or officer (a) acted in good faith, (b) reasonably believed that his conduct in his official capacity was in the Corporation's best interests, and in all other cases, that his conduct was at least not opposed to the Corporation's best interests, and (c) in the case of any criminal proceedings, did not have a reasonable cause to believe his conduct was unlawful.

**9.03 Limitations.** If the director or officer is found liable to the Corporation or is found liable because he improperly received a personal benefit, the indemnification in Section 9.01 (a) is limited to reasonable expenses (which shall not include a judgment, a penalty, a fine or tax) actually incurred by the person in connection with the proceeding and (b) may not be made in relation to a proceeding in which the person has been found liable for (i) willful or intentional misconduct in the performance of his duty to the Corporation, (ii) breach of his duty of loyalty owed to the Corporation or (iii) an act or omission not committed in good faith that constitutes a breach of duty owed by the person to the Corporation..

**9.04 Proceeding.** "Proceeding" means a threatened, pending or completed action or other proceeding, whether civil, criminal, administrative, arbitrative or investigative, an appeal of such an action or proceeding and an inquiry or investigation that could lead to such an action or proceeding.

**9.05 Expenses.** "Expenses" includes court costs, a judgment (including an arbitration award), a penalty, a settlement, a fine, and an excise or similar tax, including an excise tax assessed against the person with respect to an employee benefit plan and reasonable attorneys' fees that are reasonable and actually incurred by the person in connection with a proceeding.

**9.06 Determination of Indemnification.** A determination of indemnification under Section 9.01 (unless ordered by a court of competent jurisdiction) must be made:

1. by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding;
2. If such a quorum cannot be obtained, by a majority vote of a committee of the board of directors, designated to act in the matter by a majority vote of all directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding;
3. by special legal counsel selected by the board of directors or a committee of the board by vote as set forth in subsection 1 or 2 of this section; or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors; or
4. by the members in a vote that excludes the vote of directors who are named

defendants or respondents in the proceeding.

**9.07 Mandatory Indemnification.** The Corporation shall indemnify a director or officer against reasonable expenses actually incurred by him in connection with a proceeding in which he is a named defendant or respondent because he is or was a director or officer if he has been wholly successful, on the merits or otherwise, in the defense of the proceeding.

**9.08 Advancement of Reasonable Expenses.** Reasonable expenses incurred by a director or officer who was, is, or is threatened to be made a named defendant or respondent in a proceeding shall be paid or reimbursed by the Corporation, in advance of the final disposition of the proceeding and without the determination specified in Section 9.06, after the Corporation receives a written affirmation by the director or officer of his good faith that he has met the standard of conduct necessary for indemnification under this article and a written undertaking by or on behalf of the director or officer to repay the amount paid or reimbursed if it is ultimately determined that he has not met that standard or if it is ultimately determined that indemnification of the director or officer against expenses incurred by him in connection with that proceeding is prohibited under this article. The written undertaking must be an unlimited general obligation of the director or officer but need not be secured. It may be accepted without reference to financial ability to make repayment.

**9.09 Payment as Witness.** The Corporation shall pay or reimburse expenses incurred by a director, officer or employee in connection with his appearance as a witness or other participation in a proceeding by or against the Corporation at a time when he is not a named defendant or respondent in the proceeding.

**9.10 Insurance.** The Corporation may purchase and maintain insurance or enter into any other arrangement on behalf of any person who is or was a director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic Corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a person, whether or not the Corporation would have the power to indemnify him against that liability under this article. Without limiting the power of the Corporation to procure or maintain any kind of other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (a) create a trust fund; (b) establish any form of self-insurance; (c) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation; or (d) establish a letter of credit, guaranty, or surety arrangement.

**9.11 Exclusions.** No indemnification by the Corporation shall apply to (a) any claim arising out of bodily injury to, or sickness, disease or death of any person, or damage to or destruction of any property including the loss of use thereof, (b) any claim arising out of breach of fiduciary duty or obligation in connection with any employee welfare benefit plan or retirement plan, (c) any cross-claim or counterclaim brought by one director and/or officer against another director and/or officer, (d) any claim arising out of failure to effect or maintain any insurance or bond, (e) any claim arising out of acts of a knowingly discriminatory nature, (f) any claim arising out of a violation of the responsibilities, obligations or duties imposed by Internal Revenue Code of 1986, as amended, or similar statutory law of any state or other jurisdiction therein, or (h) any act committed by a director or officer prior to taking office.

**9.12 Notice.** A director or officer shall, as a condition precedent to indemnification hereunder, give written notice to the Corporation as soon as practicable of any claim made against him. The director or officer shall promptly forward to the Corporation any demand, notice or summons received by the

director or officer. Notice given by or on behalf of the director or officer to any authorized representative of the Corporation, with particulars sufficient to identify the director or officer, shall be deemed notice to the Corporation.

**9.13 Jurisdiction.** The indemnification hereunder only applies to acts committed by and suits brought against a director or officer in the United States of America, its territories or possessions or Canada.

**9.14 Cooperation.** The director or officer shall cooperate with the Corporation and, upon the Corporation's request, assist in making settlements and in the conduct of suits, including arbitration proceedings. The director or officer shall attend hearings, trials and depositions and shall assist in securing and giving evidence and obtain the attendance of witnesses. The director or officer shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expenses in any such proceedings.

**9.15 Liability.** No action shall lie against the Corporation unless, as a condition precedent thereto, the director or officer shall have fully complied with all the terms, provisions and conditions of this entire article nor until the amount of the obligation to pay shall have been finally determined either by judgment against the director or officer after actual trial, arbitration determination, or by written agreement of the director or officer and the claimant subject to the prior written consent of the Corporation. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover against the Corporation. No person or organization shall have the right to join the Corporation as a party to any action against the director or officer to determine the director's or officer's liability, nor shall the Corporation be interpleaded by the director or officer or their legal representative.

**9.16 Subrogation.** In the event of any payment under this article, the Corporation shall be subrogated to all the director's or officer's rights of recovery therefore against any person or organization, and the director or officer shall execute and deliver all instruments and papers and do whatever else is necessary to secure such rights. Any amount recovered in excess of the Corporation's total payment shall be restored to the director or officer, less the cost to the Corporation of recovery. This indemnification as proved shall apply only as excess over any valid and collectible insurance the director or officer may have.

**9.17 Effect of Amendment.** No amendment, modification or repeal of the articles on indemnification and insurance hereof shall in any manner terminate, reduce or impair the right of any past, present or future director or officer of the Corporation, nor the obligation of the Corporation to indemnify such directors, under and in accordance with the provisions of these articles as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

**9.18 Surety Bond.** Such officers and agents of the Corporation as the president, board of directors or the executive committee may designate from time to time, may be bonded for the faithful performance of their duties to the Corporation and for the restoration to the Corporation, in case of their death, resignation, retirement, disqualification or removal from office, of all books, papers, vouchers, money and other property of whatever kind in their possession or under their control belonging to the Corporation, in such amounts and by such surety companies as the president, board of directors or the executive committee may determine. The premiums on such surety bonds shall be paid by the Corporation and the bonds so furnished shall be in the custody of the secretary of the Corporation.

