

SERFF Tracking Number: HUMA-126762434 State: Arkansas
Filing Company: Kanawha Insurance Company State Tracking Number: 46458
Company Tracking Number:
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Individual Hospital Indemnity
Project Name/Number: /

Filing at a Glance

Company: Kanawha Insurance Company

Product Name: Individual Hospital Indemnity SERFF Tr Num: HUMA-126762434 State: Arkansas

TOI: H14I Individual Health - Hospital Indemnity SERFF Status: Closed-Approved- State Tr Num: 46458
Closed

Sub-TOI: H14I.000 Health - Hospital Indemnity Co Tr Num: State Status: Approved-Closed

Filing Type: Form/Rate

Reviewer(s): Rosalind Minor

Author: John Flood

Disposition Date: 09/09/2010

Date Submitted: 08/10/2010

Disposition Status: Approved-

Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name:

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: 09/09/2010

Explanation for Other Group Market Type:

State Status Changed: 09/09/2010

Deemer Date:

Created By: John Flood

Submitted By: John Flood

Corresponding Filing Tracking Number:

Filing Description:

RE: Kanawha Insurance Company

Individual Hospital Indemnity Forms:

Hospital Indemnity Policy 1715 AR

Accidental Death & Dismemberment Rider 1727

Emergency Accident Rider 1720

First Hospital Confinement Rider 1721

Hospital Injury Indemnity Rider 1722

Intensive Care Unit Rider 1723

Lump Sum Indemnity Rider 1724

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Product Name: Individual Hospital Indemnity

Project Name/Number: /
Private Duty Nurse Rider 1726
Specified Injury Rider 1719
Surgical Plus Rider 1718
Surgical Rider 1717
Pre-Ex Endorsement 1736
Outline of Coverage 1715 OTLN AR
Statement of Variables
Actuarial Memorandum and Rates

Dear Commissioner:

Kanawha Insurance Company is submitting the above captioned forms for review and approval. The forms are designed to provide individual hospital indemnity coverage. These forms are new and not intended to replace any other forms currently in use. Also enclosed are the supporting actuarial memorandum and premium rates. The Application to be used with these forms is form number 1716 (07/10) which was previously filed with the Department for review and approval under SERFF Tracking Number HUMA-126712490.

With regard to marketing information, coverage will be marketed through agent/broker solicitation or on a direct issue basis. This policy is being filed for concurrent approval in the domiciliary state, South Carolina.

All bracketed numbers are variable to the extent allowable by your state's laws. All bracketed text is variable to the extent allowed by law. In addition, the bracketed text may or may not be included in the policy when printed. In no event will numbers or text be changed to impact compliance with your law. An Explanation of Variables is enclosed, along with all other filing requirements.

The forms are in final print, subject to minor variations in formatting, duplexing, shading and fonts. In addition, the Application may be reproduced electronically which could result in formatting changes. While every effort is made to submit filings without mistakes, the Company reserves the right to make corrections to any typographical errors such as misspellings or minor grammatical errors noted after filing and approval. The Company will provide you a highlighted copy of any corrections it makes for your records.

Thank you for your attention to this filing. If you should have any questions, please contact me at 1-800-635-4252 Ext 5328. My email address is Jflood3@humana.com.

Company and Contact

Filing Contact Information

John Flood, Compliance Analyst

jflood3@humana.com

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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 Company Tracking Number:
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
 Product Name: Individual Hospital Indemnity

Project Name/Number: /
 210 South White Street 803-283-5328 [Phone]
 Lancaster, SC 29721

Filing Company Information

| | | |
|-----------------------------|-------------------------|-----------------------------------|
| Kanawha Insurance Company | CoCode: 65110 | State of Domicile: South Carolina |
| 210 South White Street | Group Code: 119 | Company Type: |
| Lancaster, SC 29721 | Group Name: | State ID Number: |
| (800) 635-4252 ext. [Phone] | FEIN Number: 57-0380426 | |

Filing Fees

Fee Required? Yes
 Fee Amount: \$650.00
 Retaliatory? No
 Fee Explanation: \$50 per form
 Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|---------------------------|----------|----------------|---------------|
| Kanawha Insurance Company | \$650.00 | 08/10/2010 | 38666867 |

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|-----------------|----------------|------------|----------------|
| Approved-Closed | Rosalind Minor | 09/09/2010 | 09/09/2010 |

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 | Rosalind Minor | 09/01/2010 | 09/01/2010 | John Flood | 09/09/2010 | 09/09/2010 |
| | Rosalind Minor | 09/01/2010 | 09/01/2010 | | | |
| Pending Industry Response | Rosalind Minor | 08/13/2010 | 08/13/2010 | John Flood | 08/31/2010 | 08/31/2010 |

Amendments

| Schedule | Schedule Item Name | Created By | Created On | Date Submitted |
|----------|----------------------|------------|------------|----------------|
| Rate | Actuarial Memorandum | John Flood | 09/01/2010 | 09/01/2010 |

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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Disposition

Disposition Date: 09/09/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

| Schedule | Schedule Item | Schedule Item Status | Public Access |
|----------------------------|--|-----------------------------|----------------------|
| Supporting Document | Flesch Certification | Approved-Closed | Yes |
| Supporting Document | Application | Approved-Closed | Yes |
| Supporting Document | Health - Actuarial Justification | Approved-Closed | No |
| Supporting Document | Outline of Coverage | Approved-Closed | Yes |
| Form (revised) | Hospital Indemnity Policy | Approved-Closed | Yes |
| Form | Hospital Indemnity Policy | Replaced | Yes |
| Form | Hospital Indemnity Policy | Replaced | Yes |
| Form | Accidental Death & Dismemberment Rider | Approved-Closed | Yes |
| Form | Emergency Accident Rider | Approved-Closed | Yes |
| Form | First Hospital Confinement Rider | Approved-Closed | Yes |
| Form | Hospital Injury Indemnity Rider | Approved-Closed | Yes |
| Form | Intensive Care Unit Rider | Approved-Closed | Yes |
| Form | Lump Sum Indemnity Rider | Approved-Closed | Yes |
| Form | Private Duty Nurse Rider | Approved-Closed | Yes |
| Form | Specified Injury Rider | Approved-Closed | Yes |
| Form | Surgical Plus Rider | Approved-Closed | Yes |
| Form | Surgical Rider | Approved-Closed | Yes |
| Form | Pre-Ex Endorsement | Approved-Closed | Yes |
| Form | Outline of Coverage | Approved-Closed | Yes |
| Rate (revised) | Actuarial Memorandum | Approved-Closed | No |
| Rate | Actuarial Memorandum | Replaced | No |
| Rate | Exhbits (rates + loss ratio) | Approved-Closed | No |

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Product Name: Individual Hospital Indemnity
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 09/01/2010

Submitted Date 09/01/2010

Respond By Date

Dear John Flood,

This will acknowledge receipt of the captioned filing.

Objection 1

- Hospital Indemnity Policy, 1715 AR (Form)

Comment:

Upon initial review of the filing, I did not call to your attention language on newborn children and those children the insured has filed a petition to adopt.

Under ACA 23-79-129, Coverage for newborn infants must be for at least 90 or the next premium due date whichever is later.

Also, please refer to the 60-day period outlined under ACA 23-79-137, coverage for minors for whom the insured has filed a petition to adopt.

