

<i>SERFF Tracking Number:</i>	<i>IASL-126614108</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Sterling Investors Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>45611</i>
<i>Company Tracking Number:</i>	<i>SI 2010 AR FORMS</i>		
<i>TOI:</i>	<i>MS08I Individual Medicare Supplement - Standard Plans 2010</i>	<i>Sub-TOI:</i>	<i>MS08I.001 Plan A 2010</i>
<i>Product Name:</i>	<i>SI 2010 AR FORMS</i>		
<i>Project Name/Number:</i>	<i>SI 2010 AR FORMS/</i>		

Filing at a Glance

Company: Sterling Investors Life Insurance Company

Product Name: SI 2010 AR FORMS	SERFF Tr Num: IASL-126614108	State: Arkansas
TOI: MS08I Individual Medicare Supplement - Standard Plans 2010	SERFF Status: Closed-Approved- Closed	State Tr Num: 45611
Sub-TOI: MS08I.001 Plan A 2010	Co Tr Num: SI 2010 AR FORMS	State Status: Approved-Closed
Filing Type: Form/Rate	Author: Beth Clark	Reviewer(s): Stephanie Fowler
	Date Submitted: 05/07/2010	Disposition Date: 05/26/2010
		Disposition Status: Approved- Closed
Implementation Date Requested: On Approval		Implementation Date: 06/01/2010

State Filing Description:

General Information

Project Name: SI 2010 AR FORMS	Status of Filing in Domicile: Pending
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Group Market Size:
Overall Rate Impact:	Group Market Type:
Filing Status Changed: 05/26/2010	Explanation for Other Group Market Type:
	State Status Changed: 05/26/2010
Deemer Date:	Created By: Beth Clark
Submitted By: Beth Clark	Corresponding Filing Tracking Number:
Filing Description:	

This is a new filing to submit Medicare Supplement 2010 Standard Plans. These forms are being filed in compliance with the requirements of the Federal Medicare Improvements for Patients and Providers Act (MIPPA) and the State specific Medicare Supplement Regulation. We also submit an application, outline of coverage, application for reinstatement and an amendment to application.

We will continue to use the Replacement Notice, form number MSREPL200701 that was approved February 22, 2007.

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 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

These policies will be sold to individuals through independent agents and issued to persons eligible for Medicare with an effective date of June 1, 2010 and after.

Company and Contact

Filing Contact Information

Beth Clark, Compliance Analyst beth.clark@iasadmin.com
 8545 126th Avenue North 727-584-0007 [Phone] 2169 [Ext]
 Suite 200 727-584-5613 [FAX]
 Largo, FL 33773-1502

Filing Company Information

(This filing was made by a third party - insuranceadministrativesolutions)

Sterling Investors Life Insurance Company	CoCode: 89184	State of Domicile: Georgia
210 East Second Avenue, Suite 105	Group Code: -99	Company Type: Life and Health
Rome, GA 30161	Group Name:	State ID Number:
(706) 235-8706 ext. [Phone]	FEIN Number: 59-1838073	

Filing Fees

Fee Required? Yes
 Fee Amount: \$650.00
 Retaliatory? No
 Fee Explanation: 13 Forms @ \$50/Form
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Sterling Investors Life Insurance Company	\$650.00	05/07/2010	36307998

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Stephanie Fowler	05/26/2010	05/26/2010

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Stephanie Fowler	05/25/2010	05/25/2010	Beth Clark	05/26/2010	05/26/2010

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Medicare Supplement Plan G	Beth Clark	05/10/2010	05/10/2010

SERFF Tracking Number: IASL-126614108 *State:* Arkansas
Filing Company: Sterling Investors Life Insurance Company *State Tracking Number:* 45611
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TOI: MS08I Individual Medicare Supplement - *Sub-TOI:* MS08I.001 Plan A 2010
Standard Plans 2010
Product Name: SI 2010 AR FORMS
Project Name/Number: SI 2010 AR FORMS/

Disposition

Disposition Date: 05/26/2010

Implementation Date: 06/01/2010

Status: Approved-Closed

Comment: This approval is subject to the following:

- Increases will not be given more frequently than once in a twelve-month period;
- Both the insured and agent shall be notified by the insurer of its intention to increase the rate for renewal not less than thirty (30) days prior to the effective date of the renewal.

Rate data does NOT apply to filing.

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 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification	Accepted for Informational Purposes	Yes
Supporting Document	Application	Approved	Yes
Supporting Document	Health - Actuarial Justification	Approved	No
Supporting Document	Outline of Coverage	Approved	Yes
Supporting Document	Letter of Authorization	Accepted for Informational Purposes	Yes
Form (revised)	Medicare Supplement Plan A	Approved	Yes
Form	Medicare Supplement Plan A	Disapproved	Yes
Form (revised)	Medicare Supplement Plan B	Approved	Yes
Form	Medicare Supplement Plan B	Disapproved	Yes
Form (revised)	Medicare Supplement Plan C	Approved	Yes
Form	Medicare Supplement Plan C	Disapproved	Yes
Form (revised)	Medicare Supplement Plan D	Approved	Yes
Form	Medicare Supplement Plan D	Disapproved	Yes
Form (revised)	Medicare Supplement Plan F	Approved	Yes
Form	Medicare Supplement Plan F	Disapproved	Yes
Form (revised)	Medicare Supplement High Deductible Plan F	Approved	Yes
Form	Medicare Supplement High Deductible Plan F	Disapproved	Yes
Form (revised)	Medicare Supplement Plan G	Approved	Yes
Form	Medicare Supplement Plan G	Disapproved	Yes
Form	Medicare Supplement Plan G	Disapproved	Yes
Form (revised)	Medicare Supplement Plan M	Approved	Yes
Form	Medicare Supplement Plan M	Disapproved	Yes
Form (revised)	Medicare Supplement Plan N	Approved	Yes
Form	Medicare Supplement Plan N	Disapproved	Yes
Form	Application	Approved	Yes
Form	Outline of Coverage	Approved	Yes
Form	Reinstatement Application	Approved	Yes
Form	Amendment to Application	Approved	Yes
Rate	Rate Pages Plans A, B, C, D, F, HF, G, M and N	Approved	Yes

SERFF Tracking Number: IASL-126614108 State: Arkansas
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TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
Standard Plans 2010
Product Name: SI 2010 AR FORMS
Project Name/Number: SI 2010 AR FORMS/

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 05/25/2010
Submitted Date 05/25/2010
Respond By Date 06/25/2010

Dear Beth Clark,

This will acknowledge receipt of the captioned filing.

Objection 1

- Medicare Supplement Plan A, SIMSAI2010AR (Form)
- Medicare Supplement Plan B, SIMSBI2010AR (Form)
- Medicare Supplement Plan C, SIMSCI2010AR (Form)
- Medicare Supplement Plan D, SIMSDI2010AR (Form)
- Medicare Supplement Plan F, SIMSFI2010AR (Form)
- Medicare Supplement High Deductible Plan F, SIMSRI2010AR (Form)
- Medicare Supplement Plan M, SIMSMI2010AR (Form)
- Medicare Supplement Plan N, SIMSNI2010AR (Form)
- Medicare Supplement Plan G, SIMSGI2010AR (Form)

Comment: Page one, last paragraph - "The premium may..." needs to be removed. Premiums can only be increased on the policy's anniversary date, this statement makes it sound like the premiums can be raised at any time.

Please feel free to contact me if you have questions.

Sincerely,

Stephanie Fowler

SERFF Tracking Number: IASL-126614108 State: Arkansas
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 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
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 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 05/26/2010
 Submitted Date 05/26/2010

Dear Stephanie Fowler,

Comments:

Good Morning,

Response 1

Comments: The Guaranteed Renewable section has been revised. Premiums will only be increased on the Policy Anniversary Date.

Related Objection 1

Applies To:

- Medicare Supplement Plan A, SIMSAI2010AR (Form)
- Medicare Supplement Plan B, SIMSBI2010AR (Form)
- Medicare Supplement Plan C, SIMSCI2010AR (Form)
- Medicare Supplement Plan D, SIMSDI2010AR (Form)
- Medicare Supplement Plan F, SIMSFI2010AR (Form)
- Medicare Supplement High Deductible Plan F, SIMSRI2010AR (Form)
- Medicare Supplement Plan M, SIMSMI2010AR (Form)
- Medicare Supplement Plan N, SIMSNI2010AR (Form)
- Medicare Supplement Plan G, SIMSGI2010AR (Form)

Comment:

Page one, last paragraph - "The premium may..." needs to be removed. Premiums can only be increased on the policy's anniversary date, this statement makes it sound like the premiums can be raised at any time.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form	Edition	Form Type	Action	Action	Readability Attach
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SERFF Tracking Number: IASL-126614108 State: Arkansas
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 Company Tracking Number: SI 2010 AR FORMS
 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

	Number	Date		Specific Data	Score	Document
Medicare Supplement Plan A	SIMSAI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.000	SIMSAI20 10AR.pdf
Previous Version						
Medicare Supplement Plan A	SIMSAI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.000	SIMSAI20 10AR.pdf
Medicare Supplement Plan B	SIMSBI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.100	SIMSBI20 10AR.pdf
Previous Version						
Medicare Supplement Plan B	SIMSBI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.100	SIMSBI20 10AR.pdf
Medicare Supplement Plan C	SIMSCI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.200	SIMSCI20 10AR.pdf
Previous Version						
Medicare Supplement Plan C	SIMSCI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.200	SIMSCI20 10AR.pdf
Medicare Supplement Plan D	SIMSDI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.000	SIMSDI20 10AR.pdf
Previous Version						
Medicare Supplement Plan D	SIMSDI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.000	SIMSDI20 10AR.pdf
Medicare Supplement Plan F	SIMSFI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.200	SIMSFI20 10AR.pdf
Previous Version						
Medicare Supplement Plan F	SIMSFI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.200	SIMSFI20 10AR.pdf
Medicare Supplement High Deductible Plan F	SIMSR120 10AR		Policy/Contract/Fraternal Certificate	Initial	50.700	SIMSR120 10AR.pdf
Previous Version						
Medicare Supplement High Deductible Plan F	SIMSR120 10AR		Policy/Contract/Fraternal Certificate	Initial	50.700	SIMSR120 10AR.pdf
Medicare Supplement Plan G	SIMSGI20 10AR		Policy/Contract/Fraternal Certificate	Initial	50.200	SIMSGI20 10AR.pdf
Previous Version						