**ARTICLE 10.  
PROHIBITED ACTS**

**10.01 Dividends Prohibited.** A dividend may not be paid to, and no part of the income of the Corporation may be distributed to, the Corporation's members, directors or officers.

**10.02 Authorized Benefits and Distributions.** The Corporation may pay compensation in a reasonable amount to the members, directors or officers for services rendered and may confer benefits on its members in conformity with the Corporation's purposes.

**10.03 Loans To Directors Prohibited.** No loans shall be made by the Corporation to its directors.

**ARTICLE 11.  
DISSOLUTION AND DISTRIBUTION OF ASSETS**

**11.01 Voluntary Dissolution.** The Corporation may dissolve and commence to wind up its affairs. The board of directors shall adopt a resolution recommending that the Corporation be dissolved and directing that the question of such dissolution be submitted to a vote at an annual or special meeting of members having voting rights. A resolution to dissolve the Corporation shall be adopted upon receiving at least two-thirds (2/3) of the votes which members present at such meeting in person or by proxy are entitled to cast. Upon the adoption of such resolution by the members, the Corporation shall cease to conduct its affairs except in so far as may be necessary for the winding up thereof, shall immediately cause a notice of the proposed dissolution to be mailed to each known creditor of and claimant against the Corporation and shall proceed to collect its assets and apply and distribute them as provided in these bylaws or as allowed by law.

**11.02 Application and Distribution of Assets.** If in the process of dissolution, all valid and legally enforceable liabilities and obligations of the Corporation shall be paid, satisfied and discharged. In case the property and assets are not sufficient to satisfy or discharge all of the Corporation's valid and legally enforceable liabilities and obligations, the Corporation shall apply them so far as they will go to the just and equitable payment of the liabilities and obligations. Assets held by the Corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements. The remaining assets of the Corporation shall be distributed only for tax exempt purposes to one or more organizations which are exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding section of any future federal tax code, or which are described in Section 170(c)(1) or (2), Internal Revenue Code, under a plan of distribution adopted pursuant to applicable law. Any remaining assets not distributed under the plan of distribution shall be disposed of by a district court of the county in which Corporation's principal office is located exclusively to one or more exempt organizations described above. Any distribution by the court shall be made in such manner as, in the judgment of the court, will best accomplish the general purposes for which the Corporation was organized.

**ARTICLE 12.  
GENERAL PROVISIONS**

**12.01 Fiscal Year.** The fiscal year of the Corporation shall begin the first day of January and end on the last day of December in each year.

**12.02 Seal.** The corporate seal shall be in such form as may be prescribed by the board of directors. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any

manner reproduced.

**12.03 Books and Records.** The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors and committees having any authority of the board of directors and shall keep at its principal office a record of the names and addresses of its members entitled to vote. A member of the Corporation, on written demand stating the purpose of the demand, has the right to examine and copy, in person or by agent, accountant or attorney, at any reasonable time during normal business hours, for any proper purpose, the books and records of the Corporation relevant to that purpose, at the expense of the member. However, since membership information of the Corporation is a valuable and proprietary asset of the Corporation, such information may not be given or sold to, or be copied by, any member or his agent or attorney. The Corporation may be audited annually by certified public accountants selected by the board of directors.

**12.04 Amendment of Certificate of Formation.** A proposed amendment to the Certificate of Formation of the Corporation shall be adopted at a special or annual meeting of members called for such purpose, upon receiving at least two-thirds (2/3) of the votes which members present at such meeting in person or by proxy are entitled to cast at which a quorum is present.

**12.05 Amendment of Bylaws.** The bylaws may be altered, amended or repealed or new bylaws may be adopted upon receiving a vote of a majority of the board of directors present in person or by proxy at a special or annual meeting at which a quorum is present.

**12.06 Waiver of Notice.** Notice of a meeting is not required to be given to a member, director or member of a committee if the person entitled to notice signs a written waiver of notice of the meeting, regardless of whether the waiver is signed before or after the time of the meeting. Attendance at a meeting constitutes a waiver of notice of such meeting, unless the person participates in or attends the meeting solely to object to the transaction of business at the meeting on the ground that the meeting was not lawfully called or convened.

**12.07 Governing Law.** These bylaws shall be construed under and in accordance with the laws of the State of Illinois.

**12.08 Construction.** The gender of all words used in these bylaws includes the masculine, feminine, and neuter. Headings of all articles and sections are for reference purposes only and shall not constitute substantive matter to be considered in construing the terms of these bylaws.

**12.09 Counterparts.** These bylaws may be executed in any number of counterparts with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

**12.10 Procedures.** Parliamentary procedures for all meetings shall be conducted in accordance with the latest revised edition of Robert's Rules of Order, unless otherwise inconsistent with these bylaws or by resolution of the board of directors.

**CERTIFICATE OF SECRETARY**

The undersigned, being the duly elected Secretary of the Corporation, hereby certifies that the foregoing Bylaws were duly adopted, approved, authorized and ratified by the unanimous written consent of the Board of Directors of the Corporation and the same do now constitute the Bylaws of the Corporation.

Dated and Effective March 20, 2009.

  
\_\_\_\_\_  
Joey Ray, Secretary



# CONTINENTAL AMERICAN INSURANCE COMPANY

## GENERAL ASSOCIATION INFORMATION

Association Name <i>Affiliated Workers Association</i>		Date of Formation <i>1/2</i>
State of Domicile <i>Illinois</i>	Approximate # of members <i>25,000</i>	Members in NY or NH? <i>No</i>
Purpose of the Association: <i>Educational</i>		
Industry type (Ex: Trucking, Franchise, Security): <i>Business employers</i>		

## REGULATORY COMPLIANCE ASSOCIATION INFORMATION

Please attach the following documents to this Checklist:

- File stamped copies of the original executed Articles of Incorporation *See attached*
- Certificate of Good Standing (dated within 90 days) from the domicile state *See attached*
- Copies of Certificates of Authority from all foreign states where the association conducts business (See definition on back)
- Copy of the most recent Bylaws of the association *Gathering data; to be submitted later. See attached*
- A copy of the census if available *Not available*

Provide a complete description of all classes of members, including any sub-divisions of members:

## ASSOCIATION PLAN DETAILS AND MARKETING INFORMATION

How will the product be enrolled? *By enrollers*

How are the premiums and/or plans administered? *through contract with Homeland Health Care*

Are there other products in-force? *Yes*

Will the CAIC product replace an existing contract? If "yes" describe the in-force plan and any experience you have on the association block.  
*No*

**Certificate of Authority:**

A corporation or limited liability company is domestic to the state where it was formed. However, if you decide to open up an office in another state, with the express intent to transact business there, you might be required to obtain a **Certificate of Authority**. Without it, your business may be subject to fines and legal action by the state in which you would be illegally transacting business. In addition, you may forfeit many of your legal rights if you are not qualified to do business in that other state. If a Certificate of Authority is filed, the corporation or LLC is subject to taxes and annual report fees in both the state of formation and any states where the corporation or LLC is qualified.