Thank you.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

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Company Tracking Number:
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Individual Hospital Indemnity
Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
Response Letter Date 09/09/2010
Submitted Date 09/09/2010

Dear Rosalind Minor,

Comments:

In response to your objection letter dated 9/1/10 we offer the following information:

Response 1

Comments: Page 10, Eligibility section, revised number of days of coverage for newborns and adopted children to 90 days:

"Any newborn Child born to You or adopted by You while this Policy is in force will be automatically insured from the moment of birth for 90 days or until the next premium due date whichever is later. A Child placed with You for adoption after the Policy Effective Date will automatically be covered for a period of 90 days from the date of the filing of a petition for adoption. A child placed with You as a foster child shall automatically be covered for a period of 90 days from the date of placement. Coverage and benefits for the Child will be the same as those that are provided for the following Insureds, successively:

- any other insured Dependents; if none then
- You

The Pre-existing conditions provisions of this Policy is waived with respect to such Child. Coverage for a Child placed for the purpose of adoption will end if the adoption is stopped prior to legal adoption and the Child is removed.

Without Eligible Dependent Children Coverage: To continue coverage for the newborn, foster or adopted child beyond the 90 day period, You must (1) notify Us in writing; and (2) pay the Premium for the Child within 90 days from the date of birth, filing of petition for adoption or order granting custody. Premiums for the child will be pro-rated to the next Premium due date of this Policy. If We are not notified and the required Premium is not paid within 90 days, the coverage for the Child will end 90 days after the date of birth, filing of petition for adoption or order granting custody.

With Eligible Dependent Children Coverage: Please notify Us in writing as soon as possible to be sure that the Child is properly enrolled, that coverage is in place and that medical care can be obtained when sought. A newborn child will be covered from the moment of birth. A foster child will be covered from the moment of placement. An adopted child will be covered from the earlier of (1) the date of filing of petition for adoption; or (2) the date of the entry of an order granting

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 Project Name/Number: /

the adoptive parent custody of the child for the purpose of adoption."

Related Objection 1

Applies To:

- Hospital Indemnity Policy, 1715 AR (Form)

Comment:

Upon initial review of the filing, I did not call to your attention language on newborn children and those children the insured has filed a petition to adopt.

Under ACA 23-79-129, Coverage for newborn infants must be for at least 90 or the next premium due date whichever is later.

Also, please refer to the 60-day period outlined under ACA 23-79-137, coverage for minors for whom the insured has filed a petition to adopt.

Thank you.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

| Form Name | Form Number | Edition Date | Form Type | Action | Action Specific Data | Readability Score | Attach Document |
|---------------------------|-------------|--------------|---------------------------------------|---------|----------------------|-------------------|--|
| Hospital Indemnity Policy | 1715 AR | | Policy/Contract/Fraternal Certificate | Revised | | 47.000 | 1715 AR - Ind. Hospital Indemnity Policy - rev. 9-9-10.pdf |
| Previous Version | | | | | | | |
| Hospital Indemnity Policy | 1715 AR | | Policy/Contract/Fraternal Certificate | Revised | | 47.000 | 1715 AR - Ind. |

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Product Name: Individual Hospital Indemnity
Project Name/Number: /

| | | | | |
|------------------------------|---------|--|--------|---|
| Hospital Indemnity Policy | 1715 AR | Policy/Contract/Fraternal Initial Certificate | 47.000 | Hospital Indemnity Policy - rev. 8-31- 10.pdf 1715 AR - Ind. Hospital Indemnity Policy.pdf |
|------------------------------|---------|--|--------|---|

No Rate/Rule Schedule items changed.

Sincerely,
John Flood

SERFF Tracking Number: HUMA-126762434

State: Arkansas

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State Tracking Number: 46458

Company Tracking Number:

TOI: H14I Individual Health - Hospital Indemnity

Sub-TOI: H14I.000 Health - Hospital Indemnity

Product Name: Individual Hospital Indemnity

Project Name/Number: /

Objection Letter

Objection Letter Status

Objection Letter Date 09/01/2010

Submitted Date 09/01/2010

Respond By Date

Dear John Flood,

This will acknowledge receipt of the captioned filing.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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Company Tracking Number:
TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Individual Hospital Indemnity
Project Name/Number: /

Objection Letter

Objection Letter Status Pending Industry Response

Objection Letter Date 08/13/2010

Submitted Date 08/13/2010

Respond By Date

Dear John Flood,

This will acknowledge receipt of the captioned filing.

Objection 1

- Hospital Indemnity Policy, 1715 AR (Form)

Comment:

With respect to handicapped dependents, there can be no time limit set for furnishing proof of incapacity. Refer to ACA 23-85-131(b) and Bulletin 14-81.

Please feel free to contact me if you have questions.

Sincerely,

Rosalind Minor

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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 Company Tracking Number:
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

Response Letter

Response Letter Status Submitted to State
 Response Letter Date 08/31/2010
 Submitted Date 08/31/2010

Dear Rosalind Minor,

Comments:

In response to your objection letter dated 8/13/10 we offer the following information:

Response 1

Comments: Policy, page 7, revised the last paragraph of the definition of Eligible Dependent(s) to read:

"The Policyholder must furnish Us with proof of physical or mental incapacity of the Child. Thereafter, We may require proof, but not more frequently than annually."

Related Objection 1

Applies To:

- Hospital Indemnity Policy, 1715 AR (Form)

Comment:

With respect to handicapped dependents, there can be no time limit set for furnishing proof of incapacity. Refer to ACA 23-85-131(b) and Bulletin 14-81.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

| Form Name | Form Number | Edition Date | Form Type | Action | Action Specific Data | Readability Score | Attach Document |
|---------------------------|-------------|--------------|---------------------------------------|---------|----------------------|-------------------|-------------------------|
| Hospital Indemnity Policy | 1715 AR | | Policy/Contract/Fraternal Certificate | Revised | | 47.000 | 1715 AR - Ind. Hospital |

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TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
Product Name: Individual Hospital Indemnity
Project Name/Number: /

Indemnity
Policy -
rev. 8-31-
10.pdf

Previous Version

| | | | | |
|------------------------------|---------|--|--------|--|
| Hospital Indemnity Policy | 1715 AR | Policy/Contract/Fraternal Initial Certificate | 47.000 | 1715 AR - Ind. Hospital Indemnity Policy.pdf |
|------------------------------|---------|--|--------|--|

No Rate/Rule Schedule items changed.

Sincerely,
John Flood

SERFF Tracking Number: HUMA-126762434 State: Arkansas
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 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

Amendment Letter

Submitted Date: 09/01/2010

Comments:

Minor correction to Actuarial Memorandum. AD&D rider form number was listed incorrectly and has now been corrected.