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 Product Name: SI 2010 AR FORMS
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Medicare Supplement	SIMSGI20	Policy/Contract/Fraternal	Initial	50.200	SIMSGI20
Plan G	10AR	Certificate			10AR.pdf
Medicare Supplement	SIMSGI20	Policy/Contract/Fraternal	Initial	50.200	SIMSGI20
Plan G	10AR	Certificate			10AR.pdf
Medicare Supplement	SIMSMI20	Policy/Contract/Fraternal	Initial	50.500	SIMSMI20
Plan M	10AR	Certificate			10AR.pdf
Previous Version					
Medicare Supplement	SIMSMI20	Policy/Contract/Fraternal	Initial	50.500	SIMSMI20
Plan M	10AR	Certificate			10AR.pdf
Medicare Supplement	SIMSNi20	Policy/Contract/Fraternal	Initial	51.100	SIMSNi20
Plan N	10AR	Certificate			10AR.pdf
Previous Version					
Medicare Supplement	SIMSNi20	Policy/Contract/Fraternal	Initial	51.100	SIMSNi20
Plan N	10AR	Certificate			10AR.pdf

No Rate/Rule Schedule items changed.

Thank you for your time with this review.

Sincerely,
 Beth Clark

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 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Amendment Letter

Submitted Date: 05/10/2010

Comments:

Plan G has been revised due to an error in the form number. It should be SIMSGI2010AR not SIMSGA2010AR.

Changed Items:

Form Schedule Item Changes:

Form Schedule Item Changes:

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
SIMSGI2010AR	Policy/Contr	Medicare act/Fraternal Supplement Certificate	Initial				50.200	SIMSGI2010AR.pdf

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 Company Tracking Number: SI 2010 AR FORMS
 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Form Schedule

Lead Form Number: SIMSAI2010AR

Schedule Item	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Approved 05/26/2010	SIMSAI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan A al Certificate	Initial		50.000	SIMSAI2010A R.pdf
Approved 05/26/2010	SIMSBI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan B al Certificate	Initial		50.100	SIMSBI2010A R.pdf
Approved 05/26/2010	SIMSCI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan C al Certificate	Initial		50.200	SIMSCI2010A R.pdf
Approved 05/26/2010	SIMSDI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan D al Certificate	Initial		50.000	SIMSDI2010A R.pdf
Approved 05/26/2010	SIMSFI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan F al Certificate	Initial		50.200	SIMSFI2010A R.pdf
Approved 05/26/2010	SIMSRI2010AR	Policy/Cont	Medicare ract/Fratern Supplement High al Deductible Plan F Certificate	Initial		50.700	SIMSRI2010A R.pdf
Approved 05/26/2010	SIMSGI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan G al Certificate	Initial		50.200	SIMSGI2010 AR.pdf
Approved 05/26/2010	SIMSMI2010AR	Policy/Cont	Medicare ract/Fratern Supplement Plan M	Initial		50.500	SIMSMI2010 AR.pdf

SERFF Tracking Number: IASL-126614108 State: Arkansas
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 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

al					
Certificate					
Approved	SIMSNI201	Policy/Cont Medicare	Initial	51.100	SIMSNI2010A
05/26/2010	0AR	ract/Fratern Supplement Plan N			R.pdf
al					
Certificate					
Approved	SIAPP2010	Application/ Application	Initial		SIAPP2010A
05/26/2010	AR	Enrollment			R.pdf
Form					
Approved	SIOC2010	Outline of Outline of Coverage	Initial		SIOC2010AR.
05/26/2010	AR	Coverage			pdf
Approved	SIREST201	Application/ Reinstatement	Initial		SIREST2010
05/26/2010	0AR	Enrollment Application			AR.pdf
Form					
Approved	SI-ATA	Other Amendment to	Initial		SI-ATA.pdf
05/26/2010		Application			

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN A

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION Attached

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN A

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE
[Rome, Georgia 30161]

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN B

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN B

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "B"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

GENERAL POLICY PROVISIONS CONTINUED

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

GENERAL POLICY PROVISIONS CONTINUED

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits Provision.

This Policy is signed for Sterling Investors Life Insurance by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN C

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN C

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sicknes and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sicknes; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Medicare Part B Deductible means the fixed amount You must pay each calendar year before Medicare starts paying Part B expenses. This amount is set each year by Medicare. Medicare does not pay this amount. A Calendar Year begins on January 1 and ends on December 31.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

DEFINITIONS CONTINUED

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "C"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medicare Part B Deductible: Coverage for all of the Medicare Part B Deductible amount per Calendar Year regardless of Hospital confinement.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN D

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION..... Attached

POLICYHOLDER INFORMATION

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Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN D

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "D"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN F

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN F

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Medicare Part B Deductible means the fixed amount You must pay each calendar year before Medicare starts paying Part B expenses. This amount is set each year by Medicare. Medicare does not pay this amount. A Calendar Year begins on January 1 and ends on December 31.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

DEFINITIONS CONTINUED

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "F"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medicare Part B Deductible: Coverage for all of the Medicare Part B Deductible amount per Calendar Year regardless of Hospital confinement.

Additional Benefits For Plan "F" Continued

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for all of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

GENERAL POLICY PROVISIONS CONTINUED

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

GENERAL POLICY PROVISIONS CONTINUED

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – HIGH DEDUCTIBLE PLAN F

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY CONTAINS AN ANNUAL DEDUCTIBLE

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION Attached

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. 10848]
[Clearwater, Florida 33757-8857]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY HIGH DEDUCTIBLE PLAN F

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Medicare Part B Deductible means the fixed amount You must pay each calendar year before Medicare starts paying Part B expenses. This amount is set each year by Medicare. Medicare does not pay this amount. A Calendar Year begins on January 1 and ends on December 31.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

DEFINITIONS CONTINUED

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Your Policy has an annual deductible that You must pay before any benefits are payable under the Policy. This deductible consists of Your out-of-pocket expenses, other than premiums, for services covered under the Policy. The annual deductible is in addition to any other specific deductibles stated in the Policy. The amount of the deductible is adjusted annually by the Secretary of the United States Department of Health and Human Services to reflect changes in the Consumer Price index.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For High Deductible Plan "F"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medicare Part B Deductible: Coverage for all of the Medicare Part B Deductible amount per Calendar Year regardless of Hospital confinement.

Additional Benefits For High Deductible Plan "F" Continued

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for all of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

GENERAL POLICY PROVISIONS CONTINUED

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us, Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

GENERAL POLICY PROVISIONS CONTINUED

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN G

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-640-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION Attached

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-640-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN G

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "G"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for one hundred percent (100%) of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN M

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN M

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "M"

Medicare Part A Deductible: Coverage for fifty percent (50%) of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for post-hospital Skilled Nursing Facility care eligible under Medicare Part A.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN N

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. Any change in Premium will occur on your Policy Anniversary Date. Your Policy Anniversary Date is the same month and day as the Policy Effective Date for each succeeding year this Policy remains in force. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION Attached

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN N

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Copayment is the fixed amount the Policy will not pay for specified Medicare Part B expenses after the Medicare Part B Deductible has been met. This Policy Copayment will change in accordance with applicable law and regulation. You are responsible to pay the Policy Copayments.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

DEFINITIONS CONTINUED

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible and copayment amounts described below. You are responsible to pay:

1. the lesser of the Policy Copayment or the Medicare Part B coinsurance/copayment for each covered health care provider office visit (including visits to medical specialists); and
2. the lesser of the Policy Copayment or the Medicare Part B coinsurance/copayment for each covered emergency room visit. The emergency room copayment will be waived if You are admitted to any Hospital and the emergency room visit is subsequently covered as a Medicare Part A expense.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "N"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for post-hospital Skilled Nursing Facility care eligible under Medicare Part A.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

GENERAL POLICY PROVISIONS CONTINUED

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

GENERAL POLICY PROVISIONS CONTINUED

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE COMPANY

Home Office: [Rome, Georgia]
Administration: [P.O. Box 10846]
[Clearwater, Florida 33757-8846]

APPLICATION FOR MEDICARE SUPPLEMENT COVERAGE

SECTION A. PROPOSED INSURED INFORMATION

Applicant Name *(exactly as it appears on your Medicare card)*

Resident Address

Phone *(with area code)*

City

State, Zip Code

Date of Birth *mm/dd/yyyy*

Current Age

Male Female

Social Security No

Medicare Card No

Email Address

Height *Feet and inches*

Weight *Pounds*

SECTION B. PLAN AND PREMIUM INFORMATION

Plan

Requested Policy Effective Date

Premium Collected \$

Initial Bank Draft: Issue Date Effective Date

Payment Mode: Monthly Bank Draft

Annual

Semi-Annual

Quarterly

SECTION C. PLEASE ANSWER ALL ELIGIBILITY QUESTIONS

- | | |
|--|--|
| 1. Have you used tobacco in any form in the past 12 months? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| 2. Are you covered under Medicare Part A? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If YES, what is your Part A effective date? / / | |
| If NO, what is your eligibility date? / / | |
| 3. Are you covered under Medicare Part B? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If YES, what is your Part A effective date? / / | |
| If NO, what is your eligibility date? / / | |
| 4. Are you applying during a guaranteed issue period? (If YES please attach proof of eligibility). | Yes <input type="checkbox"/> No <input type="checkbox"/> |

SECTION D. HEALTH QUESTIONS

If applying during Open Enrollment or a Guaranteed Issue period, go to SECTION F.