In some states, Certificates of Authority are also known as Foreign Qualifications

2008R44564

STATE OF ILLINOIS  
MADISON COUNTY  
FILED FOR RECORD IN  
THE RECORDERS OFFICE

09/22/2008 12:06PM

FORM NFP 110.30 (rev. Dec. 2003)  
ARTICLES OF AMENDMENT  
General Not For Profit Corporation Act

Jesse White, Secretary of State  
Department of Business Services  
501 S. Second St., Rm. 350  
Springfield, IL 62756  
217-782-1832  
www.cyberdriveillinois.com

**FILED**

**JUL 9 - 2007**

**JESSE WHITE  
SECRETARY OF STATE**

**DANIEL R. DONOHOO  
RECORDER**

REC FEE: 18.00  
PAGES: 2

Remit payment in the form of a  
check or money order payable  
to Secretary of State.

18.00 CK# 4948

File # N6147-1898 Filing Fee: \$25 Approved: [Signature]

----- Submit in duplicate ----- Type or Print clearly in black ink ----- Do not write above this line -----

1. Corporate Name (See Note 1 on back.): American Workers Association

2. Manner of Adoption of Amendment:  
The following amendment of Articles of Incorporation was adopted on 6/21/07 in the manner  
indicated below (check one only):  
Month, Day & Year

- By affirmative vote of a majority of the directors in office, at a meeting of the board of directors, in accordance with Section 110.15. (See Note 2 on back.)
- By written consent, signed by all the directors in office, in compliance with Sections 110.15 and 108.45. (See Note 3 on back.)
- By members at a meeting of members entitled to vote by the affirmative vote of the members having not less than the minimum number of votes necessary to adopt such amendment, as provided by this Act, the Articles of Incorporation or the bylaws, in accordance with Section 110.20. (See Note 4 on back.)
- By written consent signed by members entitled to vote having not less than the minimum number of votes necessary to adopt such amendment, as provided by this Act, the Articles of Incorporation, or the bylaws, in compliance with Sections 107.10 and 110.20. (See Note 5 on back.)

3. Text of Amendment:  
(a.) When an amendment effects a name change, insert the new corporate name below. Use 3(b.) below for all other amendments. \*Article 1: The Name of the Corporation is:  
Affiliated Workers Association  
New Name

(b.) All amendments other than name change.  
If the amendment affects the corporate purpose, the amended purpose is required to be set forth in its entirety. If there is not sufficient space to add the full text of the amendment, attach additional sheets of this size.

Ret.  
NAC  
16476 Wild Horse Creek Rd.  
Chouteau, Mo.  
63107

The undersigned Corporation has caused this statement to be signed by a duly authorized officer who affirms, under penalties of perjury, that the facts stated herein are true and correct.

All signatures must be in BLACK INK.

Dated June 21, 07 American Workers Association  
Month Day Year Exact Name of Corporation

Patricia Gartner  
Any Authorized Officer's Signature  
Patricia Gartner President  
Name and Title (type or print)

5. If there are no duly authorized officers, the persons designated under Section 101.10(b)(2) must sign below and print name and title.

The undersigned affirms, under penalties of perjury, that the facts stated herein are true.

Dated \_\_\_\_\_  
Month & Day Year

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title (print)  
\_\_\_\_\_  
Name and Title (print)  
\_\_\_\_\_  
Name and Title (print)  
\_\_\_\_\_  
Name and Title (print)

NOTES

- 1. State the true and exact corporate name as it appears on the records of the Secretary of State BEFORE any amendment herein is reported.
- 2. Directors may adopt amendments without member approval only when the corporation has no members, or no members entitled to vote pursuant to §110.15.
- 3. Director approval may be:
  - a. by vote at a director's meeting (either annual or special), or
  - b. by consent, in writing, without a meeting.
- 4. All amendments not adopted under Sec. 110.15 require that:
  - a. the board of directors adopt a resolution setting forth the proposed amendment, and
  - b. the members approve the amendment.

- Member approval may be:
- a. by vote at a members meeting (either annual or special), or
  - b. by consent, in writing, without a meeting.

To be adopted, the amendment must receive the affirmative vote or consent of the holders of at least two-thirds of the outstanding members entitled to vote on the amendment (but if class voting applies, also at least a two-thirds vote within each class is required).

The Articles of Incorporation may supersede the two-thirds vote requirement by specifying any smaller or larger vote requirement not less than a majority of the outstanding votes of such members entitled to vote, and not less than a majority within each when class voting applies. (Sec. 110.20)

- 5. When member approval is by written consent, all members must be given notice of the proposed amendment at least five days before the consent is signed. If the amendment is adopted, members who have not signed the consent must be promptly notified of the passage of the amendment. (Sec. 107.10 & 110.20)

END OF DOCUMENT

2005R66636

FORM **NSP 110.30** (rev. Dec. 2003)  
ARTICLES OF AMENDMENT  
General Not For Profit Corporation Act

STATE OF ILLINOIS  
MADISON COUNTY  
FILED FOR RECORD IN  
THE RECORDERS OFFICE

11/23/2005 03:43PM

Jesse White, Secretary of State  
Department of Business Services  
Springfield, IL 62756  
Telephone (217) 782-1832  
http://www.cyberdriveillinois.com

**FILED**

**NOV 10 2005**

DANIEL R. DONOHOO  
RECORDER

REC FEE: 18.00  
PAGES: 2

Remit payment in the form of a check or money order payable to the Secretary of State. **JESSE WHITE SECRETARY OF STATE**

File # N 16147-1898

Filing Fee: \$25.00 Approved: *[Signature]*

1800  
1786

Submit in duplicate Type or Print clearly in black ink Do not write above this line

- Corporate name (Note 1): American Programmers Association
- Manner of adoption of amendment:  
The following amendment of Articles of Incorporation was adopted on 11-2-05 in the manner indicated below (Check one only):  
(Month, Day & Year)

- By affirmative vote of a majority of the directors in office, at a meeting of the board of directors, in accordance with Section 110.15. (Note 2)
- By written consent, signed by all the directors in office, in compliance with Sections 110.15 and 108.45 (Note 3)
- By members at a meeting of members entitled to vote by the affirmative vote of the members having not less than the minimum number of votes necessary to adopt such amendment, as provided by this Act, the articles of incorporation or the bylaws, in accordance with Section 110.20. (Note 4)
- By written consent signed by members entitled to vote having not less than the minimum number of votes necessary to adopt such amendment, as provided by this Act, the articles of incorporation, or the bylaws, in compliance with Sections 107.10 and 110.20. (Note 5)

- Text of amendment  
(a.) When an amendment effects a name change, insert the new corporate name below. Use 3 (b) below for all other amendments. \*Article 1: The name of the corporation is:  
American Workers Association *[Signature]*  
(New Name)

(b) All amendments other than name change.  
(If amendment affects the corporate purpose, the amended purpose is required to be set forth in its entirety.) If there is not sufficient space to add the full text of the amendment, add one or more sheets of this size.