Changed Items:

Rate/Rule Schedule Item Changes:

| Document Name: | Affected Form Numbers: (Comma Separated list) | Rate Action: | Rate Action Information: | Attach Document: |
|--|---|--------------|-------------------------------|--|
| Actuarial Memorandum | 1715 AR, 1727, 1720, Revised 1721, 1722, 1723, 1724, 1726, 1719, 1718, 1717 | | Previous State Filing Number: | Actuarial Memorandum - Generic - HI - rev. 9-1-10 AR.pdf |
| Actuarial Memorandum - Generic - HI - rev. 9-1-10 AR.pdf | | | | |

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 TOI: H141 Individual Health - Hospital Indemnity Sub-TOI: H141.000 Health - Hospital Indemnity
 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

Form Schedule

Lead Form Number: 1715 AR

| Schedule Item | Form Number | Form Type Form Name | Action | Action Specific Data | Readability | Attachment |
|-------------------------------|-------------|--|---------|--|-------------|--|
| Approved-Closed 09/09/2010 | 1715 AR | Policy/Cont Hospital Indemnity ract/Fratern Policy al Certificate | Revised | Replaced Form #: Previous Filing #: | 47.000 | 1715 AR - Ind. Hospital Indemnity Policy - rev. 9-9-10.pdf |
| Approved-Closed 09/09/2010 | 1727 | Policy/Cont Accidental Death & ract/Fratern Dismemberment al Rider Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | | 57.000 | 1727 - AD&D Rider.pdf |
| Approved-Closed 09/09/2010 | 1720 | Policy/Cont Emergency Accident ract/Fratern Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | | 51.000 | 1720 - Emergency Accident Rider.pdf |
| Approved-Closed 09/09/2010 | 1721 | Policy/Cont First Hospital ract/Fratern Confinement Rider al Certificate: Amendmen t, Insert Page, Endorseme | Initial | | 51.000 | 1721 - First Hospital Confinement Rider.pdf |

| | | | |
|--|---|-------------------------------|---|
| <i>SERFF Tracking Number:</i> | <i>HUMA-126762434</i> | <i>State:</i> | <i>Arkansas</i> |
| <i>Filing Company:</i> | <i>Kanawha Insurance Company</i> | <i>State Tracking Number:</i> | <i>46458</i> |
| <i>Company Tracking Number:</i> | | | |
| <i>TOI:</i> | <i>H14I Individual Health - Hospital Indemnity</i> | <i>Sub-TOI:</i> | <i>H14I.000 Health - Hospital Indemnity</i> |
| <i>Product Name:</i> | <i>Individual Hospital Indemnity</i> | | |
| <i>Project Name/Number:</i> | / | | |
| | nt or Rider | | |
| Approved- 1722 Closed 09/09/2010 | Policy/Cont Hospital Injury ract/Fratern Indemnity Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | 59.000 |
| | | | 1722 - Hospital Injury Indemnity Rider.pdf |
| Approved- 1723 Closed 09/09/2010 | Policy/Cont Intensive Care Unit ract/Fratern Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | 55.000 |
| | | | 1723 - ICU Rider.pdf |
| Approved- 1724 Closed 09/09/2010 | Policy/Cont Lump Sum Indemnity ract/Fratern Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | 53.000 |
| | | | 1724 - Lump Sum Indemnity Rider.pdf |
| Approved- 1726 Closed 09/09/2010 | Policy/Cont Private Duty Nurse ract/Fratern Rider al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider | Initial | 54.000 |
| | | | 1726 - Private Duty Nurse Rider.pdf |
| Approved- 1719 | Policy/Cont Specified Injury Rider | Initial | 56.000 |
| | | | 1719 - |

| | | | |
|--------------------------|---|------------------------|--------------------------------------|
| SERFF Tracking Number: | HUMA-126762434 | State: | Arkansas |
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| TOI: | H141 Individual Health - Hospital Indemnity | Sub-TOI: | H141.000 Health - Hospital Indemnity |
| Product Name: | Individual Hospital Indemnity | | |
| Project Name/Number: | / | | |
| Closed | ract/Fratern | | Specified |
| 09/09/2010 | al | | Injury |
| | Certificate: | | Rider.pdf |
| | Amendmen | | |
| | t, Insert | | |
| | Page, | | |
| | Endorseme | | |
| | nt or Rider | | |
| Approved- 1718 | Policy/Cont Surgical Plus Rider | Initial | 45.000 |
| Closed | ract/Fratern | | 1718 - |
| 09/09/2010 | al | | Surgical Plus |
| | Certificate: | | Rider.pdf |
| | Amendmen | | |
| | t, Insert | | |
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| | Endorseme | | |
| | nt or Rider | | |
| Approved- 1717 | Policy/Cont Surgical Rider | Initial | 51.000 |
| Closed | ract/Fratern | | 1717 - |
| 09/09/2010 | al | | Surgical |
| | Certificate: | | Rider.pdf |
| | Amendmen | | |
| | t, Insert | | |
| | Page, | | |
| | Endorseme | | |
| | nt or Rider | | |
| Approved- 1736 | Policy/Cont Pre-Ex Endorsement | Initial | 40.000 |
| Closed | ract/Fratern | | 1736 - Pre- |
| 09/09/2010 | al | | Existing |
| | Certificate: | | Condition |
| | Amendmen | | Endorsement. |
| | t, Insert | | pdf |
| | Page, | | |
| | Endorseme | | |
| | nt or Rider | | |
| Approved- 1715 OTLN | Outline of | Outline of Coverage | Initial |
| Closed | Coverage | | 47.000 |
| 09/09/2010 | | | 1715 OTLN |
| | | | AR - Outline |
| | | | of |

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Filing Company: Kanawha Insurance Company *State Tracking Number:* 46458
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TOI: H14I Individual Health - Hospital Indemnity *Sub-TOI:* H14I.000 Health - Hospital Indemnity
Product Name: Individual Hospital Indemnity
Project Name/Number: /

Coverage.pdf

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

HOSPITAL INDEMNITY INSURANCE POLICY

This Policy is a legal contract between You and Kanawha Insurance Company ("Company"). **PLEASE READ IT CAREFULLY.** Each Policy term begins at 12:01 AM standard time on the Policy Effective Date at the place You live. It ends at 12:00 PM, standard time, on the last day Premiums are paid, subject to the Grace Period. You may then renew this Policy subject to the Renewal Condition provision on the cover of this Policy.

The Company, subject to the terms of this Policy, will pay the benefits of this Policy to You upon receipt of Proofs of Loss incurred while this Policy is in force. The Company will also provide the other rights and benefits set forth in this Policy and any Riders attached hereto.

NOTICE TO BUYER: This is a hospital confinement indemnity Policy. **This Policy provides limited benefits.** Benefits provided are supplemental and are not intended to cover all medical expenses.

THIRTY DAY RIGHT TO EXAMINE POLICY- If, for any reason, You decide not to keep this Policy, return it to Us within 30 days after You receive it. You may return it to Our administrative office or to the agent who sold it to You. We will treat the Policy as if it had never been issued. We will refund any Premium paid.

GUARANTEED RENEWABLE TO AGE [65]- You have the right to renew this Policy until the Policy Anniversary date on or after Your [65th] birthday, if You pay the correct Premium when due or within the Grace Period. Thereafter, You have the right to renew this Policy if You are Actively At Work and pay the correct Premium when due or within the Grace Period. We retain the right to change the premium rates on this Policy. The Company can change Your Premium if the Premiums for all the Policies in the same Class are changed. You will be given at least [30-90] days notice before Your Premium is changed. Any increase or decrease in Premium will begin the next Premium due date after the [30-90]-day notice is given.

NO RECOVERY FOR PRE-EXISTING CONDITIONS – Except for congenital anomalies of a covered Dependent Child, no benefits will be provided during the first [0-12] months of this Policy for any Pre-existing Condition which first made itself known prior to the Date of Policy.

IMPORTANT NOTICE -- The Policy application may have been captured electronically or on paper. Please carefully review answers to questions on the Application to make sure they are answered correctly. The application is a part of this Policy and the Policy was issued on the basis that the answers to all questions and the information shown on the application are correct and complete. If an error exists, please notify Us within 30 days at Kanawha Insurance Company [P.O. Box 610, Lancaster, SC 29721-0610]. In the event you need to contact someone about this Policy for any reason, You may contact Us at the above address or by calling [800-635-4252].