If not, PLEASE ANSWER ALL OF THE FOLLOWING QUESTIONS. If you answer YES to any of the following questions 1 - 14, you are not eligible for coverage.

1. Are you currently hospitalized or confined to a nursing facility; or, are you bedridden or confined to a wheelchair? Yes No
2. Have you been diagnosed with emphysema, Chronic Obstructive Pulmonary Disease (COPD) or other chronic pulmonary disorders? Yes No
3. Have you been diagnosed with Parkinson's Disease, Systemic Lupus, Myasthenia Gravis, Multiple or Lateral Sclerosis, Osteoporosis with fractures, Cirrhosis or kidney disease requiring dialysis? Yes No
4. Have you been diagnosed with Alzheimer's Disease, Senile Dementia, or any other cognitive disorder? Yes No
5. Have you been diagnosed with or treated for Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC)? Yes No
6. If you have diabetes, do you have any of the following conditions: diabetic retinopathy, peripheral vascular disease, neuropathy, any heart condition (including high blood pressure), or kidney disease? If you do **not** have diabetes, this question should be answered "NO." Yes No
7. Do you have diabetes that has ever required more than 50 units of insulin daily? Yes No
8. Within the past two years have you been treated for or been advised by a physician to have treatment for internal cancer, alcoholism, drug abuse, mental or nervous disorder requiring psychiatric care or have you had any amputation caused by disease? Yes No
9. Within the past two years have you been treated for or been advised by a physician to have treatment for heart attack, heart, coronary or carotid artery disease (not including high blood pressure), peripheral vascular disease, congestive heart failure or enlarged heart, stroke, transient ischemic attacks (TIA) or heart rhythm disorders? Yes No
10. Within the past two years have you been treated for degenerative bone disease, crippling/disabling or rheumatoid arthritis or have you been advised to have a joint replacement? Yes No
11. Have you been advised by a physician that surgery may be required within twelve (12) months for cataracts? Yes No
12. Have you been advised by a physician to have surgery, medical tests, treatment or therapy that has not been performed? Yes No
13. Have you been hospital confined three or more times in the last two years? Yes No
14. Have you had an organ transplant or been advised by a physician to have an organ transplant? Yes No

SECTION E. MEDICATION HISTORY

Are you taking or have you taken any prescription or over-the-counter medications within the past 12 months?

Yes No

If YES, please list the drug(s) and the condition(s) below. Attach a separate sheet if needed.

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

Medication Name (copy off pharmacy label)

Date **Originally** Prescribed

Dosage and Frequency

Diagnosis/Condition

SECTION F. FOR YOUR PROTECTION, the National Association of Insurance Commissioners require that we ask the following questions about insurance policies or certificates you may have.

If you lost or are losing other health insurance coverage and received a notice from your prior insurer saying you were eligible for guaranteed issue of a Medicare supplement insurance policy, or that you had certain rights to buy such a policy, you may be guaranteed acceptance in one or more of our Medicare supplement plans. Please include a copy of the notice from your prior insurer with your application. **PLEASE ANSWER ALL QUESTIONS.**

To the Best of Your Knowledge:

1. (a) Did you turn age 65 in the last six months? Yes No
 (b) Did you enroll in Medicare Part B in the last six months? Yes No
 (c) If YES, indicate your effective date. / /

2. Are you covered for medical assistance through the state Medicaid program? Yes No
 (NOTE TO APPLICANT: If you are participating in a "Spend-Down Program" and have not met your "Share of Cost," please answer NO to the above question.)
 If YES, answer (a) – (b) below.
 (a) Will Medicaid pay your premiums for this Medicare supplement policy? Yes No
 (b) Do you receive any benefits from Medicaid OTHER THAN payment toward your Medicare Part B premium? Yes No

3. Have you had coverage from any Medicare plan other than original Medicare within the past 63 days? (For example, a Medicare Advantage plan, or a Medicare HMO or PPO.) Yes No
 If YES, answer (a) – (g) below.
 (a) Name of Company _____
 Plan Type & Policy/Certificate No _____
 Company Telephone Number _____
 Coverage Dates: START DATE / /
 (if you are still covered under this plan, leave end date blank) END DATE / /
 (b) If you are still covered under the Medicare plan, do you intend to replace your current coverage with this new Medicare supplement policy? Yes No
 If YES, have you received a copy of the replacement notice? Yes No
 (c) Reason for termination/disenrollment? _____
 (d) Planned date of termination/disenrollment? / /
 (e) Was this your first time in this type of Medicare plan? Yes No
 (f) Did you drop a Medicare supplement or Medicare select policy/certificate to enroll in this Medicare plan? Yes No
 (g) Is your former Medicare supplement or Medicare select policy/certificate still available? Yes No

4. Do you have another Medicare supplement or Medicare select insurance policy in force? Yes No
 If YES, answer (a) – (d) below.
 (a) Name of Company _____
 Plan Type & Policy/Certificate No _____
 Company Telephone Number _____
 Issue Date / /
 (b) Do you intend to replace your current Medicare supplement or Medicare select policy/certificate with this policy? Yes No
 (c) Indicate termination date. / /
 (d) Have you received a copy of the replacement notice? Yes No

SECTION F. (continued)

5. Have you had coverage under any other health insurance within the past 63 days? (For example, an employer, union, or individual non-Medicare supplement plan.) Yes No
 If YES, answer (a) – (c) below.

(a) Name of Company _____
 Plan Type & Policy/Certificate No _____
 Company Telephone Number _____
 Coverage Dates: START DATE / /
 (if you are still covered under this plan, leave end date blank) END DATE / /
 (b) Reason for termination/disenrollment? _____
 (c) Planned date of termination/disenrollment? / /

This section to be completed only by an agent, if applicable.

Agents shall list any other health insurance policies they have sold to the applicant.

(1) List policies sold which are still in force.

Name of Company
Policy/Certificate Number
Description of Benefits
Effective Date of Coverage
Name of Company
Policy/Certificate Number
Description of Benefits
Effective Date of Coverage
Name of Company
Policy/Certificate Number
Description of Benefits
Effective Date of Coverage

(2) List policies sold in the past five (5) years which are no longer in force.

Name of Company
Policy/Certificate Number
Description of Benefits
Effective Date of Coverage
Name of Company
Policy/Certificate Number
Description of Benefits
Effective Date of Coverage
Name of Company
Policy/Certificate Number
Description of Benefits
Effective Date of Coverage

IMPORTANT STATEMENTS TO BE READ BY APPLICANT

- You do not need more than one Medicare supplement policy.
- If you purchase this policy, you may want to evaluate your existing health coverage and decide if you need multiple coverages.
- You may be eligible for benefits under Medicaid and may not need a Medicare Supplement Insurance Policy.
- If, after purchasing this policy, you become eligible for Medicaid, the benefits and premiums under your Medicare Supplement Insurance Policy can be suspended, if requested, during your entitlement to benefits under Medicaid for 24 months. You must request this suspension within 90 days of becoming eligible for Medicaid. If you are no longer entitled to Medicaid, your suspended Medicare supplement policy (or, if that is no longer available, a substantially equivalent policy) will be reinstated, if requested, within 90 days of losing Medicaid eligibility. If the Medicare supplement policy provided coverage for outpatient prescription drugs and you enrolled in Medicare Part D while your policy was suspended, the reinstated policy will not have outpatient prescription drug coverage, but will otherwise be substantially equivalent to your coverage before the date of suspension.
- If you are eligible for, and have enrolled in a Medicare supplement policy by reason of disability and you later become covered by an employer or union-based group health plan, the benefits and premiums under your Medicare supplement policy can be suspended, if requested, while you are covered under the employer or union-based group health plan. If you suspend your Medicare supplement policy under these circumstances, and later lose your employer or union-based group health plan, your suspended Medicare supplement policy (or, if that is no longer available a substantially equivalent policy) will be reinstated, if requested, within 90 days of losing your employer or union based group health plan. If the Medicare supplement policy provided coverage for outpatient prescription drugs and you enrolled in Medicare Part D while your policy was suspended, the reinstated policy will not have outpatient prescription drug coverage, but will otherwise be substantially equivalent to your coverage before the date of suspension.
- Counseling services may be available in your state to provide advice concerning your purchase of a Medicare Supplement Insurance policy and concerning medical assistance through the state Medicaid program, including benefits as a Qualified Medicare Beneficiary (QMB) and a Specified Low-Income Medicare Beneficiary (SLMB).

AUTHORIZATION AND CERTIFICATION

I hereby authorize any licensed physician, medical practitioner, hospital, clinic, laboratory, pharmacy, pharmacy benefit manager or other medical facility, insurance or reinsurance company, Medical Information Bureau (MIB), consumer reporting agency, Division of Motor Vehicles, the Veterans Administration or other medical or medically-related facility, insurance company or Medicare, that has any records or knowledge of me or my health to give Sterling Investors Life Insurance Company, or its reinsurers, any such information. I understand that I am authorizing Sterling Investors Life Insurance Company to receive my health information and prescription drug usage history. The released information received by Sterling Investors Life Insurance Company will remain protected by federal and/or state regulations as long as it is maintained by the health plan. Any information that is disclosed pursuant to this authorization may be redisclosed as provided herein or as required or authorized by law and may then no longer be covered by federal rules governing privacy and confidentiality of health information. Medical information will not be used to decline coverage if I am applying during an open enrollment or guaranteed issue period.