(COMPLETE ITEM 4 OR, IF APPLICABLE, ITEM 5.) ALL SIGNATURES MUST BE IN BLACK INK.

*ENV*  
*Set:* NAC  
16476 Chesterfield Airport Rd  
Second Floor  
Chesterfield, MO 63017

4. The undersigned corporation has caused these articles to be signed by duly authorized officer, who affirms, under penalties of perjury, that the facts stated herein are true. (All signatures must be in **BLACK INK.**)

Dated November 2 2005 American Programmers Association  
(Month & Day) (Year) (Exact Name of Corporation)  
Monica Roy  
(Any Authorized Officer's Signature)  
Monica Roy, Vice President  
(Print Name and Title)

5. If there are no duly authorized officers, then the persons designated under Section 101.10(b)(2) must sign below and print name and title. The undersigned affirms, under penalties of perjury, that the facts stated herein are true.

Dated \_\_\_\_\_ (Month, Day & Year)

Signature	Print Name and Title
_____	_____
_____	_____
_____	_____

**NOTES**

**Note 1:** State the true and exact corporate name as it appears on the records of the Secretary of State, BEFORE any amendment herein reported.

**Note 2:** Directors may adopt amendments without member approval only when the corporation has no members, or no members entitled to vote pursuant to §110.15

**Note 3:** Director approval may be (1) by vote at a director's meeting (*either annual or special*) or (2) by consent, in writing, without a meeting.

**Note 4:** All amendments not adopted under Sec. 110.15 require (1) that the board of directors adopt a resolution setting forth the proposed amendment and (2) that the members approve the amendment.

Member approval may be (1) by vote at a members meeting (*either annual or special*) or (2) by consent, in writing, without a meeting.

To be adopted, the amendment must receive the affirmative vote or consent of the holders of at least 2/3 of the outstanding members entitled to vote on the amendment, (*but if class voting applies, then also at least a 2/3 vote within each class is required*).

The articles of incorporation may supersede the 2/3 vote requirement by specifying any smaller or larger vote requirement not less than a majority of the outstanding votes of such members entitled to vote and not less than a majority within each when class voting applies. (*Sec. 110.20*)

**Note 5:** When member approval is by written consent, all members must be given notice of the proposed amendment at least 5 days before the consent is signed. If the amendment is adopted, members who have not signed the consent must be promptly notified of the passage of the amendment. (*Sec. 107.10 & 110.20*)

**End Of Document**



# OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

NOVEMBER 10, 2005

6147-189-8

NATIONAL ADMINISTRATION COMPANY INC.  
16476 CHESTERFIELD AIRPORT RD  
CHESTERFIELD, MO 63017

RE AMERICAN WORKERS ASSOCIATION

DEAR SIR OR MADAM:

ENCLOSED YOU WILL FIND THE ARTICLES OF AMENDMENT FOR THE ABOVE NAMED CORPORATION.

FEES IN THIS CONNECTION HAVE BEEN RECEIVED AND CREDITED.

THE ENCLOSED DOCUMENT MUST BE RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY IN WHICH THE REGISTERED OFFICE OF THE CORPORATION IS LOCATED.

SINCERELY YOURS,

JESSE WHITE  
SECRETARY OF STATE

DEPARTMENT OF BUSINESS SERVICES  
CORPORATION DIVISION  
TELEPHONE (217) 782-6961

JW:CD

RECEIVED BY THE SECRETARY OF STATE NOV 10 2005 10 30 AM  
RECEIVED BY THE SECRETARY OF STATE NOV 10 2005 10 30 AM

**NATIONAL ADMINISTRATION COMPANY, INC.**

16476 CHESTERFIELD AIRPORT RD.  
CHESTERFIELD, MO 63017

ROYAL BANKS OF MISSOURI

SAINT LOUIS, MISSOURI  
MEMBER FDIC  
80-143/810

011707

11/3/2005

PAID TO THE  
ORDER OF Secretary of State

\$ **\*\*25.00**

Twenty-Five and 00/100

DOLLARS

Secretary of State  
Department of Business Services  
Springfield, IL 62756

*Alan K. Becker*

MEMO American Workers Association

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW

⑈011707⑈ ⑆081001439⑆ 00475661⑈01

NATIONAL ADMINISTRATION COMPANY, INC.

Secretary of State

American Workers Association

11/3/2005

011707

25.00

Checking

American Workers Association

25.00

Secretary of State

American Workers Association

11/3/2005

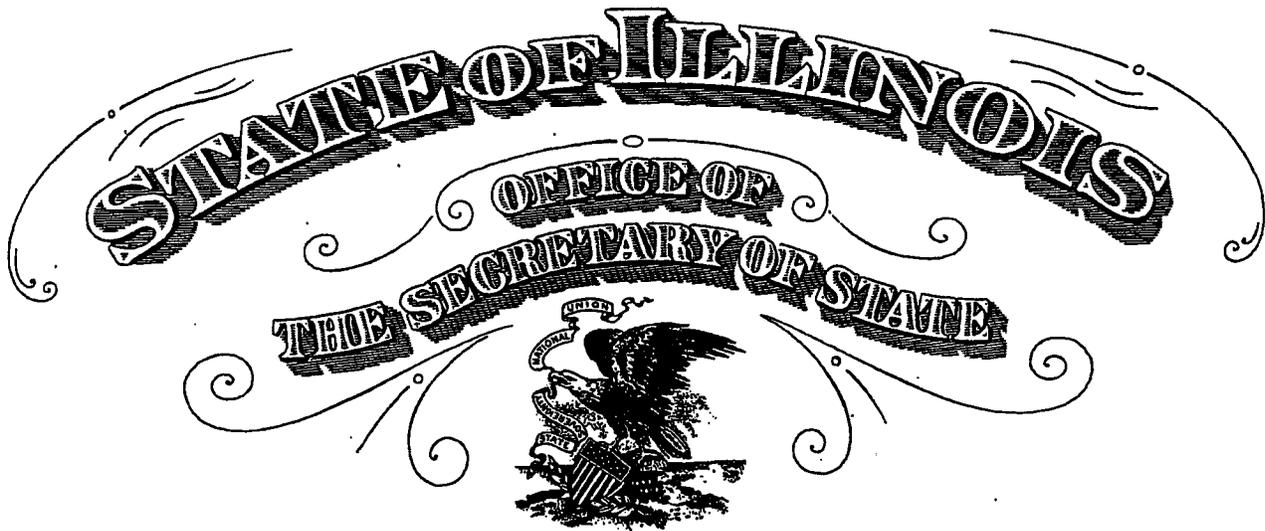
011707

25.00

Checking

American Workers Association

25.00



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

AMERICAN WORKERS ASSOCIATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE JANUARY 26, 2001, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS A DOMESTIC CORPORATION IN GOOD STANDING IN THE STATE OF ILLINOIS\*\*\*\*\*