Signed for the Company

[]
[President]

THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY. IF YOU ARE ELIGIBLE FOR MEDICARE, REVIEW THE "GUIDE TO HEALTH INSURANCE FOR PEOPLE WITH MEDICARE" AVAILABLE FROM THE COMPANY.

**HOSPITAL INDEMNITY INSURANCE POLICY
NON-PARTICIPATING**

TABLE OF CONTENTS

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Claim Provisions 15
General Provisions 16

POLICY SCHEDULE

PRIMARY INSURED: [JOHN DOE]
INSURED DEPENDENTS: [ELIGIBLE SPOUSE]
 [ELIGIBLE DEPENDENT]
PRIMARY INSURED ISSUE AGE: [16-69]
POLICY NUMBER: [1234567]
POLICY EFFECTIVE DATE: [August 1, 2010]
FIRST ANNIVERSARY DATE: [August 1, 2011]
ANNUAL PREMIUM: [\$2,223.48]
MODE SELECTED AT ISSUE: [ANNUAL/PRD]
MODE PREMIUM: [\$2,223.48]

| BENEFITS | BENEFIT AMOUNT | ANNUAL PREMIUM |
|--|---|--|
| HOSPITAL CONFINEMENT: ELIMINATION PERIOD, INJURY: [0-365] DAYS ELIMINATION PERIOD, SICKNESS: [0-365] DAYS MAXIMUM BENEFIT PERIOD: [0-365] DAYS Daily Benefit for Primary Insured: Daily Benefit for Eligible Spouse: Daily Benefit for each Eligible Dependent Child: | [\$200] [\$200] [\$200] | [\$336.00] [\$336.00] [\$204.00] |
| [Emergency Accident Rider: Benefit per Accident for Policyholder Limited to 4 Accidents per Calendar Year [Benefit per Accident for Eligible Spouse Limited to 4 Accidents per Calendar Year [Benefit per Accident for Eligible Dependent Child | [\$200] [\$200] | [\$27.36] [\$27.36] |

| | | |
|---|----------------|------------|
| Limited to a total of 4 Accidents per Calendar Year]] | [\$200] | [\$27.36] |
| [Outpatient Sickness Rider: | | |
| Benefit per Sickness for Policyholder | | |
| Limited to 4 Sicknesses per Calendar Year | [\$25-100] | [\$87.60] |
| [Benefit per Sickness for Eligible Spouse | | |
| Limited to 4 Sicknesses per Calendar Year] | [\$25-100] | [\$87.60] |
| [Benefit per Sickness for Eligible Dependent Child | | |
| Limited to a total of 4 Sicknesses per Calendar Year]] | [\$25-100] | [\$144.00] |
| [Intensive Care Unit Rider: | | |
| Daily benefit for Policyholder | [\$30-1500] | [\$33.60] |
| [Daily benefit for Eligible Spouse] | [\$30-1500] | [\$33.60] |
| [Daily benefit for each Eligible Dependent Child]] | [\$30-1500] | [\$19.20] |
| [Accidental Death Benefit & Dismemberment Rider: | | |
| Benefit amount for Policyholder | [\$1000-30000] | [\$24.00] |
| [Benefit amount for Eligible Spouse] | [\$1000-15000] | [\$18.00] |
| [Benefit amount for each Eligible Dependent Child]] | [\$1000-5000] | [\$6.00] |
| [Surgical Plus Rider: | | |
| Maximum benefit for Policyholder | [\$500-5000] | [\$62.40] |
| [Maximum benefit for Eligible Spouse] | [\$500-5000] | [\$62.40] |
| [Maximum benefit for each Eligible Dependent Child]] | [\$500-5000] | [\$30.00] |
| [Surgical Rider: | | |
| Maximum benefit for Policyholder | [\$500-5000] | [\$36.00] |
| [Maximum benefit for Eligible Spouse | [\$500-5000] | [\$36.00] |
| [Maximum benefit for each Eligible Dependent Child]] | [\$500-5000] | [\$30.00] |
| [Private Duty Nurse Rider: | | |
| Daily benefit for Policyholder | [\$10-100] | [\$3.00] |
| [Daily benefit for Eligible Spouse] | [\$10-100] | [\$3.00] |
| [Daily benefit for each Eligible Dependent Child]] | [\$10-100] | [\$1.80] |

| | | |
|---|--------------------|-----------|
| [Hospital Injury Indemnity Rider: | | |
| Daily benefit for Policyholder | [\$30-150] | [\$12.00] |
| [Daily benefit for Eligible Spouse | [\$30-150] | [\$12.00] |
| [Daily benefit for each Eligible Dependent Child]] | [\$30-150] | [9.00] |
| [Lump Sum Indemnity Rider: | | |
| Benefit for Policyholder | [\$40-1000] | [\$19.20] |
| [Benefit for Eligible Spouse] | [\$40-1000] | [\$19.20] |
| Benefit for each Eligible Dependent Child]] | [\$40-1000] | [\$7.80] |
| [Specified Injury Benefit Rider: | | |
| Benefit for Policyholder | According to Rider | [\$42.00] |
| [Benefit for Eligible Spouse] | According to Rider | [\$21.00] |
| [Benefit for each Eligible Dependent Child]] | According to Rider | [\$21.00] |
| [First Hospital Confinement Rider: | | |
| Benefit for Policyholder | According to Rider | [\$150] |
| [Benefit for Eligible Spouse] | According to Rider | [\$150] |
| [Benefit for each Eligible Dependent Child]] | According to Rider | [\$84.00] |

DEFINITIONS

For the purposes of this Policy, when we use the following terms, we mean:

[Actively At Work (Active Employment)] means the person must be working:

- on a full-time basis (at least [15-40] hours per week) and paid regular earnings;
- at the Employer's usual place of business; or
- at a location to which the Employer's business requires the person to travel.

A person must be considered Actively At Work if the employee was actually at work on the day immediately preceding:

- a weekend;
- holidays;
- paid vacations;
- any non-scheduled work day;
- excused leave of absence (except medical leave and lay-off); or
- emergency leave of absence (except emergency medical leave required by His Sickness or Injury).]

[Age] means the Age of the Insured on His or Her last birthday as of the Date of Policy. Age increases by one year on each Policy anniversary.]

[Application] means the forms the Policyholder completed when applying for this Policy [that are attached to this Policy].

[Calendar Year] means the period beginning on the Date of Policy and ending on December 31 of the same year. Thereafter, Calendar Year is the period beginning on January 1 and ending December 31 of the same year.]

[Child (Children)] means a person who is:

- Your unmarried child under age 19 who is primarily dependent upon and living with the Policyholder in a permanent parent-child relationship; or
- Your unmarried child under age [23] if he/she is a full-time student at an accredited school, college, or university and We are furnished proof of such enrollment.

Child includes:

- natural or adopted child of the Policyholder or Spouse;
- Child placed with the Policyholder or Spouse for adoption;
- Child legally placed with the Policyholder or Spouse as a foster Child; or
- stepchild of the Policyholder.

Child does not include a:

- person not meeting the above Child definition;
- Child living outside of the United States (unless living with an Insured); or
- Child on active military duty for a period in excess of [30-90] days.]