I understand that the information requested is necessary for evaluation and underwriting of my application for the Medicare Supplement Insurance Policy for which I have applied; to determine eligibility for insurance, risk rating or policy issue determinations; obtain reinsurance; administer claims and determine or fulfill responsibility for coverage and provision of benefits; and to conduct other legally permissible activities that relate to any coverage I have, or have applied for, with Sterling Investors Life Insurance Company. I understand that telephone interviews may be a part of the application process and that any information obtained from such telephone interviews may be used to decline my application for coverage. I understand that failure to provide the authorization to Sterling Investors Life Insurance Company *will* result in the rejection of the Medicare Supplement Insurance Policy coverage. I understand that I may revoke this authorization at any time by notifying Sterling Investors Life Insurance Company in writing at their Medicare Supplement Administrative Office: [P.O. Box 10846, Clearwater, Florida 33757-8846]. I understand that such revocation will not have any effect on actions Sterling Investors Life Insurance Company took prior to their receiving the revocation notice. I understand that this authorization will be valid for twenty-four (24) months from the date signed if used in connection with an application for an insurance policy, reinstatement of an insurance policy, or change in policy benefits. A photocopy of this authorization will be treated in the same manner as the original. I understand that I or my authorized representative am entitled to a copy of this authorization.

To the best of my knowledge and belief, all of the answers to the questions contained in this application are true and complete and I understand and agree that: (a) the insurance shall not take effect until my Medicare coverage is effective, the application has been accepted and approved by the Company, the first premium has been paid, and the policy has been delivered to the applicant; and (b) oral statements between the agent and myself are not binding on the Company unless accepted by the Company in writing. The undersigned applicant certifies that the applicant has read, or had read to him, the completed application and that he realizes that any false statements or misrepresentations therein material to the risk may result in loss of coverage under the policy to which this application is a part. I understand that any change in my health history prior to delivery of this policy may be used in the underwriting evaluation process.

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

I wish to apply for a Medicare supplement insurance policy. I acknowledge that I have received or been given access to review or print: (a) an Outline of Coverage for the policy applied for, and (b) a "Guide to Health Insurance for People with Medicare."

Signed at: _____
State Applicant's Signature Date

This section to be completed only by an agent, if applicable.

Signed at: _____
State Agent's Signature Date

Policy Mailing Preference: Mail to Agent Mail to Applicant

STATE MUTUAL INSURANCE COMPANY
Outline of Medicare Supplement Coverage
Benefit Plans A, B, C, D, F, G, M, N and High Deductible Plan F
Benefit Chart of Medicare Supplement Plans Sold for Effective Dates on or After June 1, 2010

This chart shows the benefits included in each of the standard Medicare supplement plans. Every company must make Plan “A” available. Some plans may not be available in your state. [Plans E, H, I, and J are no longer available for sale.]

Basic Benefits:

- Hospitalization – Part A coinsurance plus coverage for 365 additional days after Medicare benefits end.
- Medical Expenses – Part B coinsurance (generally 20% of Medicare-approved expenses) or copayments for hospital outpatient services. Plans K, L, and N require insureds to pay a portion of Part B coinsurance or copayments.
- Blood – First three pints of blood each year.
- Hospice – Part A coinsurance

A	B	C	D	F	F*	G	K	L	M	N
Basic, including 100% Part B coinsurance	Basic, including 100% Part B coinsurance*		Basic, including 100% Part B coinsurance	Hospitalization and preventive care paid at 100%; other basic benefits paid at 50%	Hospitalization and preventive care paid at 100%; other basic benefits paid at 75%	Basic, including 100% Part B coinsurance	Basic, including 100 % Part B coinsurance except up to \$20 copayment for office visit, and up to \$50 copayment for ER			
		Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance		Skilled Nursing Facility Coinsurance	50% Skilled Nursing Facility Coinsurance	75% Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance	Skilled Nursing Facility Coinsurance
	Part A Deductible	Part A Deductible	Part A Deductible	Part A Deductible		Part A Deductible	50% Part A Deductible	75% Part A Deductible	50% Part A Deductible	Part A Deductible
		Part B Deductible		Part B Deductible						
				Part B Excess (100 %)		Part B Excess (100%)				
		Foreign Travel Emergency	Foreign Travel Emergency	Foreign Travel Emergency		Foreign Travel Emergency			Foreign Travel Emergency	Foreign Travel Emergency
							Out-of-pocket limit [\$4620] paid at 100% after limit reached	Out-of-Pocket limit [\$2310] paid at 100% after limit reached		

*Plan F also has an option called a high deductible Plan F. This high deductible plan pays the same benefits as Plan F after one has paid a calendar year \$[2000] deductible. Benefits from high deductible plan F will not begin until out-of-pocket expenses exceed \$[2000]. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the Policy. These expenses include the Medicare deductibles for Part A and Part B, but do not include the plan’s separate foreign travel emergency deductible.

Effective [mmddyyyy]

STERLING INVESTORS LIFE INSURANCE COMPANY

[RATES]

PREMIUM INFORMATION

Sterling Investors Life Insurance Company may change your premium on any premium due date if a new table of rates is applicable to the policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as sex, underwriting class, state and zip code of residence.

DISCLOSURES

Use this outline to compare benefits and premiums among policies.

[This outline shows benefits and premiums of Policies sold for effective dates on or after June 1, 2010. Policies sold for effective dates prior to June 1, 2010 have different benefits and premiums. Plans E, H, I, and J are no longer available for sale.]

READ YOUR POLICY VERY CAREFULLY

This is only an outline describing your Policy's most important features. The Policy is your insurance contract. You must read the Policy itself to understand all of the rights and duties of both you and Sterling Investors Life Insurance Company.

RIGHT TO RETURN POLICY

If you find that you are not satisfied with your Policy, you may return it to: Sterling Investors Life Insurance Company, Medicare Supplement Administration, [P.O. Box 10848, Clearwater, Florida 33757-8848]. If you send the Policy back to us within 30 days after you receive it, we will treat the Policy as if it had never been issued and return all of your payments.

POLICY OR POLICY REPLACEMENT

If you are replacing another health insurance policy or Policy, do NOT cancel it until you have actually received your new Policy and are sure you want to keep it.

NOTICE

This Policy may not fully cover all of your medical costs. Neither Sterling Investors Life Insurance Company nor its agents are connected with Medicare. This outline of coverage does not give all the details of Medicare coverage. Contact your local Social Security Office or consult *Medicare and You* for more details.

COMPLETE ANSWERS ARE VERY IMPORTANT

When you fill out the application for the new Policy, be sure to answer truthfully and completely all questions about your medical and health history. Sterling Investors Life Insurance Company may cancel your Policy and refuse to pay any claims if you leave out or falsify important medical information.

Review the application carefully before you sign it. Be certain that all information has been properly recorded.

Please refer to your Policy for details.

PLAN A

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
<p>HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days</p> <p>61st thru 90th day 91st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days</p>	<p>All but \$[1100]</p> <p>All but \$[275] a day</p> <p>All but \$[550] a day</p> <p>\$0</p> <p>\$0</p>	<p>\$0</p> <p>\$[275] a day</p> <p>\$[550] a day</p> <p>100% of Medicare eligible expenses</p> <p>\$0</p>	<p>\$[1100] (Part A deductible) \$0</p> <p>\$0</p> <p>\$0**</p> <p>All costs</p>
<p>SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital</p> <p>First 20 days 21st thru 100th day 101st day and after</p>	<p>All approved amounts</p> <p>All but \$[137.50] a day</p> <p>\$0</p>	<p>\$0</p> <p>\$0</p> <p>\$0</p>	<p>\$0</p> <p>Up to \$[137.50] a day</p> <p>All costs</p>
<p>BLOOD First 3 pints Additional amounts</p>	<p>\$0</p> <p>100%</p>	<p>3 pints</p> <p>\$0</p>	<p>\$0</p> <p>\$0</p>
<p>HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.</p>	<p>All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care</p>	<p>Medicare copayment/coinsurance</p>	<p>\$0</p>

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN A

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician’s services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	\$0 Generally 80%	\$0 Generally 20%	\$[155] (Part B deductible) \$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	\$0	All costs
BLOOD First 3 pints Next \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	\$0 \$0 80%	All costs \$0 20%	\$0 \$[155] (Part B deductible) \$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

PARTS A & B

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES — Medically necessary skilled care services and medical supplies — Durable medical equipment First \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	100% \$0 80%	\$0 \$0 20%	\$0 \$[155] (Part B deductible) \$0

PLAN B

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[1100] (Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 \$0 \$0	\$0 Up to \$[137.50] a day All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN B

MEDICARE (PART B) – MEDICAL SERVICES-PER – CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT , such as Physician’s services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	Generally 80%	Generally 20%	\$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	\$0	All costs
BLOOD First 3 pints	\$0	All costs	\$0
Next \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

PARTS A & B

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES — Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment First \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0

PLAN C

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[1100] (Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 Up to \$[137.50] a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN C

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician’s services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved Amounts	Generally 80%	Generally 20%	\$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	\$0	All costs
BLOOD First 3 pints	\$0	All costs	\$0
Next \$[155] of Medicare Approved Amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

PARTS A & B

HOME HEALTH CARE MEDICARE APPROVED SERVICES — Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment First \$[155] of Medicare Approved Amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER BENEFITS – NOT COVERED BY MEDICARE

FOREIGN TRAVEL – NOT COVERED BY MEDICARE Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA First \$250 each calendar year Remainder of charges	\$0 \$0	\$0 80% to a lifetime maximum benefit of \$50,000.	\$250 20% and amounts over the \$50,000 lifetime maximum.
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PLAN D

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[1100] (Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 Up to \$[137.50] a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN D

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	 \$0 Generally 80%	 \$0 Generally 20%	 \$[155] (Part B deductible) \$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	\$0	All costs
BLOOD First 3 pints Next \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	 \$0 \$0 80%	 All costs \$0 20%	 \$0 \$[155] (Part B deductible) \$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

(continued)

**PLAN D
PARTS A & B**

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES			
— Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment			
First \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER BENEFITS – NOT COVERED BY MEDICARE

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
FOREIGN TRAVEL – NOT COVERED BY MEDICARE			
Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000.	20% and amounts over the \$50,000 lifetime maximum.