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 14TH day of DECEMBER A.D. 2005

*Jesse White*

SECRETARY OF STATE

4640 4867

2004R16453

STATE OF ILLINOIS  
MADISON COUNTY  
FILED FOR RECORD IN  
THE RECORDERS OFFICE

03-23-2004 03:50:59 P

DANIEL R. DONOHOO  
RECORDER

DOC. FEE: 20.00  
PAGES: 6

File Number 6147-189-8

*en*  
*Set:*

*NAC, Inc.  
1819 Clarkson Rd.  
Suite 301  
Chesterfield, MO  
63017*

State of Illinois  
Office of  
The Secretary of State

Whereas,

ARTICLES OF INCORPORATION OF  
AMERICAN PROGRAMMERS' ASSOCIATION  
INCORPORATED UNDER THE LAWS OF THE STATE OF ILLINOIS HAVE BEEN  
FILED IN THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE  
GENERAL NOT FOR PROFIT CORPORATION ACT OF ILLINOIS, IN FORCE  
JANUARY 1, A.D. 1987.

Now Therefore, I, Jesse White, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate and attach hereto a copy of the Application of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, at the City of Springfield, this 26TH day of JANUARY A.D. 2001 and of the Independence of the United States the two hundred and 25TH



*Jesse White*

Secretary of State

NFR-102.10  
(Rev. Jan. 1999)

**FILED**

http://www.sos.state.il.us

JAN 26 2001

JESSE WHITE  
SECRETARY OF STATE

ARTICLES OF INCORPORATION

**SUBMIT IN DUPLICATE**

Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.P.A.'s check or money order, payable to "Secretary of State."

**DO NOT SEND CASH!**

4640 4868  
(Do Not Write in This Space)

Date 1-26-01

Filing Fee \$50

Approved *AS*

**PAID**

JAN 26 2001

TO: JESSE WHITE, Secretary of State

Pursuant to the provisions of "The General Not For Profit Corporation Act of 1986," the undersigned incorporator(s) hereby adopt the following Articles of Incorporation.

Article 1. The name of the corporation is: American Programmers' Association

Article 2. The name and address of the initial registered agent and registered office are:

Registered Agent CT CORPORATION SYSTEM  
 First Name Middle Name Last Name  
 Registered Office 208 S. LASALLE  
 Number Street (Do not use P.O. Box)  
CHICAGO IL 60604 County COOK  
 City ZIP Code

Article 3: The first Board of Directors shall be 3 in number, their names and residential addresses being as follows: (Not less than three)

Director's Names	Number	Street	Address City	State
Gary Johnston	2544	Christopher Oaks Ct.	St. Louis, MO	63129
Karen Boeker	13	Bordeaux Place	Lake St. Louis, MO	63367
Tracy MacIntosh	2720	Sunny Meadows Dr.	St. Charles, MO	63303

Article 4. The purposes for which the corporation is organized are: (49)

Educational

Is this corporation a Condominium Association as established under the Condominium Property Act?  
 Yes  No (Check one)

Is this corporation a Cooperative Housing Corporation as defined in Section 216 of the Internal Revenue Code of 1954?  Yes  No (Check one)

Is this a Homeowner's Association which administers a common-interest community as defined in subsection (c) of Section 9-102 of the code of Civil Procedure?  Yes  No

Article 5. Other provisions (please use separate page):

6147-1898

1-26

4640 4869

NAMES & ADDRESSES OF INCORPORATORS

Article 6.

The undersigned incorporator(s) hereby declare(s), under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.  
Dated JANUARY 22, 2001  
(Month & Day) (Year)

SIGNATURES AND NAMES

1. [Signature]  
Signature  
Gary Johnston  
Name (please print)
2. [Signature]  
Signature  
Karen Boeker  
Name (please print)
3. \_\_\_\_\_  
Signature  
Name (please print)
4. \_\_\_\_\_  
Signature  
Name (please print)
5. \_\_\_\_\_  
Signature  
Name (please print)

POST OFFICE ADDRESS

1. 2544 Christopher Oaks Ct.  
Street  
St. Louis, MO 63129  
City/Town State ZIP
2. 13 Bordeaux Place  
Street  
Lake St. Louis, MO 63367  
City/Town State ZIP
3. \_\_\_\_\_  
Street  
City/Town State ZIP
4. \_\_\_\_\_  
Street  
City/Town State ZIP
5. \_\_\_\_\_  
Street  
City/Town State ZIP

(Signatures must be in **BLACK INK** on original document. Carbon copied, photocopied or rubber stamped signatures may only be used on the true copy.)

- If a corporation acts as incorporator, the name of the corporation and the state of incorporation shall be shown and the execution shall be by its President or Vice-President and verified by him, and attested by its Secretary or an Assistant Secretary.
  - The registered agent cannot be the corporation itself.
  - The registered agent may be an individual, resident in this State, or a domestic or foreign corporation, authorized to act as a registered agent.
  - The registered office may be, but need not be, the same as its principal office.
  - A corporation which is to function as a club, as defined in Section 1-3.24 of the "Liquor Control Act" of 1934, must insert in its purpose clause a statement that it will comply with the State and local laws and ordinances relating to alcoholic liquors.
- FOR INSERTS - USE WHITE PAPER - SIZE 8 1/2 x 11

File No. \_\_\_\_\_

FORM NFP-102.10  
ARTICLES OF INCORPORATION  
under the  
GENERAL NOT FOR PROFIT  
CORPORATION ACT  
of \_\_\_\_\_

SECRETARY OF STATE  
DEPARTMENT OF BUSINESS SERVICES  
CORPORATION DIVISION  
SPRINGFIELD, ILLINOIS 62768  
TELEPHONE (217) 782-8522  
782-8523  
(These Articles Must Be Executed and Filed  
in Duplicate)

Filing Fee \$50  
C-157.11



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

JANUARY 26, 2001

6147-189-8

NATIONAL ADMINISTRATION COMPANY, INC.  
1819 CLARKSON RD  
CHESTERFIELD, MO 63017

RE AMERICAN PROGRAMMERS' ASSOCIATION

DEAR SIR OR MADAM:

ENCLOSED YOU WILL FIND THE CERTIFICATE OF INCORPORATION OF THE ABOVE NAMED CORPORATION. THE CORPORATION IS REQUIRED TO FILE AN ANNUAL REPORT EACH YEAR. BLANK FORMS WILL BE MAILED BY THIS OFFICE TO THE REGISTERED AGENT AS SHOWN BY OUR FILES APPROXIMATELY 60 DAYS PRIOR TO ITS ANNIVERSARY MONTH. (ORIGINAL DATE OF INCORPORATION).

THE REQUIRED FEE OF \$50.00 IN THIS CONNECTION HAS BEEN RECEIVED AND PLACED TO YOUR CREDIT.

THE CERTIFICATE MUST BE RECORDED IN THE OFFICE OF THE RECORDER OF THE COUNTY IN WHICH THE REGISTERED OFFICE OF THE CORPORATION IS LOCATED. FOR FURTHER INFORMATION CONTACT YOUR RECORDER OF DEEDS.