[Complications of Pregnancy] mean bodily conditions while a Covered Person is pregnant that are distinct from, but adversely affected or caused by the pregnancy. These conditions include:

- postpartum hemorrhage;
- toxemia of pregnancy;
- rupture or prolapse of the uterus;
- ectopic pregnancy which is ended;
- emergency (non-elective) cesarean section; and
- spontaneous termination of a pregnancy when a viable birth is not possible.]

[Date of Policy] means the date that coverage begins under this Policy.]

[Dental Treatment] means the treatment of the teeth and/or periodontal area.]

[Eligible Dependent(s)] means the Spouse and Child(ren) unless specifically excluded by this Policy.

We must approve eligibility of the Spouse and Child(ren).

Each such person must meet the Eligibility requirements.

If a Child is covered by this Policy, the Child's Eligibility will not end if the Child is and remains:

- unmarried;
- incapable of self-sustaining employment due to mental incapacity or physical handicap; and
- chiefly dependent on the Policyholder or Spouse for support.

However, in no event will Eligibility or coverage of any Child go beyond the date that the Policyholder's coverage ends.

The Policyholder must furnish Us with proof of physical or mental incapacity of the Child. Thereafter, We may require proof, but not more frequently than annually.]

[Elimination Period] means the number of consecutive days of confinement to a Hospital during each Period of Confinement before benefits become payable under this Policy. Benefits are not payable during the Elimination Period. The Elimination Periods for Injury and Sickness are shown on the Policy Schedule.]

[Emergency Room] means a specified area in a Hospital which is designated for the emergency care of Sickness or Injury. This area must be:

- staffed and equipped to handle trauma;
- be supervised and provide treatment by Physicians; and
- provide care seven days per week, 24 hours per day.

[Emergency Treatment] means medical attention provided after the acute onset of symptoms relating to Sickness or Injury, including severe pain, which symptoms are severe enough that the lack of immediate medical attention could reasonably be expected to result in any of the following:

- health would be placed in serious jeopardy;
- bodily function would be seriously impaired; or
- there would be serious dysfunction of a bodily organ or part.]

Emergency Treatment does not include care that is:

- elective;
- preventive; or
- well care.

[Evidence of Insurability] means a form accepted by Us showing that a person meets Our requirements to be insured by this Policy.]

[Hospital] means a place in the United States:

- licensed and operated as a Hospital;
- providing overnight care of Ill and Injured people;
- supervised by a Physician;
- having full-time nurses supervised by a Registered Nurse;
- having on-site or pre-arranged use of x-ray equipment, laboratory and surgical facilities; and
- maintaining permanent medical history records.

A Hospital is not:

- a facility outside of the United States;
- a nursing home;
- an extended care facility;
- a convalescent home;
- a rest home or a home for the aged;

- a place for alcoholics or drug addicts; or
- a mental institution.]

[Hospital Confinement means admission to a Hospital and confinement as a resident bed patient due to an Injury or Sickness. The assignment must be on the advice of a Physician and be Medically Necessary. We do not consider confinement to an emergency room, outpatient treatment room or observation unit as Hospital Confinement.]

[Injury means bodily injured sustained which:

- is directly caused by an accident, independent of all other causes;
- has not been specifically excluded by name or description in this Policy;
- is not caused or contributed by Sickness; and
- occurs while this Policy is in force for the Insured.

Losses that occur after the Pre-existing Condition provision has been satisfied will be covered for an Injury that occurred before the date the person becomes an Insured under this Policy unless the Injury has been specifically excluded by name or description within the Policy or Rider.]

[Insured means the Policyholder or Eligible Dependent who is covered under this Policy. Persons eligible for coverage are shown on the Policy Schedule.]

[Intoxication means a blood alcohol content equal or over the legal presumption of intoxication under the laws of the state where the event took place.]

[Material and Substantial Duties mean those duties normally required for the performance of the Insured's Regular occupation and cannot be reasonably omitted or modified.]

[Maximum Benefit Period means the period of time during which the Daily Benefit is payable for a Period of Confinement. The Maximum Benefit Period is shown on the Policy Schedule.]

[Medically Necessary means the treatment, services or supplies necessary and appropriate for the diagnosis or treatment of Sickness or Injury based upon generally accepted medical practice.

[Mental or Nervous Disorders means a neurosis, psychoneurosis, psychosis, or mental or emotional disease/disorder of any kind.]

[Period of Confinement means one continuous Hospital Confinement or several Hospital Confinements for the same or a related cause, which are separated by less than [30-90] days. Each Hospital Confinement must begin while the coverage is in force for the Insured.]

[Physician means a medical doctor or other person recognized by law or regulation in the state where services are rendered as a Physician. The person must be licensed to practice medicine and prescribe and administer drugs or to perform surgery in the United States.

Physician does not include:

- You;
- a person related to You by blood or marriage; or
- a medical doctor or other person practicing outside of the United States.]

[Policy means the Policy issued to the Policyholder.]

[Policy Anniversary means the yearly anniversary of the Policy Effective Date.]

[Policy Effective Date means the date coverage under this Policy begins as shown on the Policy Schedule. It will be used to determine Premium due dates and anniversary dates. If an Insured is added to the Policy after the date listed on the Policy Schedule, the Policy effective date for that Insured will be the date shown on the Endorsement added to this Policy.]

[Policy Schedule means page(s) so labeled in this Policy.]

[Policyholder means the person to whom the Policy is issued.]

[Pre-existing Condition means a condition which a Physician has treated or for which a Physician has advised treatment of the Insured within [0-12] months before the Insured's Start Date of Insurance. It is also one which would cause a person to seek diagnosis or care within the same [0-12]-month period.

Pre-existing Conditions for any person who was age 65 or over when they became insured under this Policy shall mean only those conditions specifically excluded in any part of this Policy or attached endorsement.]

[Proof means evidence satisfactory to Us for insurability or for other matters which require Proof.

[Regular Care means the Insured personally visits a Physician as frequently as medically required, according to generally accepted medical standards, to effectively manage and treat the disabling condition(s); and is receiving the most appropriate treatment and care which conforms with generally accepted medical standards, for the disabling condition(s) by a Physician whose specialty or experience is the most appropriate for those condition(s), according to generally accepted medical standards.]

[Regular Occupation means the occupation the Insured is routinely performing when Total Disability begins. We will look at the occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific employer or at a specific location.]

[Replaced Coverage means a policy that:

- insured the persons covered under this Policy;
- was paid for by the Insured;
- has a paid-to date within [60] days of this Policy's Date of Application;
- is replaced by this Policy; and
- ends upon issue of this Policy.

At Our request, the Policyholder must give Us Proof about an Insured's Replaced Coverage.]

[Sickness means illness, disease or Complication of Pregnancy of an Insured which: (1) first manifests itself while this Policy is in force for the Insured; and (2) does not result from Pre-existing Conditions as defined; and (3) has not been specifically excluded by name or description in this Policy.

Benefits for a normal pregnancy are paid on the same basis as for any other Sickness. However, Benefits will be payable beginning on the [300th] day after the Start Date of Insurance and while this Policy is in force. The [300]-day period will be reduced by one day for each day that Replaced Coverage was in force.]

[Spouse means[:]

[1.] the person recognized as the covered Policyholder's husband or wife under the laws of the state in which the Policyholder lives[: or]

[2.] [the person recognized by the Policyholder's state of residence as[:]

[• the Policyholder's Domestic Partner;]

[• a party to a Civil Union with the Policyholder [(Vermont)][and][Connecticut];]

[• a Reciprocal Beneficiary of the Policyholder [(Hawaii)]; or

[• someone for whom we must provide the coverage of this Policy on a spousal equivalent basis under the laws or regulations of the state where the Policyholder lives.]]