PLAN F

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days	All but \$[1100]	\$[1100] (Part A deductible)	\$0
61 st thru 90 th day	All but \$[275] a day	\$[275] a day	\$0
91 st day and after:			
— While using 60 lifetime reserve days	All but \$[550] a day	\$[550] a day	\$0
— Once lifetime reserve days are used:			
— Additional 365 days	\$0	100% of Medicare eligible expenses	\$0**
— Beyond the additional 365 days	\$0	\$0	All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital			
First 20 days	All approved amounts	\$0	\$0
21 st thru 100 th day	All but \$[137.50] a day	Up to \$[137.50] a day	\$0
101 st day and after	\$0	\$0	All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN F

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved Amounts	Generally 80%	Generally 20%	\$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	100%	\$0
BLOOD First 3 pints	\$0	All costs	\$0
Next \$[155] of Medicare Approved amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved amounts	80%	20%	\$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

(continued)

PLAN F
PARTS A & B

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES			
— Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment First \$[155] of Medicare Approved Amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER SERVICES – NOT COVERED BY MEDICARE

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
FOREIGN TRAVEL – NOT COVERED BY MEDICARE			
Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000	20% and amounts over the \$50,000 lifetime maximum

**HIGH DEDUCTIBLE PLAN F
MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD**

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

**This high deductible plan pays the same benefits as Plan F after one has paid a calendar year \$[2000] deductible. Benefits from the high deductible plan F will not begin until the out-of-pocket expenses are \$[2000]. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's separate foreign travel emergency deductible.

SERVICES	MEDICARE PAYS	AFTER YOU PAY \$[2000] DEDUCTIBLE** PLAN PAYS	IN ADDITION TO \$[2000] DEDUCTIBLE** YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[1100] (Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0*** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 Up to \$[137.50] a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

*****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

HIGH DEDUCTIBLE PLAN F

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$155 of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

**This high deductible plan pays the same benefits as Plan F after one has paid a calendar year \$[2000] deductible. Benefits from the high deductible plan F will not begin until the out-of-pocket expenses are \$[2000]. Out-of-pocket expenses for this deductible are expenses that would ordinarily be paid by the policy. This includes the Medicare deductibles for Part A and Part B, but does not include the plan's separate foreign travel emergency deductible.

SERVICES	MEDICARE PAYS	AFTER YOU PAY \$[2000] DEDUCTIBLE** PLAN PAYS	IN ADDITION TO \$[2000] DEDUCTIBLE** YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	\$0 Generally 80%	\$[155] (Part B deductible) Generally 20%	\$0 \$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	100%	\$0
BLOOD First 3 pints Next \$[155] of Medicare Approved amounts* Remainder of Medicare Approved amounts	\$0 \$0 80%	All costs \$[155] (Part B deductible) 20%	\$0 \$0 \$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

(continued)

HIGH DEDUCTIBLE PLAN F

PARTS A & B

SERVICES	MEDICARE PAYS	AFTER YOU PAY \$[2000] DEDUCTIBLE** PLAN PAYS	IN ADDITION TO \$[2000] DEDUCTIBLE** YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES			
— Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment First \$[155] of Medicare Approved Amounts*	\$0	\$[155] (Part B deductible)	\$0
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER SERVICES – NOT COVERED BY MEDICARE

SERVICES	MEDICARE PAYS	AFTER YOU PAY \$[2000] DEDUCTIBLE** PLAN PAYS	IN ADDITION TO \$[2000] DEDUCTIBLE** YOU PAY
FOREIGN TRAVEL – NOT COVERED BY MEDICARE Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000	20% and amounts over the \$50,000 lifetime maximum

PLAN G

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[1100] (Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 Up to \$[137.50] a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN G

MEDICARE (PART B) – MEDICAL SERVICES-PER – CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician’s services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	\$0 Generally 80%	\$0 Generally 20%	\$[155] (Part B deductible) \$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	100%	\$0
BLOOD First 3 pints Next \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	\$0 \$0 80%	All costs \$0 20%	\$0 \$[155] (Part B deductible) \$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

(continued)

**PLAN G
PARTS A & B**

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES			
— Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment			
First \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER BENEFITS – NOT COVERED BY MEDICARE

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
FOREIGN TRAVEL – NOT COVERED BY MEDICARE			
Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar year	\$0	\$0	\$250
Remainder of Charges	\$0	80% to a lifetime maximum benefit of \$50,000.	20% and amounts over the \$50,000 lifetime maximum

PLAN M

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[550] (50% of Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$[550] (50% of Part A deductible) \$0 \$0 \$0** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 Up to \$[137.50] a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN M

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment, First \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	 \$0 Generally 80%	 \$0 Generally 20%	 \$[155] (Part B deductible) \$0
PART B EXCESS CHARGES (Above Medicare Approved Amounts)	\$0	\$0	All costs
BLOOD First 3 pints Next \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts	 \$0 \$0 80%	 All costs \$0 20%	 \$0 \$[155] (Part B deductible) \$0
CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES	100%	\$0	\$0

(continued)

PLAN M
PARTS A & B

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES			
— Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment			
First \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER BENEFITS – NOT COVERED BY MEDICARE

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
FOREIGN TRAVEL – NOT COVERED BY MEDICARE			
Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000.	20% and amounts over the \$50,000 lifetime maximum.

PLAN N

MEDICARE (PART A) – HOSPITAL SERVICES – PER BENEFIT PERIOD

*A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOSPITALIZATION* Semiprivate room and board, general nursing and miscellaneous services and supplies First 60 days 61 st thru 90 th day 91 st day and after: — While using 60 lifetime reserve days — Once lifetime reserve days are used: — Additional 365 days — Beyond the additional 365 days	All but \$[1100] All but \$[275] a day All but \$[550] a day \$0 \$0	\$[1100] (Part A deductible) \$[275] a day \$[550] a day 100% of Medicare eligible expenses \$0	\$0 \$0 \$0 \$0** All costs
SKILLED NURSING FACILITY CARE* You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital First 20 days 21 st thru 100 th day 101 st day and after	All approved amounts All but \$[137.50] a day \$0	\$0 Up to \$[137.50] a day \$0	\$0 \$0 All costs
BLOOD First 3 pints Additional amounts	\$0 100%	3 pints \$0	\$0 \$0
HOSPICE CARE You must meet Medicare's requirements, including a doctor's certification of terminal illness.	All but very limited co-payment/ coinsurance for out-patient drugs and inpatient respite care	Medicare co-payment/coinsurance	\$0

****NOTICE:** When your Medicare Part A hospital benefits are exhausted, the insurer stands in the place of Medicare and will pay whatever amount Medicare would have paid for up to 365 days as provided in the policy's "Core Benefits." During this time the hospital is prohibited from billing you for the balance based on any difference between its billed charges and the amount Medicare would have paid.

PLAN N

MEDICARE (PART B) – MEDICAL SERVICES – PER CALENDAR YEAR

*Once you have been billed \$[155] of Medicare-approved amounts for covered services (which are noted with an asterisk), your Part B deductible will have been met for the calendar year.

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
<p>MEDICAL EXPENSES – IN OR OUT OF THE HOSPITAL AND OUTPATIENT HOSPITAL TREATMENT, such as Physician's services, inpatient and outpatient medical and surgical services and supplies, physical and speech therapy, diagnostic tests, durable medical equipment,</p> <p>First \$[155] of Medicare Approved Amounts*</p> <p>Remainder of Medicare Approved Amounts</p>	<p>\$0</p> <p>Generally 80%</p>	<p>\$0</p> <p>Balance, other than up to \$[20] per office visit and up to \$[50] per emergency visit. The co-payment of up to \$[50] is waived if the insured is admitted to any hospital and the emergency visit is covered as a Medicare Part A expense.</p>	<p>\$[155] (Part B deductible)</p> <p>Up to \$[20] per office visit and up to \$[50] per emergency visit. The co-payment of up to \$[50] is waived if the insured is admitted to any hospital and the emergency visit is covered as a Medicare Part A expense.</p>
<p>PART B EXCESS CHARGES (Above Medicare Approved Amounts)</p>	\$0	\$0	All costs
<p>BLOOD First 3 pints Next \$[155] of Medicare Approved Amounts* Remainder of Medicare Approved Amounts</p>	<p>\$0</p> <p>\$0</p> <p>80%</p>	<p>All costs</p> <p>\$0</p> <p>20%</p>	<p>\$0</p> <p>\$[155] (Part B deductible)</p> <p>\$0</p>
<p>CLINICAL LABORATORY SERVICES – TESTS FOR DIAGNOSTIC SERVICES</p>	100%	\$0	\$0

(continued)

**PLAN N
PARTS A & B**

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
HOME HEALTH CARE MEDICARE APPROVED SERVICES			
— Medically necessary skilled care services and medical supplies	100%	\$0	\$0
— Durable medical equipment			
First \$[155] of Medicare Approved Amounts*	\$0	\$0	\$[155] (Part B deductible)
Remainder of Medicare Approved Amounts	80%	20%	\$0

OTHER BENEFITS – NOT COVERED BY MEDICARE

SERVICES	MEDICARE PAYS	PLAN PAYS	YOU PAY
FOREIGN TRAVEL – NOT COVERED BY MEDICARE			
Medically necessary emergency care services beginning during the first 60 days of each trip outside the USA			
First \$250 each calendar year	\$0	\$0	\$250
Remainder of charges	\$0	80% to a lifetime maximum benefit of \$50,000.	20% and amounts over the \$50,000 lifetime maximum.

STERLING INVESTORS LIFE INSURANCE COMPANY
Home Office: [Rome, Georgia 30161]

Mail To:
STERLING INVESTORS LIFE INSURANCE COMPANY
Administrative Office
[P.O. Box 10846
Clearwater, Florida 33757-8846]

AMENDMENT TO APPLICATION

I hereby agree that the following changes noted below shall be an amendment to and form a part of the application for Policy Number _____ and shall be binding on any person who shall have or claim any interest under such policy.