CERTAIN NOT FOR PROFIT CORPORATIONS ORGANIZED AS A CHARITABLE CORPORATION ARE REQUIRED TO REGISTER WITH THE OFFICE OF THE ATTORNEY GENERAL. UPON RECEIPT OF THE ENCLOSED ARTICLES OF INCORPORATION, YOU MUST CONTACT THE CHARITABLE TRUST DIVISION, OFFICE OF THE ATTORNEY GENERAL, 100 W. RANDOLPH, 3RD FLOOR, CHICAGO, ILLINOIS 60601 TELEPHONE (312) 814-2595.

SINCERELY,

*Jesse White*

JESSE WHITE  
SECRETARY OF STATE

DEPARTMENT OF BUSINESS SERVICES  
CORPORATION DIVISION  
TELEPHONE (217) 782-6961

JW:CD



0010326752

1662/0156 90 001 Page 1 of 3  
2001-04-20 15:04:41  
Cook County Recorder 25.50

File Number 6147-189-8

# State of Illinois Office of The Secretary of State

Whereas,

ARTICLES OF INCORPORATION OF  
AMERICAN PROGRAMMERS' ASSOCIATION  
INCORPORATED UNDER THE LAWS OF THE STATE OF ILLINOIS HAVE BEEN  
FILED IN THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE  
GENERAL NOT FOR PROFIT CORPORATION ACT OF ILLINOIS, IN FORCE  
JANUARY 1, A.D. 1987.

Now Therefore, I, Jesse White, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate and attach hereto a copy of the Application of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, at the City of Springfield, this 26TH day of JANUARY A.D. 2001 and of the Independence of the United States the two hundred and 25TH



*Jesse White*

Secretary of State

*SVE  
RSD  
MVER*

http://www.sos.state.il.us

**FILED**

JAN 26 2001

JESSE WHITE  
SECRETARY OF STATE

TO: JESSE WHITE, Secretary of State

**SUBMIT IN DUPLICATE**

Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.P.A.'s check or money order, payable to "Secretary of State."

**DO NOT SEND CASH!**

Date 1-26-01

Filing Fee \$50

Approved *B*

Pursuant to the provisions of "The General Not For Profit Corporation Act of 1986," the undersigned incorporator(s) hereby adopt the following Articles of Incorporation.

Article 1. The name of the corporation is: American Programmers' Association

Article 2: The name and address of the initial registered agent and registered office are:

Registered Agent CT CORPORATION SYSTEM  
 First Name Middle Name Last Name

Registered Office 208 S. KASALLE  
 Number Street (Do not use P.O. Box)  
CHICAGO IL 60604 COOK  
 City ZIP Code County

Article 3: The first Board of Directors shall be 3 in number, their names and residential addresses being as follows: (Not less than three)

Director's Names	Number	Street	Address City	State
Gary Johnston	2544	Christopher Oaks Ct.	St. Louis, MO	63129
Karen Boeker	13	Bordeaux Place	Lake St. Louis, MO	63367
Tracy MacIntosh	2720	Sunny Meadows Dr.	St. Charles, MO	63303

Article 4. The purposes for which the corporation is organized are:

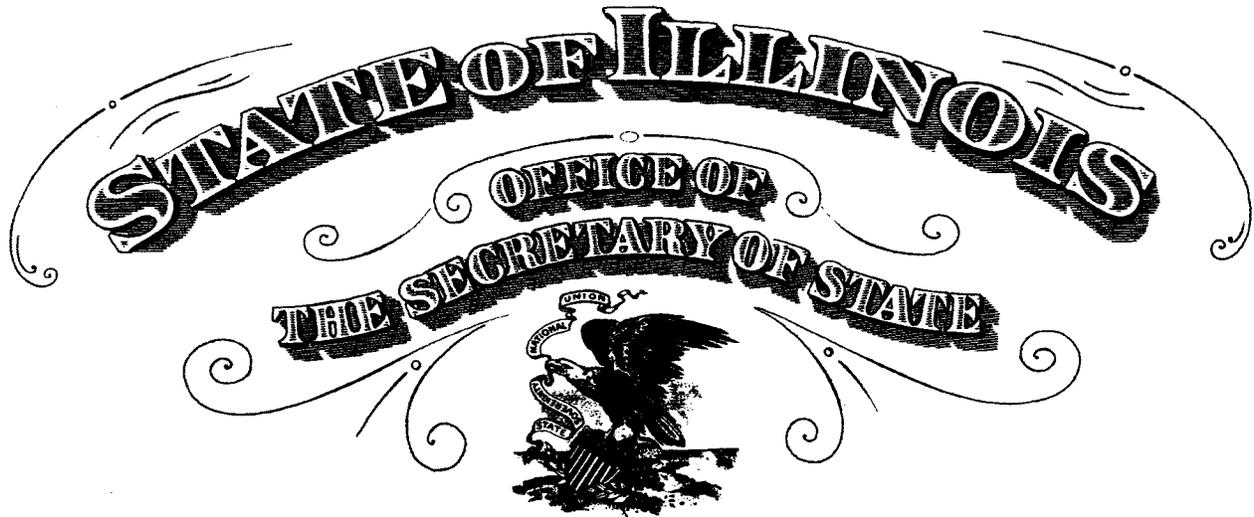
Educational

Is this corporation a Condominium Association as established under the Condominium Property Act?  
 Yes  No (Check one)

Is this corporation a Cooperative Housing Corporation as defined in Section 216 of the Internal Revenue Code of 1954?  Yes  No (Check one)

Is this a Homeowner's Association which administers a common-interest community as defined in subsection (c) of Section 9-102 of the code of Civil Procedure?  Yes  No

Article 5. Other provisions (please use separate page):



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that*

AFFILIATED WORKERS ASSOCIATION, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JANUARY 26, 2001, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



Authentication #: 0907501614

Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof,*** I hereto set  
*my hand and cause to be affixed the Great Seal of  
the State of Illinois, this 16TH  
day of MARCH A.D. 2009 .*

*Jesse White*

SECRETARY OF STATE

**BY-LAWS**  
**OF**  
**"AFFILIATED WORKERS ASSOCIATION"**

**ARTICLE I**  
**PURPOSES**

The purpose or purposes of "Affiliated Workers Association" ("association") is: "Educational" as stated in the Certificate of Incorporation; as well as any powers as are now or may hereafter be granted by the General Not-For-Profit Law of the State of Illinois.

**ARTICLE II**  
**OFFICES**

The Association shall have and continuously maintain in this state a registered office and a registered agent, and the registered office of the association shall be identical with that of its registered agent. The Association may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

**ARTICLE III**  
**MEMBERS**

**Section 1.** **Classes of Members.** The Association shall have two (2) classes of members. The designation of such classes and qualifications of the members of such classes shall be as follows:

1. Individual membership: The individual is entitled to participate in all benefit programs offered by the Association.
2. Family membership: The member and his spouse are entitled to participate in all benefit programs offered by the Association.