[When We provide coverage under this definition "2", We will keep providing coverage after the Policyholder or Spouse moves to a state that does not recognize the relationship described.]

[We will not give coverage under these definitions "1" and "2" for the Spouse after a legal action ends a relationship described.]]

This Policy will at no time cover more than one person as a Policyholder's Spouse.

[Totally Disabled (Total Disability) means that the Insured is:

- unable to perform the Material and Substantial Duties of His Regular Occupation during the Elimination Period and the next two (2) years of disability;
- not working in any other occupation; and
- under the care of a Physician for the disability.

You are not totally disabled when You are not under the Regular Care of a Physician. We will not require care of a Physician when it is no longer needed for the sound medical care of the condition causing Total Disability.]

[United States means the United States of America and its territories.]

[We, Us, Our and Company all mean Kanawha Insurance Company.]

[You and Your mean the Insured.]

Any reference to “He,” “Him” or “His” will also refer to “She” or “Her,” “they,” “them” or “their.”

ELIGIBILITY AND ADDITION OF PERSONS

Your Spouse and any Children, as defined in the Policy, may be added to this Policy. To add a Spouse or Child to this Policy after the Policy Effective Date, You must:

- make written application to Us;
- furnish Evidence of Insurability; and
- pay the additional Premium due for that person. The first Premium for the person to be added will be determined from the effective date of his/her coverage. The person added will be subject to the Pre-existing Conditions provision of the Policy.

Any newborn Child born to You or adopted by You while this Policy is in force will be automatically insured from the moment of birth for 90 days or until the next premium due date whichever is later. A Child placed with You for adoption after the Policy Effective Date will automatically be covered for a period of 90 days from the date of the filing of a petition for adoption. A child placed with You as a foster child shall automatically be covered for a period of 90 days from the date of placement. Coverage and benefits for the Child will be the same as those that are provided for the following Insureds, successively:

- any other insured Dependents; if none then
- You

The Pre-existing conditions provisions of this Policy is waived with respect to such Child. Coverage for a Child placed for the purpose of adoption will end if the adoption is stopped prior to legal adoption and the Child is removed.

Without Eligible Dependent Children Coverage: To continue coverage for the newborn, foster or adopted child beyond the 90 day period, You must (1) notify Us in writing; and (2) pay the Premium for the Child within 90 days from the date of birth, filing of petition for adoption or order granting custody. Premiums for the child will be pro-rated to the next Premium due date of this Policy. If We are not notified and the required Premium is not paid within 90 days, the coverage for the Child will end 90 days after the date of birth, filing of petition for adoption or order granting custody.

With Eligible Dependent Children Coverage: Please notify Us in writing as soon as possible to be sure that the Child is properly enrolled, that coverage is in place and that medical care can be obtained when sought. A newborn child will be covered from the moment of birth. A foster child will be covered from the moment of placement. An adopted child will be covered from the earlier of (1) the date of filing of petition for adoption; or (2) the date of the entry of an order granting the adoptive parent custody of the child for the purpose of adoption.

PREMIUMS AND REINSTATEMENT

Premiums

To keep this Policy in force, You must pay the Premiums when they are due. The first Premium is due in advance of the Policy Effective Date. There is no insurance until the first Premium is paid. Later Premiums are due according to the mode of Premium payment shown on the Policy Schedule.

Each Premium is payable in advance either:

- at Our home office, or
- to Our authorized agent in exchange for a receipt, if requested.

We actuarially determine the Premiums. We reserve the right to change the Premiums as stated in the Change in Premium provision.

Change in Premium

We have the right to change Premiums at any time. If Your Premium changes, the new rate will be guaranteed for a period of not less than 12 months. We will only change the Premiums:

- if We change the Premiums for all policies of this same form and issue age in Your state of issue;
- if such change is in accordance with the laws and regulations of Your state of issue; and
- if We give You 60 days notice before such change becomes effective.

Any increase or decrease will begin the next Premium due date after the notice is given. Any change in Premium will be based on Your age on the Policy effective date.

Grace Period

You are allowed a Grace Period of [30-90] days after the Premium due date in which to pay Premiums; however, there is no Grace Period for the first Premium. This Policy remains in force during the Grace Period. The Premium will be considered paid if it was postmarked during the Grace Period.

If a claim is incurred during the Grace Period and the Premium has not been paid at the time the claim is being paid, the Premium may be deducted from the claim payment.

Change in Mode of Payment

When We receive a satisfactory written request from You, the mode of future Premium payments may be changed. Such change will be according to the Premium rates in effect on the Policy Date.

Return of Unearned Premiums

Within 30 days of proof of death or cancellation of the Policy, We will refund any unearned Premium. Unearned Premium is any Premium paid for any period beyond the end of the month in which death or cancellation occurred.

Non-payment of Premium

If any Premium after the first is not paid by its due date or within the Grace Period, this Policy will Lapse as of the date of the past due Premium and will have no further value except as may be provided in this Policy.

Reinstatement

If this Policy Lapses for non-payment of Premium, You may request that it be reinstated. Reinstatement is subject to acceptance and approval by Us. If We accept the Premium without requiring an application for reinstatement, this Policy will be reinstated.

We require a reinstatement form or a new application to reinstate a Policy. If We approve the application, the Policy will be reinstated with a new Policy Effective Date. If We do not notify You that We have disapproved the reinstatement application, the Policy will be reinstated on the 45th day after the date We receive such application.

When this Policy is reinstated, only Injuries that are sustained after the date of Reinstatement and loss due to Sickness that may begin more than 10 days after the date of Reinstatement are covered. In all other respects, Your rights and Our rights will remain the same, subject to any provisions noted on or attached to the reinstated Policy.

After the reinstated Policy has been in force for 2 years from the date of reinstatement, We cannot cancel or deny benefits because of any misstatement, except fraudulent misstatements, made by You in the reinstatement application.

Any Premiums We accept for a reinstatement will be applied to a period for which Premiums have not been paid. No Premiums will be applied to any period more than [30-90] days before the reinstatement date.

BENEFITS

We will pay a daily benefit, as shown on the Policy Schedule, for each day of Hospital Confinement for an Insured for Injury or Sickness. Before benefits are payable, the Hospital Confinement must:

- be at the direction of and under the supervision of a Physician;
- continue beyond the Elimination Period for each Period of Confinement due to an Injury or Sickness;
- begin after the Policy Effective Date and while this Policy is in force for the Insured; and
- be due to Injury or Sickness that is not excluded by name or description in this Policy.

Benefits payable will not exceed the Maximum Benefit Period for any Period of Confinement.

BENEFIT CONDITIONS, LIMITATIONS AND EXCLUSIONS

Except for congenital anomalies of a covered Dependent Child, any loss due to a Pre-existing Condition will not be covered if the loss begins within [0-12] months after the Covered Person's Start Date of Insurance.