Acceptance is acknowledged by:

Insured

Date

[INSERT OFFICER SIGNATURE]

[President]

SERFF Tracking Number: IASL-126614108 State: Arkansas
 Filing Company: Sterling Investors Life Insurance Company State Tracking Number: 45611
 Company Tracking Number: SI 2010 AR FORMS
 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Rate/Rule Schedule

Schedule Item Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Approved 05/26/2010	Rate Pages Plans A, B, C, D, F, HF, G, M and N	SIMSAI2010AR, SIMSBI2010AR, SIMSCI2010AR, SIMSDI2010AR, SIMSFI2010AR, SIMSRI2010AR, SIMSGI2010AR, SIMSMI2010AR, SIMSNI2010AR	New		Rate Pages A - N.pdf

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan A

Issue Age	Preferred	Standard
All	1,381	1,535

There is no modal loading.

Area Factors:

Arkansas

722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan B

Issue Age	Preferred	Standard
All	1,614	1,792

There is no modal loading.

Area Factors:

<u>Arkansas</u>	
722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan C

Issue Age	Preferred	Standard
All	1,947	2,162

There is no modal loading.

Area Factors:

<u>Arkansas</u>	
722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan D

Issue Age	Preferred	Standard
All	1,691	1,879

There is no modal loading.

Area Factors:

<u>Arkansas</u>	
722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan F

Issue Age	Preferred	Standard
All	1,992	2,214

There is no modal loading.

Area Factors:

<u>Arkansas</u>	
722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan High F

Issue Age	Preferred	Standard
All	784	871

There is no modal loading.

Area Factors:

Arkansas

722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan G

Issue Age	Preferred	Standard
All	1,699	1,888

There is no modal loading.

Area Factors:

Arkansas

722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan M

Issue Age	Preferred	Standard
All	1,522	1,691

There is no modal loading.

Area Factors:

<u>Arkansas</u>	
722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

Exhibit A

Gross Annual Premiums

Sterling Investors Life Insurance Company

Medicare Supplement Policy
2010 Standardized Plan N

Issue Age	Preferred	Standard
All	1,394	1,550

There is no modal loading.

Area Factors:

<u>Arkansas</u>	
722	1.05
72002, 72053, 72065, 72076, 72078, 72099, 72103, 72113- 72120, 72124, 72135, 72142, 72164, 72180, 72183, 72190, 72198, 72199	1.05
All other zip codes beginning with 720 and 721	1.00
Rest of State	0.89

SERFF Tracking Number: IASL-126614108 State: Arkansas
 Filing Company: Sterling Investors Life Insurance Company State Tracking Number: 45611
 Company Tracking Number: SI 2010 AR FORMS
 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification	Accepted for Informational Purposes	05/26/2010

Comments:

Attachment:

Flesch Cert - IA.pdf

		Item Status:	Status Date:
Satisfied - Item:	Application	Approved	05/26/2010

Comments:

The application is attached to the form tab

		Item Status:	Status Date:
Satisfied - Item:	Outline of Coverage	Approved	05/26/2010

Comments:

Outline of Coverage is attached to the forms tab.

		Item Status:	Status Date:
Satisfied - Item:	Letter of Authorization	Accepted for Informational Purposes	05/26/2010

Comments:

Attachment:

2010 04 SILIC IAS Authorization.pdf

READABILITY COMPLIANCE CERTIFICATION

Name and Address of Insurer:

**Sterling Investors Life Insurance Company
210 E. Second Avenue, Suite 105
Rome, Georgia 30161**

I hereby certify that the Flesch Reading Ease Test Score of the forms listed below is as follows:

TYPE/TITLE OF FORM	FORM NUMBERS	FLESCH SCORE
Medicare Supplement Policy – Plan A	SIMSAI2010AR	50.0
Medicare Supplement Policy – Plan B	SIMSBI2010AR	50.1
Medicare Supplement Policy – Plan C	SIMSCI2010AR	50.2
Medicare Supplement Policy – Plan D	SIMSDI2010AR	50.0
Medicare Supplement Policy – Plan F	SIMSFI2010AR	50.2
Medicare Supplement Policy – Plan High F	SIMSRI2010AR	50.7
Medicare Supplement Policy – Plan G	SIMSGI2010AR	50.2
Medicare Supplement Policy – Plan M	SIMSMI2010AR	50.5
Medicare Supplement Policy – Plan N	SIMSNI2010AR	51.1
Medicare Supplement Application	SIAPP2010AR	Scored as a part of the policy.

The type size of the text is at least 10-pointed leaded.

I also certify to the best of my knowledge and belief that the form is in compliance with the Insurance Code and with all other applicable requirements of the Insurance Department in this state.



President

Date: April 13, 2010



STERLING INVESTORS LIFE INSURANCE COMPANY

210 E. Second Avenue
Ste. 105
Rome, Georgia 30161
Tel (706) 235-8154
Fax (866) 889-4054

April 22, 2010

Ms. Darcey Shaffer, FLMI, ACS
Compliance Manager
Insurance Administrative Solutions, L.L.C.
8545 126th Avenue North, Suite 200
Largo, Florida 33773-1502

Re: Life and Health Filings for Rate Increases, Forms and Reporting Requirements for Sterling Investors Life Insurance Company

Dear Ms. Shaffer:

This letter authorizes Insurance Administrative Solutions, L.L.C. to file on behalf of Sterling Investors Life Insurance Company, rate increases, forms and reporting requirements for the Company's Life and Health Insurance Policies with the State Insurance Departments. Insurance Administrative Solutions, L.L.C. may correspond with the State Insurance Departments regarding any questions they may have concerning the filings.

A copy of this letter is as valid as the original. This authorization will be valid for twelve months from the date of this letter.

Sincerely,

A handwritten signature in cursive script that reads "Elwood Whitacre".

Elwood Whitacre
Secretary and Treasurer

SERFF Tracking Number: IASL-126614108 State: Arkansas
 Filing Company: Sterling Investors Life Insurance Company State Tracking Number: 45611
 Company Tracking Number: SI 2010 AR FORMS
 TOI: MS08I Individual Medicare Supplement - Sub-TOI: MS08I.001 Plan A 2010
 Standard Plans 2010
 Product Name: SI 2010 AR FORMS
 Project Name/Number: SI 2010 AR FORMS/

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
05/06/2010	Form	Medicare Supplement Plan A	05/26/2010	SIMSAI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement Plan B	05/26/2010	SIMSBI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement Plan C	05/26/2010	SIMSCI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement Plan D	05/26/2010	SIMSDI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement Plan F	05/26/2010	SIMSFI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement High Deductible Plan F	05/26/2010	SIMSRI2010AR.pdf (Superseded)
05/10/2010	Form	Medicare Supplement Plan G	05/26/2010	SIMSGI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement Plan G	05/10/2010	SIMSGI2010AR.pdf (Superseded)
05/06/2010	Form	Medicare Supplement Plan M	05/26/2010	SIMSMI2010AR.pdf (Superseded)

SERFF Tracking Number: IASL-126614108 *State:* Arkansas
Filing Company: Sterling Investors Life Insurance Company *State Tracking Number:* 45611
Company Tracking Number: SI 2010 AR FORMS
TOI: MS08I Individual Medicare Supplement - *Sub-TOI:* MS08I.001 Plan A 2010
Standard Plans 2010
Product Name: SI 2010 AR FORMS
Project Name/Number: SI 2010 AR FORMS/

05/06/2010 Form Medicare Supplement Plan N 05/26/2010 SIMSNI2010AR.pdf
(Superceded)

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN A

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN A

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE
[Rome, Georgia 30161]

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN B

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN B

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "B"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

GENERAL POLICY PROVISIONS CONTINUED

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

GENERAL POLICY PROVISIONS CONTINUED

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits Provision.

This Policy is signed for Sterling Investors Life Insurance by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN C

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN C

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sicknes and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sicknes; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Medicare Part B Deductible means the fixed amount You must pay each calendar year before Medicare starts paying Part B expenses. This amount is set each year by Medicare. Medicare does not pay this amount. A Calendar Year begins on January 1 and ends on December 31.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

DEFINITIONS CONTINUED

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "C"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medicare Part B Deductible: Coverage for all of the Medicare Part B Deductible amount per Calendar Year regardless of Hospital confinement.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN D

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN D

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "D"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN F

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION Attached

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[Clearwater, Florida 33757-8848]
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For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN F

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Medicare Part B Deductible means the fixed amount You must pay each calendar year before Medicare starts paying Part B expenses. This amount is set each year by Medicare. Medicare does not pay this amount. A Calendar Year begins on January 1 and ends on December 31.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

DEFINITIONS CONTINUED

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "F"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medicare Part B Deductible: Coverage for all of the Medicare Part B Deductible amount per Calendar Year regardless of Hospital confinement.

Additional Benefits For Plan "F" Continued

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for all of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

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TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

GENERAL POLICY PROVISIONS CONTINUED

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

GENERAL POLICY PROVISIONS CONTINUED

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – HIGH DEDUCTIBLE PLAN F

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY CONTAINS AN ANNUAL DEDUCTIBLE

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. 10848]
[Clearwater, Florida 33757-8857]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY HIGH DEDUCTIBLE PLAN F

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Medicare Part B Deductible means the fixed amount You must pay each calendar year before Medicare starts paying Part B expenses. This amount is set each year by Medicare. Medicare does not pay this amount. A Calendar Year begins on January 1 and ends on December 31.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

DEFINITIONS CONTINUED

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Your Policy has an annual deductible that You must pay before any benefits are payable under the Policy. This deductible consists of Your out-of-pocket expenses, other than premiums, for services covered under the Policy. The annual deductible is in addition to any other specific deductibles stated in the Policy. The amount of the deductible is adjusted annually by the Secretary of the United States Department of Health and Human Services to reflect changes in the Consumer Price index.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For High Deductible Plan "F"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

Medicare Part B Deductible: Coverage for all of the Medicare Part B Deductible amount per Calendar Year regardless of Hospital confinement.