**Section 2.** **Voting Rights.** Each member of classes 1 and 2 shall be entitled to one vote on each matter submitted to a vote of the members by the Board of Directors. Voting may be in person or by proxy; provided that no proxy may be used for voting purposes unless the original of the proxy is filed with the Secretary of the Association at least seven (7) days before the meeting at which it is to be used.

**Section 3.** **Termination of Membership.** Any member who shall be in default in the payment of dues for the period fixed in Article XI of the By-Laws is automatically ineligible for membership and loses all privileges and rights of the Association, subject to the discretion of the Board of Directors to extend such time period for the payment of dues.

Section 4. Resignation. Any member may resign by filing a written resignation with the Secretary, but such resignation shall not entitle such member to any refund of dues and the member shall immediately lose all privileges and rights of the Association.

Section 5. Reinstatement. Upon written reapplication a former member may be reinstated to membership in the Association.

Section 6. Transfer of Membership. Membership in the Association is not transferable or assignable.

#### ARTICLE IV MEETINGS OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the members of the Association shall be held for the purpose of electing Directors and the transaction of any other business as may come before the meeting. The date of the annual meeting shall be determined by the Board of Directors.

Section 2. Special Meeting. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by law, may be called by the President and shall be called by the Secretary at the direction of a majority of the Board of Directors, or at the request in writing of members representing at least one hundred (100) votes entitled to be cast at such meeting.

Section 3. Place of Meeting. The Board of Directors may designate any place, within or without the State of Illinois as the place of meeting for any annual meeting. The President or the Board of Directors may designate any place within or without the State of Missouri as the place of the meeting for any special meeting. If no designation is made, the place of meeting shall be the registered office of the Association.

Section 4. Notice of Meetings. Written or printed notice stating the place, day and hour of any regular or special meeting of the Association members shall be delivered, either personally, by mail or through the internet, to each member, not less than seven (7) or more than forty (40) days before the date of such meeting, by or at the direction of the President, or Secretary, or the Board of Directors or person calling the meeting. In the case of special meetings, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of meeting shall be deemed delivered when deposited in the United States mail addressed to the member at this address as it

appears on the records of the Association, with postage thereon paid. Notice of meetings may be included in any publication that is distributed to the member.

Section 5. Quorum. There shall be no minimum number of members necessary to be present at any regular meeting or special meeting, in order to constitute a quorum. Those members present shall therefore constitute a quorum.

Section 6. Manner of Acting. The act of a majority of the members present at any regular or special meeting shall constitute the act of the members.

Section 7. Informal Action by Members. Upon approval by the directors, any action required to be taken at a meeting of the members of the Association or any other action which may be taken at a meeting, may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by a majority of the members with respect to the subject matter thereof.

Section 8. Parliamentary Procedures. Parliamentary Procedure for all meetings of members, directors, and committees shall be conducted in accordance with the latest revised edition of Robert's Rules of Order, unless otherwise inconsistent with these By-Laws.

Section 9. Voting. At all meetings of the members, each member of records shall be entitled to one (1) vote. A vote may be cast either orally or in writing in person or by proxy. A "member of record" is a person who is a member in good standing of the Association as of the close of business on a date, selected by the Board of Directors, not less than forty (40) days nor more than fifty (50) days before the date of the meeting (the "record date"). When a quorum is present at any meeting, the vote of the holders of a majority of members present shall decide any questions brought before such meeting, unless the questions are ones upon which, by express provision of law or of the Association's Articles of Incorporation, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 10. Matters Reserved to Membership Vote. The following matters shall be authorized only upon a vote "thereon" by the members at a meeting called to consider such matter:

1. An amendment to the Association's Articles of Incorporation;
2. The election of the Board of Directors; and

3. Any other matter which the Board of Directors, in their sole discretion, by resolution shall commit to a vote of the members.

## ARTICLE V BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the Association shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of directors shall be no fewer than three (3) and no more than twenty-five (25) and may be changed from time to time by resolution of the Board of Directors. The Board of Directors shall appoint a committee to nominate successor directors. The directors shall be elected at an annual meeting of the members, except as provided in Section 8 of this Article, and each director elected shall hold office until his successor is elected and qualified or until his earlier death, resignation or removal. Directors shall be residents of the United States of America and be members of the association.

Section 3. Regular Meetings. A regular annual meeting of the Board of Directors shall be held each year immediately after the annual meeting of the members of the Association for the purpose of electing officers and for the transaction of such other business as may come before the meeting. The regular annual meeting of directors shall be held without other notice than these By-Laws. The Board of Directors may provide by resolution the time and place, within or without the State of Missouri for the holding of additional regular meetings of the Board of Directors.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors. All special meetings shall be held at the registered office of the Association unless otherwise agreed upon by a majority of the Board of Directors in attendance at the meeting.

Section 5. Notice. Notice of any special meeting of the Board of Directors and the business to be transacted shall be given at least five (5) days previously thereto by written notice delivered personally, by mail or through the internet to each director at his address shown on the records of the Association. If notice be given by mail, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director. Any director may waive notice transaction of any business because the meeting is not lawfully called or convened. The purpose of any special meeting of the Board of Directors shall be specified in the notice of such meeting.

Section 6. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or these By-Laws.

Section 8. Vacancies. Vacancies created by the death, resignation, or removal of a director may be filled by a majority vote of the directors then in office though less than a quorum, and each director so chosen shall hold office until his successor is elected and qualified or until his earlier death, resignation or removal. A director may be removed at any time, with or without cause, by a vote of a majority of the remaining directors. If there are not directors in office, then an election of directors may be held in the manner provided by law. Newly created directorships shall be filled by election at an annual meeting or special meeting called for that purpose.

Section 9. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor upon approval by the Board.

Section 10. Telephonic Participation in Meeting. The members of the Board of Directors, or of any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 11. Action by Written Consent. Any action which is required to be or may be taken at a meeting of the directors, or of any committee of the directors, may be taken without a meeting if consents in writing, setting forth the action so taken are signed by all of the members of the Board of Directors or of the committee as the case may be. The consents shall have the same force and effect as a unanimous vote at a meeting duly held. The Secretary shall file the consents with the minutes of the meetings of the Board of Directors or of the committee as the case may be.

## ARTICLE VI OFFICERS

Section 1. Officers. The Officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Treasurer, a Secretary or combination thereof, and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The Officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled or new officers created and filled at any meeting of the Board of Directors. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any Officer or Agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President of the Association shall be the principal executive officer of the Association. He shall supervise and conduct the affairs of the Association in such manner as will best accomplish the purposes set forth in the Articles of Incorporation of the Association. He shall preside at all meetings of the Association members and the Board of Directors. He shall countersign all checks together with the Treasurer.

Section 6. Vice President. In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 7. Treasurer. The Treasurer or Assistant Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for monies received by the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VIII of these By-Laws.