No Benefits of this Policy will be paid for loss that is caused by, contributed to by, occurs during or results from:

- [intentionally self-inflicted Injury;]
- [suicide or any attempted suicide, while sane or insane;]
- [mental or emotional disorders without demonstrable organic disease;]
- [taking part in an illegal occupation;]
- [treatment for drug addiction or for the use of drugs, except when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of drug Intoxication, except when caused by drugs when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of alcoholism, or treatment for the use of alcohol;]
- [rest cures;]

- [dental services or treatments unless needed due to Injury;]
- [routine eye examinations, eye glasses or the fitting thereof;]
- [hearing aids or the fitting thereof;]
- [Sickness or Injury if Workers' Compensation or Employer's Liability benefits are payable;]
- [war, declared or undeclared;]
- [taking part in a riot, felony or insurrection;]
- [parachute jumping or sky diving;]
- [travel in or on any kind of aircraft, unless as a fare paying passenger on a commercial airline, passenger on a private airline charter or as a passenger on a privately owned and operated airplane that seats more than 10 passengers;]
- [military or naval services (On written notice to Us, We will refund Premiums pro rata for any period not covered because of such service.);]
- [hospitalization, treatment or services for members or ex-members of the armed forces in any military or veteran's hospital, soldier's home or Hospital contracted for or operated by any national government or agency thereof unless the Covered Person is legally required to pay the charges therefore in the absence of insurance;]
- cosmetic surgery, except that cosmetic surgery shall not include reconstructive surgery when such service is incidental to trauma, infection or other diseases of the involved part; and reconstructive surgery because of congenital disease or anomaly of a covered Dependent Child which has resulted in functional defect;
- [routine well-baby care.]

No Benefits of this Policy will be paid for loss that takes place outside of the United States.

TERMINATION

Coverage for the Policyholder under this Policy will end the earlier of:

- when You request in writing that it be cancelled;
- when You fail to pay Premiums within Your Grace Period
- the Policy Anniversary date You no longer meet the Renewal Condition as defined on the cover of this Policy; or
- when You die.

Coverage for an Insured Dependent will end under this Policy the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse; or
- coverage for the Policyholder terminates.

When such Insured Dependent's coverage ends, We will:

- refund any Premium accepted for the period the Insured ceases to be an Eligible Dependent;
- consider any claim that began before the insurance ended; and
- allow a conversion policy for the Eligible Dependent, as set forth in the Conversion Privilege.

MILITARY SERVICE

You may suspend this Policy if You enter full-time, active duty in the military service. However, You may not suspend the Policy during active military duty or training lasting three months or less. The Policy will not be in force while it is suspended and You will not have to pay any Premiums. We need Your written request to suspend the Policy. We will refund the pro-rata portion of any Premium paid for a period beyond the date We receive Your request.

If Your full time active duty military service ends before Your 65th birthday, You may place this Policy back in force without Evidence of Insurability. You coverage will start again when:

- We receive Your written request; and

- You have paid the pro-rate Premium for coverage until the next Premium due date.

We must receive Your request and Premium payment within 90 days after the date Your active duty service in the military ends. Premiums will be at the same rate they would have been had Your Policy remained in force. The Policy will not cover any loss due to Injury or Sickness that occurs while the Policy is suspended. In all other respects, both You and We will have the same rights under the Policy as before it was suspended.

If Your active duty ends after Your 65th birthday, this Policy cannot be reinstated.

CONVERSION

When an Eligible Dependent Child ceases to be an Eligible Dependent Child, as defined, coverage can be converted to a new Policy. We must receive a written application and the required Premium within 31 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer in the state the person lives which is most similar to (but not greater than) this Policy; and
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the next day after the date coverage for the Eligible Dependent Child ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

If You and Your eligible Spouse divorce, Your eligible Spouse may convert to a new Policy. Written application for the Policy must be made to Us and the required Premium paid within 60 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer for conversion in the state the person lives (but not greater than this Policy);
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the next day after the date coverage for the eligible Spouse ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

At the option of the eligible Spouse, any eligible Dependent children covered under this Policy (from whom the eligible Spouse has the obligation of support) may also be converted to the new Policy. Said conversion is subject to the same conditions as the eligible Spouse's conversion.

Your eligible Spouse may convert to a new Policy if You die. Application for the Policy must be made to Us and the required Premium paid within 60 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer for conversion in the state the person lives (but not greater than this Policy);
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the day after the date coverage for the eligible Spouse ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

At the option of the eligible Spouse, any eligible Dependent children covered under this Policy (from whom the eligible Spouse has the obligation of support) may also be converted to the new Policy. Said conversion is subject to the same conditions as the eligible Spouse's conversion.

CLAIM PROVISIONS

NOTICE OF CLAIM

Written notice of Claim must be given to Us within 20 days after the date of a loss. If that is not possible, We must be notified as soon as it is reasonably possible to do so. Notice can be given to Us at the address listed on the cover of this Policy or to any authorized agent of the Company. Notice should include the name of the Insured and the Policy Number.

CLAIM FORMS

When We receive written notice of Claim, We will send claim forms. If the claim forms are not received within 15 days after the notice is sent, written Proof of claim can be sent to Us without waiting for the forms.

PROOF OF LOSS

Proof of loss must be given to us within 90 days after a loss occurs or starts. If it is not possible to give proof within this time limit, it must be given as soon as reasonably possible. Proof of Loss may not be given later than one year after the time such proof is otherwise required, except if the individual is legally unable to provide it.

Proof of Loss includes a Claim Form or other documents satisfactory to Us.

Proof of Loss may also include statements completed by the Insured and/or the claimant and the attending Physician documenting:

- the nature of the loss;
- the date, or inclusive dates, of loss; and
- the cause of loss.

We may require Proof of Loss on a monthly basis. We will not require such Proof of Loss on a monthly basis when it is no longer reasonably necessary to do so.

On request, We will tell the Insured or other claimant what forms or documents are required.

We may require authorization to obtain:

- medical information;
- psychiatric information; and
- non-medical information, such as payroll.

We will give the Insured or the claimant a Claim Form upon request. He or She is responsible for any costs to complete the Claim Form.

We may ask for other Proof of Loss from Hospitals and Physicians. We will pay the reasonable cost of obtaining these records.

PAYMENT OF CLAIMS

We will pay Benefits when We receive Proof of Loss acceptable to Us.

We will pay the Insured. If He or She does not survive to receive payment We will pay His or Her:

- Beneficiary, if one is named; or
- estate.

If Benefits are payable to an estate or to a Beneficiary who cannot give Us a valid release, We can pay up to \$1,000 to someone related to the Insured, by blood or marriage, whom We find is justly entitled to payment. Such a payment made in good faith will discharge Us to the extent of the amount paid.

The Insured may assign proceeds of a Claim.

TIME PAYMENT OF CLAIMS

Payment will be issued immediately when We receive Proof of Loss acceptable to Us.

EXAMINATION AND AUTOPSY

We, at Our own expense, will have the right and opportunity to have a claimant examined by a medical professional of Our choice. We may use this right as often as reasonably required.

GENERAL PROVISIONS

AGREEMENTS AND POLICY CHANGES

No change in this Policy shall be valid unless made by endorsement or amendment. Such a change is valid only if signed by Our Chairman or Our President. No other person can waive any Policy terms or make any agreements about this Policy that are binding on Us.

ASSIGNMENT

The Insured may assign proceeds of a claim.

Assignment of this Policy is not allowed.

We are not responsible:

- for the validity of any Assignment; or
- to honor any Assignment unless it is given to Us with any claim subject to the Assignment.

Our payment in good faith as outlined above will fully discharge Us with respect to the amount(s) paid.

BENEFICIARY, CHANGE OF BENEFICIARY

Benefits will be paid as stated in the Payment of Claims provision.