Additional Benefits For High Deductible Plan "F" Continued

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for all of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

GENERAL POLICY PROVISIONS CONTINUED

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us, Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

GENERAL POLICY PROVISIONS CONTINUED

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN G

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-640-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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APPLICATION Attached

POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848]
[Clearwater, Florida 33757-8848]
[1-877-640-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN G

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "G"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for one hundred percent (100%) of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN G

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-640-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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[Anywhere, USA 12345]
[1-555-555-1234]

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Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN G

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "G"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for posthospital Skilled Nursing Facility care eligible under Medicare Part A.

One Hundred Percent (100%) of the Medicare Part B Excess Charges: Coverage for one hundred percent (100%) of the difference between the actual Medicare Part B charge as billed, not to exceed any charge limitation established by the Medicare program or state law, and the Medicare-approved Part B charge.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

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Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstitution of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
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ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN M

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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POLICYHOLDER INFORMATION

For support and information regarding certificate terms, premium payments, claims processing and payment, contact us at:

Medicare Supplement Administration
[P. O. Box 10848
[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN M

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "M"

Medicare Part A Deductible: Coverage for fifty percent (50%) of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for post-hospital Skilled Nursing Facility care eligible under Medicare Part A.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

GENERAL POLICY PROVISIONS CONTINUED

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]

**STERLING INVESTORS LIFE INSURANCE COMPANY
[Rome, Georgia 30161]**

MEDICARE SUPPLEMENT INSURANCE POLICY – PLAN N

THIS IS A LEGAL CONTRACT BETWEEN YOU AND US

READ YOUR POLICY CAREFULLY

This Policy provides benefits to supplement hospital and medical coverage of Medicare. Only persons eligible for Medicare may apply for this Policy. In this Policy, "You" and "Your" means the Insured named on the application and shown on the Policy Schedule. "We," "Our" and "Us" means Sterling Investors Life Insurance Company.

NOTICE TO BUYER. THIS POLICY MAY NOT COVER ALL OF YOUR MEDICAL EXPENSES.

IMPORTANT NOTICE: Issuance of this Medicare Supplement Insurance Policy is based on Your answers to the questions on Your application. A copy of the application is attached. Omissions or misstatements on the application could cause Your claim to be denied or Your Policy to be rescinded. If, for any reason, Your answers are incorrect, contact Us immediately at Our Medicare Supplement Administrative Office at:

**[P.O. Box 10848
Clearwater, Florida 33757-8848]
[877-604-5240]**

POLICY EFFECTIVE DATE AND CONSIDERATION

We have issued this Policy in consideration of the payment of premium and the statements made on the application. The application is attached to and made a part of this Policy. The term of this Policy begins at 12:01 A.M. Standard Time, at the place where You reside, on the Policy Effective Date shown on the Policy Schedule. It ends at 12:00 o'clock midnight, Standard Time, at the place where You reside, on the day before Your premium is due. The date Your premium is due is determined by the mode of payment. The mode of payment for the original term of the Policy is shown on the Policy Schedule.

THIRTY DAY RIGHT TO EXAMINE AND RETURN POLICY

Please read Your Policy carefully. If, for any reason, You are not satisfied, You may return Your Policy to Us within thirty (30) days after receiving it. If returned, the Policy will be void from its beginning and any premium paid will be refunded, less any claims paid.

GUARANTEED RENEWABLE FOR LIFE – PREMIUMS SUBJECT TO CHANGE

This Policy is renewable as long as You live, provided You continue to pay premiums when due. At no time while You continue Your Policy in force, may We place any restrictive riders on Your coverage. The premium may change on any premium due date if a new table of rates is applicable to the Policy. The change in the table of rates will apply to all covered persons in the same class. Class is defined as underwriting class, state and zip code of residence. We will give You the advance written notice required by Your state prior to any premium change.

THIS POLICY DOES NOT CONTAIN A PRE-EXISTING CONDITION LIMITATION

THIS IS A NON-PARTICIPATING POLICY

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[Clearwater, Florida 33757-8848]
[1-877-604-5240]

For your information, the following is the name, address and telephone number of your agent:

[Mr. Fred Smith]
[123 First Street]
[Anywhere, USA 12345]
[1-555-555-1234]

The Arkansas Insurance Department can be contacted at:

Arkansas Insurance Department
Consumer Services
1200 West Third Street
Little Rock, Arkansas 72201-1904
1-501-371-2640

Toll Free Consumer Information Telephone Number
1-800-852-5494

POLICY SCHEDULE

INSURED:

POLICY EFFECTIVE DATE:

POLICY NUMBER:

ISSUE AGE:

STATE OF ISSUE:

MODE AT ISSUE:

MODAL PREMIUM:

PREMIUM TERM:

UNDERWRITING CLASS:

TYPE OF COVERAGE: MEDICARE SUPPLEMENT POLICY PLAN N

DEFINITIONS

Benefit Period means the period as determined by Medicare which begins on the date, You are first confined in a Hospital. It ends following a period of sixty (60) consecutive days during which You have not been confined in a Hospital or a Skilled Nursing Facility.

Calendar Year means the period of time beginning on January 1 and ending on December 31 of that same year.

Coinsurance Amount means the part of Medicare Eligible Expenses You have to pay. It does not include Part A or Part B deductible amounts.

Emergency Care means care needed immediately because of an Injury or an illness of sudden and unexpected onset.

Hospital means a hospital that is approved, or eligible to be approved to receive payments from Medicare and is accredited by the Joint Commission on Accreditation of Hospitals.

Hospitalized or Hospitalization means being confined in a Hospital on an inpatient basis.

Immediate Family means Your spouse; parents; grandparents; children; or siblings, and their spouses.

Injury means a bodily injury which is the direct result of an accident and independent of all other causes.

Lifetime Inpatient Reserve Days means a total of sixty (60) extra days in the Hospital provided to You by Medicare. These reserve days must be used if You are Hospitalized for more than ninety (90) days in a Benefit Period, unless previously used. When a lifetime reserve day is used, it is subtracted from the number of days You have left.

Medicaid means the medical assistance program under Title XIX of the Social Security Amendment of 1965, as then constituted or later amended.

Medically Necessary means a service or supply that is recognized by Medicare as necessary to diagnose or treat an Injury or Sickness and is: (1) prescribed by a Physician; (2) consistent with the diagnosis and treatment of the Injury or Sickness; (3) in accordance with the generally accepted standards or medical practice; and (4) not solely for the convenience of You or the Physician.

Medicare means the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendment of 1965, as then constituted or later amended.

Medicare Eligible Expenses means expenses of the kinds covered by Medicare Parts A and B, to the extent recognized as reasonable and Medically Necessary by Medicare.

Medicare Part A Initial Deductible means the fixed amount Medicare does not pay during the first sixty (60) days of Hospital confinement in a Benefit Period. This amount is set each year by Medicare. Medicare does not pay this amount.

Physician means any practitioner of the healing arts acting within the scope of his/her license. It does not include You or any member of Your Immediate Family.

Policy Copayment is the fixed amount the Policy will not pay for specified Medicare Part B expenses after the Medicare Part B Deductible has been met. This Policy Copayment will change in accordance with applicable law and regulation. You are responsible to pay the Policy Copayments.

Policy Effective Date means the effective date of this Policy and is shown on the Policy Schedule. The Policy Effective Date is not the date You signed the application for coverage.

DEFINITIONS CONTINUED

Sickness means illness or disease which first manifests itself after the Policy Effective Date and while this Policy is in force.

Skilled Nursing Facility means an institution licensed as such by the state in which it is located and is operating within the scope and intent of its license. It does not include a facility or any of its sections which is primarily a place for drug addicts, alcoholics, or persons suffering from mental disease.

BENEFIT PROVISIONS

We will pay only the following Medicare Eligible Expenses not paid by Medicare. Benefits are only paid to the extent specified in this provision.

The benefits paid under this Policy will not duplicate benefits paid by Medicare.

Basic (Core) Benefits

Coverage of Part A Medicare Eligible Expenses for Hospitalization to the extent not covered by Medicare from the sixty first (61st) day through the ninetieth (90th) day in any Medicare Benefit Period.

Coverage of Part A Medicare Eligible Expenses incurred for Hospitalization to the extent not covered by Medicare for each Medicare Lifetime Inpatient Reserve Day used.

Upon exhaustion of the Medicare Hospital inpatient coverage, including the lifetime reserve days, coverage of one hundred percent (100%) of the Medicare Part A Eligible Expenses for Hospitalization paid at the applicable prospective payment system (PPS) rate or other appropriate standard of payment, subject to a lifetime maximum benefit of an additional three hundred sixty-five (365) days. The provider will accept Our payment as payment in full and may not bill You for any balance.

Coverage under Medicare Parts A and B for the reasonable cost of the first three (3) pints of blood (or equivalent quantities of packed red blood cells, as defined under federal regulations) unless replaced in accordance with federal regulations.

Coverage for the Coinsurance Amount, or in the case of hospital outpatient department services paid under a prospective payment system, the copayment amount, of Medicare Eligible Expenses under Part B regardless of Hospital Confinement, subject to the Medicare Part B deductible and copayment amounts described below. You are responsible to pay:

1. the lesser of the Policy Copayment or the Medicare Part B coinsurance/copayment for each covered health care provider office visit (including visits to medical specialists); and
2. the lesser of the Policy Copayment or the Medicare Part B coinsurance/copayment for each covered emergency room visit. The emergency room copayment will be waived if You are admitted to any Hospital and the emergency room visit is subsequently covered as a Medicare Part A expense.

Hospice Care: Coverage of cost sharing for all Part A Medicare Eligible Expenses for hospice care and respite care expenses.

Additional Benefits For Plan "N"

Medicare Part A Deductible: Coverage for all of the Medicare Part A Initial Deductible amount per Benefit Period.

Skilled Nursing Facility Care: Coverage for the actual billed charges up to the Coinsurance Amount from the twenty first (21st) day through the one hundredth (100th) day in a Medicare Benefit Period for post-hospital Skilled Nursing Facility care eligible under Medicare Part A.