Section 8. Secretary. The Secretary or Assistant Secretary of the Association shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records of the Association; see that the seal of the Association, if any, is affixed to all documents, the execution of which on behalf of the Association under its seal, if any, is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each member which shall be furnished to the Secretary or Assistant Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary or Assistant Secretary by the President or by the Board of Directors.

## ARTICLE VII COMMITTEES

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by the majority of the directors in office, may designate one or more committees, each of which shall consist of two (2) or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law. The President shall be an ex-officio member of all committees of directors.

Section 2. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association, and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association will be served by such removal. One member of each committee shall be a director.

Section 3 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of original appointments.

Section 4. Quorum. Unless provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 5. Rules. Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

#### ARTICLE VIII CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section 1. Contracts. The Board of Directors may authorize the officers or agents of the Association to enter into contracts or to execute and deliver documents in the name of and on behalf of the Association. Such authority shall be confined to specific instances. Such contracts may be for any purpose deemed by the Board of Directors to be appropriate, including the contracting with a third party for any or all administrative and other services and functions necessary for the Association to achieve its purpose.

Section 2. Checks, Drafts, Etc. All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by the resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or Vice President of the Association.

Section 3. Deposits. All funds coming into possession of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Association any contributions, gifts, bequests, or device for the general purpose or for any special purpose of the Association.

Section 5. Loans. The Association may, upon authorization of the Board of Directors, from time to time accept or negotiate loans of financial assistance to be repaid at such time as the Association is reasonably able to repay.

#### ARTICLE IX

## CERTIFICATES OF MEMBERSHIP

Section 1. Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or Vice President and shall be sealed with the seal of the Association, if any. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

Section 2. Issuance of Certificates. When a member has applied for and is eligible for membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued and delivered to him by the Secretary, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of Section 1 of this article.

## ARTICLE X BOOKS AND RECORDS

The Association shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any purpose at any reasonable time.

## ARTICLE XI DUES AND INITIATION FEE

Section 1. Annual Dues. The Board of Directors may determine from time to time the amount of annual dues payable to the Association by members of each class.

Section 2. Payment of Dues. Dues shall be payable in advance.

Section 3. Default and Termination of Membership. When any member of any class shall be in default in the payment of dues for a period of one month from the beginning of the period from which such dues became payable, such member shall be automatically dropped from membership unless the Board of Directors, in its discretion, extends the time for payment of dues.

Section 4. Initiation Fee. Each member may be required to pay, in addition to applicable dues, the amount of any initiation fee designated by the Board of Directors as a prerequisite to membership. The Board of Directors may provide that the initiation fee is waived for members who are part of a group where the sponsor pays a stated initiation fee on behalf of all group members.

ARTICLE XII  
FISCAL YEAR

The fiscal year of the Association shall begin the first day of January and end on the last day of December in each year.

ARTICLE XIII  
SEAL

The Board of Directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal".

ARTICLE XIV  
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not-For-Profit Corporation Law of Illinois under the provisions of the Articles of Incorporation or the By-Laws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XV  
AMENDMENT OF BY-LAWS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a two-thirds (2/3) majority of the directors present at any regular meeting or any special meeting, provided that at least seven (7) days' written notice is given of intention to alter, amend or repeal or to adopt new By-Laws at such meeting.

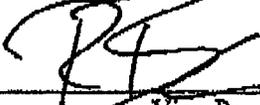
ARTICLE XVI  
INDEMNIFICATION

The Association shall provide for indemnification by the Association of any and all of its directors of officers or former directors or officers against expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding, in which they or any of them are made parties, or a party, by reason of having been directors or officers of the Association, except in relation to matters as to which such director or officer or former director or officer shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for gross negligence or misconduct.

ARTICLE XVII  
DISSOLUTION

The Association shall use its funds only to accomplish the objectives and purposes specified in these By-Laws, and no part of said funds shall inure, or be distributed, to the members of the Association: On dissolution of the Association any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board of Directors.

Bylaws adopted and approved this 21<sup>st</sup> day of June, 2007.

  
\_\_\_\_\_  
Vice-President

ARKANSAS  
CHECKLIST FOR APPROVAL OF ASSOCIATION

We have received your filing regarding the above named association/discretionary group. To determine if this organization is a qualified group under our statutes, please provide the answers to the following questions:

1. Name and address of the group.  
**Affiliated Workers Association (AWA)  
555 Republic Drive, Ste 200  
Plano, TX 75074**
2. Is this group incorporated? **Yes.** If so, give state of incorporation. **Illinois.**
3. Is there a current office in Arkansas?  
**The Registered Agent and Registered Office in the State of Arkansas is Corporate Creations Network, Inc., 3208 Asher Avenue, Little Rock, AR 72204. There are currently no other offices in Arkansas.**
4. Does the Arkansas part of the organization have any officers, committees, or chapters? If so, give details.  
**There are no officers, committees or chapters in Arkansas.**
5. Are annual dues charged? If so, specify amount.  
**Yes. The board of directors determines the amount of dues payable by the members. Currently the member pays \$75 for the first year's dues and administrative costs. Subsequent years are \$36 annually.**
6. What are the specific activities of the organization?  
**AWA is a membership organization and provides resources, products, services and education for its members on the advantages and availability of suitable, discount medical as well as a number of life style and medically related programs and services. The organization uses its group purchasing power to help reduce costs on routine and periodic expenses for its members.**
7. What benefits are provided to the members in addition to insurance? PLEASE ATTACH BROCHURES ON THE BENEFITS.  
**Benefits are comprised of health and lifestyle benefits that may include one or more of the benefits listed in the Specimen Brochure, which is attached and made a part of this Checklist. Some of these benefits are shopping service, movie tickets, theme parks, flowers, magazines, moving services, financial wellness, debt counseling services, dining discounts, fitness and wellness programs, travel programs, etc.**
8. What qualifies an individual for membership?  
**Membership in AWA shall be open to any individual consumer who is a United States citizen or has a lawful permanent residence in the United**

**States (“Green Card”), is at least eighteen (18) years of age and has a valid Social Security Number. Members shall further have a shared or common interest in having a need for the education, benefits, products and/or services offered by the Corporation and must subscribe to the purposes, principles and objectives of the Corporation. A spouse and/or dependents of an active member may also be eligible for optional family membership benefits through the active member.**

9. How are members recruited? If by mailing list, advise the source of this list.  
**Membership in AWA is marketed directly or through authorized marketing representatives or resellers who represent a wide variety of industries and organizations. If insurance is a component of a membership level, such marketing representatives or resellers will be licensed insurance agents. AWA does not use outbound call centers or mailing lists to solicit memberships.**
10. Attach a copy of the organization by-laws. **See attached.**
11. Also, enclose a list of dues paying members residing in Arkansas with full addresses. If the organization considers this privileged information, we will treat it as such and once it has served our purpose, it will be destroyed. **N/A**
12. Please attach a copy of the organization’s most recent financial statement. **See attached.**
13. Does the organization receive any compensation of any kind from the insurer issuing contracts to its members? **No.**

Approval of the organization as a qualified group for insurance purposes will be determined upon receipt of your reply.