Medically Necessary Emergency Care in a Foreign Country: Coverage to the extent not covered by Medicare for eighty percent (80%) of the billed charges for Medicare-Eligible Expenses for Medically Necessary emergency Hospital, Physician and medical care received in a foreign country, which care would have been covered by Medicare if provided in the United States and which care began during the first sixty (60) consecutive days of each trip outside the United States, subject to a Calendar Year deductible of two hundred fifty dollars (\$250), and a lifetime maximum benefit of fifty thousand dollars (\$50,000).

GUARANTEE REGARDING CHANGES IN MEDICARE BENEFITS

We guarantee that the benefits and payment schedule of this Policy will automatically change to reflect any changes which will become effective under Medicare deductibles, copayment or coinsurance amounts. Only those provisions of the Policy which are affected by the legislation are changed. Your coverage will automatically provide for such changes to whatever extent necessary. Premiums may be modified to correspond with such changes in accordance with the PREMIUMS SUBJECT TO CHANGE provision on page 1.

MEDICAL ASSISTANCE UNDER MEDICAID AND SUSPENSION UNDER GROUP HEALTH PLAN

Benefits and premiums under this Policy are suspended at Your request for a period not to exceed twenty-four (24) months, in which You have applied for and are determined to be entitled to medical assistance under Title XIX of the Social Security Act. You must notify Us within ninety (90) days after the day You become entitled to such assistance.

If such a suspension occurs and You lose entitlement of such medical assistance, Your Policy is automatically reinstated effective as of the date of termination of such entitlement if You provide notice of loss of such entitlement within ninety (90) days after the date of such loss and pay the premiums attributable to the period. Your reinstated Policy is effective as of the date of termination of such entitlement.

Benefits and premiums under this Policy shall be suspended for any period that may be provided by federal regulation at Your request if You are entitled to benefits under section 226(b) of the Social Security Act and are covered under a group health plan, as defined in section 1862(b)(1)(A)(v) of the Social Security Act. If suspension occurs and You lose coverage under the group health plan, Your Policy shall be automatically reinstated, effective as of the date of loss of such coverage, if You provide notice of loss of coverage within ninety (90) days after the date of such loss and pay the premiums attributable to the period, effective as of the date of termination of such entitlement.

Reinstatement of Your coverage provides for:

1. No waiting period with respect to treatment of preexisting conditions.
2. Coverage equivalent to coverage in effect before the date of suspension; and
3. Your classification of premium remains as favorable to You as the premium classification terms that would have applied to You had the coverage not been suspended.

EXTENSION OF BENEFITS

Upon termination of this Policy, an extension of benefits will be granted for any continuous loss which commenced during a period where the Policy was in force and the premium was paid. This extension of benefits beyond the period during which the Policy was in force may be conditioned upon Your continuous total disability, limited to the duration of the Policy benefit period, if any, or payment of the maximum benefits. Receipt of Medicare Part D benefits will not be considered in determining a continuous loss.

EXCLUSIONS

We will not pay benefits for:

- (a) Expenses incurred while this policy is not in force except as provided in the Extension of Benefits section;
- (b) Hospital or Skilled Nursing Facility confinement incurred during a Medicare Part A Benefit Period that begins while this policy is not in force;
- (c) That portion of any expense incurred which is paid for by Medicare;
- (d) Services for non-Medicare Eligible Expenses unless specifically covered in the policy, including, but not limited to, routine exams, take-home drugs and eye refractions;
- (e) Services for which a charge is not normally made in the absence of insurance; or
- (f) Loss or expense that is payable under any other Medicare Supplement insurance policy or certificate.

GENERAL POLICY PROVISIONS

ENTIRE CONTRACT; CHANGES: This Policy, including the endorsements and attached documents if any, constitutes the entire contract of insurance. No change in this Policy shall be valid until approved by one of Our executive officers and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this Policy or to waive any of its provisions.

TIME LIMIT ON CERTAIN DEFENSES: After three (3) years from the date of issue of this Policy no misstatements, except fraudulent misstatements, made by You in the application for the Policy shall be used to void the Policy or to deny a claim for loss incurred commencing after the expiration of the three (3) year period.

GRACE PERIOD: A grace period of thirty-one (31) days will be granted for the payment of each premium due after the initial premium. The Policy will remain in force during the grace period. If the premium is not paid during the grace period, coverage will terminate as of the date the premium was due and claims incurred on or after that date will not be considered for payment. A grace period does not apply if You cancel Your Policy.

REINSTATEMENT: If any renewal premium is not paid within the time granted by Us for payment, a subsequent acceptance of any premium by Us or by any of Our authorized agents, without requiring an application for reinstatement, shall reinstate the Policy; provided, however that, if We or any of Our authorized agents require an application for reinstatement and issues a conditional receipt for the premium tendered, the Policy will be reinstated upon approval of such application by Us or, lacking such approval, upon the forty-fifth (45th) day following the date of such conditional receipt unless We have previously notified You in writing of Our disapproval of such application. The reinstated Policy shall cover only loss resulting from Injury or Sickness as may begin on or after the date of reinstatement. In all other respects the Company and the Insured shall have the same rights under the Policy as they had under the Policy immediately before the due date of the defaulted premium, subject to any provisions endorsed hereon or attached hereto in connection with reinstatement.

NOTICE OF CLAIMS: We must receive written notice of claim within twenty (20) days after any covered loss occurs or begins. If notice cannot be given at that time, it must be given as soon as reasonably possible. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

GENERAL POLICY PROVISIONS CONTINUED

CLAIM FORMS: When We get the notice, We will send You forms for filing proof of loss. If We do not send the forms within fifteen (15) working days after receiving written notice, Our requirements will be met if We receive written proof of the event and type and extent of the loss within the time stated below.

PROOF OF LOSS: We must receive written proof of loss within ninety (90) days after the date the loss began or occurred. If it is not reasonably possible to give this timely proof, the claim will not be affected if it is sent as soon as is reasonable. However, unless the person making the claim is legally incapacitated, proof must be given within one (1) year from the time it is otherwise due.

TIME OF PAYMENT OF CLAIMS: All benefits payable under this Policy will be payable immediately upon receipt of due written proof of such loss. For continuing losses, We will pay the benefits due monthly on receipt of due proofs of loss. All benefits due will be paid to You or to any health care provider to whom You have assigned benefits.

PAYMENT OF CLAIMS: Any accrued benefits unpaid at Your death will be paid to Your estate or to any health care providers to whom You have assigned benefits. Should We fail to pay the benefits payable upon receipt of due written proof of loss, We shall have fifteen (15) working days thereafter within which to mail You a letter or notice which states the reasons We have for failing to pay the claim, either in whole or in part, and which also gives You a written itemization of any documents or other information needed to process the claim or any portions thereof which are not being paid. When all of the listed documents or other information needed to process the claim have been received, We shall then have fifteen (15) working days within which to process and either pay the claim or deny it, in whole or in part, giving You the reasons We may have for denying such claim or any portion thereof.

We shall pay interest to You equal to twelve percent (12%) per annum on the proceeds or benefits due under the terms of this Policy for failure to comply with the requirements of this provision.

ELECTRONIC CLAIM FILING PROCESS: Your health care providers will usually submit electronically to Medicare the billed charges for any medical and Hospital expenses You incur. Medicare then processes benefits for expenses eligible under Part A and/or Part B of Medicare, and then passes Your claim electronically to Us for consideration of benefits under Your Medicare Supplement Policy. We will accept Medicare's electronic submission of Your claim to Us as Your notice of claim. For consideration of expenses that are not submitted electronically to Us Your Medicare Summary Notice or Medicare Benefit Notice can serve as Your notice of claim. This Medicare statement shows Your Medicare Eligible Expenses and the amount approved and paid by Medicare. You may submit a paper copy of Your Medicare statement to Us or Your health care provider may submit it to Us on Your behalf.

PHYSICAL EXAMINATIONS: At Our expense, We may have You examined as often as reasonably necessary while the claim is pending.

LEGAL ACTION: No action at law or in equity shall be brought to recover on this Policy prior to the expiration of sixty (60) days after written proof of loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three (3) years after the time written proof of loss is required to be furnished.

UNPAID PREMIUM: Upon the payment of a claim under this Policy, any premium then due and unpaid or covered by any note or written order may be deducted therefrom.

CONFORMITY WITH STATE LAWS: Any provision of the Policy which, on its Policy Effective Date, is in conflict with the laws of the state in which You reside on such date is hereby amended to conform to the minimum requirements of such laws.

ASSIGNMENT: No assignment of any benefit or claim shall bind Us unless the same is filed in writing prior to the payment of any benefit claimed. We assume no responsibility for the validity of any assignment. Notice may be given to Sterling Investors Life Insurance Company, Medicare Supplement Claims Processing Center, [P.O. Box 10844 Clearwater, Florida 33757-8844].

GENERAL POLICY PROVISIONS CONTINUED

CLERICAL ERROR: Clerical error on Our part will not invalidate insurance otherwise in force nor continue insurance otherwise terminated. Upon discovery of any error, an equitable adjustment will be made in the premiums. Complete proof must be supplied, documenting any clerical errors.

MISSTATEMENT OF AGE: If Your age has been misstated, all amounts payable under this Policy shall be such as the premium paid would have purchased at the correct age.

PRO RATA REFUND: If We receive written proof of death which terminates coverage, We will refund that part of any premium You have paid which covers a period after death occurs.

CANCELLATION BY INSURED: You may cancel this Policy at any time by written notice delivered or mailed to Us, effective upon request or on such later date as may be specified in such notice. In the event of cancellation we shall make a pro-rata refund of any premium paid beyond the date of cancellation. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation. Claims will not be paid for dates of service after the date of cancellation except as provided for under the Extension of Benefits provision.

This Policy is signed for Sterling Investors Life Insurance Company by its [President] [and] [Secretary.]

[Signature]

[Signature]

[President]

[Secretary]