The Insured may add or change the Beneficiary by filing a form with Us.

We are not:

- responsible for the validity of any Beneficiary designation; or
- required to honor any Beneficiary designation unless it is given to Us with any affected claim.

CONFORMITY WITH STATE STATUTES

Any Policy wording that, on the Date of Policy, is in conflict with the statutes of the state in which it is issued is hereby amended to meet the minimum requirements of such statutes.

DATA REQUIRED

The Policyholder will give Us all data and proof that We may reasonably need to administer this Policy.

DATE OF BIRTH AND TOBACCO USE

If a Covered Person's date of birth or tobacco use is misstated, We will adjust the Benefits payable on a pro-rata basis. The Benefits will be those which We would have issued based on the correct information.

ENTIRE CONTRACT

This Policy, the Application and Evidence of Insurability as well as any riders, endorsements and amendments shall make up the entire contract.

Statements made by the Policyholder or Insured individuals shall be deemed representations and not warranties.

EVIDENCE OF INSURABILITY

We may require evidence that a person meets our underwriting standards for this insurance.

LEGAL ACTIONS

Legal action cannot be taken against Kanawha Insurance Company:

- sooner than 60 days after due Proof of Loss has been filed; or
- later than three years after the time written Proof of Loss is required to be filed according to the terms of this Policy.

NON-PARTICIPATING

This Policy is a non-participating policy. We will not pay dividends on this Policy.

TIME LIMIT ON CERTAIN DEFENSES

After the Policy has been in force for 2 years from the Policy Effective Date, We cannot cancel or deny benefits because of any misstatement made by You in the application for the Policy, except for fraudulent misstatements made by You in the application for the Policy.

If a Rider is added after the Policy Effective Date, We cannot cancel or deny benefits because of a misstatement made by You in the application after the Rider has been in force for 2 years from the Rider's Effective Date.

After the coverage has been in force beyond the Pre-existing Conditions period, We will pay benefits for any Pre-existing conditions not specifically excluded by name or description in the Policy, Rider or endorsement.

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

BENEFITS

- A. **Accidental Death Benefit:** If an Insured is Injured, which results in death within 90 days of the Injury, We will pay the benefit amount shown on the Policy Schedule for such Insured. Such sum will be paid to Your designated beneficiary or to Your estate. If an Insured Dependent dies, the Benefit Amount will be paid to You.

If such death results from an Injury an Insured sustains while a fare-paying passenger in a common carrier, the amount payable will be twice the benefit amount shown on the Policy Schedule for such Insured. A common carrier is one licensed and operated exclusively to transport persons and charges a fare.

- B. **Accidental Dismemberment and Loss of Sight Benefit:** We will pay the benefit amount shown on the Policy Schedule if an Insured is Injured which, within 90 days results in the:
- Loss of Sight of both eyes entirely, irrecoverably and uncorrectable;
 - Severance of both hands at or above the wrist joint or both feet at or above the ankle joint; or
 - Severance of one hand at or above the wrist joint and one foot at or above the ankle joint.

We will pay the benefit amount shown on the Policy Schedule if an Insured is Injured which, 90 days results in the:

- Loss of the sight in one eye entirely, irrecoverably and uncorrectable; or
- Severance of one hand at or above the wrist joint or one foot at or above the ankle joint.

We will pay one-half of the benefit amount for such Insured who incurred the loss.

- C. **Limit on Payment Under this Rider:** The total amount We will pay for all losses stated in Sections A and B above as the result of any one Injury will not exceed the benefit amount shown on the Policy Schedule. The only exception is if an Insured's death results from a common carrier accident. We will pay twice the benefit amount shown on the Policy Schedule for such Insured.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;

- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

ELIGIBILITY AND ADDITION OF PERSONS

The second paragraph in the Eligibility and Addition of Persons section of the Policy is deleted and replaced with:

Any child born to You while this Policy is in force will be automatically insured from the moment of birth for 31 days. A child placed with You for adoption after the Policy Effective Date shall automatically be covered for a period of 31 days from the earlier of (1) the date of placement for the purpose of adoption; or (2) the date of the entry of an order granting the adoptive parent custody of the child for the purpose of adoption. A child placed with You as a foster child will automatically be covered for a period of 31 days from the date of placement. The benefit amount for the child will be the same amount as shown on the Policy Schedule for other Eligible Dependent Children; if none, then [\$5,000].

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

EMERGENCY ACCIDENT RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

BENEFITS

If an Insured is Injured and requires Emergency Treatment by a Physician, We will pay the benefit amount shown on the Policy Schedule for such Insured. The Emergency Treatment must be:

- rendered in an Emergency Room of a Hospital or in a Physician's office; and
- received within 72 hours of the Injury.

This Rider pays a benefit for only one Emergency Treatment per Injury. Any other Emergency Treatments for the same Injury will not be subject to a benefit. Benefits for Emergency Treatment are limited to [4] such treatments per Insured in a Calendar Year, with the exception of Eligible Dependent Children. The benefits for Eligible Dependent Children, not for each covered child, are limited to a combined total of [4] different Emergency Treatments each Calendar Year.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and

- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company

[]
[President]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

FIRST HOSPITAL CONFINEMENT RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

First Hospital Confinement means the first Period of Confinement in a Calendar Year for an Insured. No other Period of Confinement during a Calendar Year will be considered a First Hospital Confinement.

BENEFITS

We will pay the benefit amount for an Insured's First Hospital Confinement. Before benefits are payable, the Hospital Confinement must:

- be due to Injury or Sickness;
- begin while this Rider is in force for the Insured; and
- be at the direction of and under the supervision of a Physician.

The benefit amount is listed on the Schedule in this Rider. The benefit amount will be the amount next to the total number of days of Hospital Confinement during the Period of Confinement. Benefits for this Rider will be limited to the First Hospital Confinement each Calendar Year for each Insured. The benefit amount is not a cumulative benefit and will not exceed [\$5,000] for each Insured for each Calendar Year.

SCHEDULE

| <u>Total Days of Hospital Confinement</u> | <u>Benefit Amount</u> |
|---|-----------------------|
| One | [\$500] |
| Two | [\$1,000] |
| Three | [\$2,000] |
| Four | [\$3,000] |
| Five | [\$4,000] |
| Six | [\$5,000] |

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

HOSPITAL INJURY INDEMNITY RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

BENEFITS

For the Hospital Injury Indemnity benefit amount to be payable, the Hospital Confinement must:

- begin while this Rider is in force for the Insured;
- be at the direction of and under the supervision of a Physician; and
- be for treatment of an Injury.

The benefit amount is the amount shown on the Policy Schedule to which this Rider is attached. The maximum number of days that We will pay for a Period of Confinement is [365].

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

INTENSIVE CARE UNIT RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

Intensive Care Unit (ICU) means a place which:

- is an area of a Hospital called an Intensive Care Unit;
- provides the Hospital's highest level of medical care;
- is restricted to critically Ill or Injured patients who require intensive comprehensive observation and care;
- is separate and apart from the surgical recovery room and from rooms, beds and wards customarily used for patient confinement;
- is permanently equipped with special lifesaving equipment for the care of the critically Ill or Injured;
- is under constant and continuous observation by a specially trained nursing staff; and
- has a Doctor assigned to the ICU on a full-time basis.

An ICU is not:

- a progressive care unit;
- a sub-acute intensive care unit;
- an intermediate care unit;
- a private monitored room;
- a surgical recovery room;
- an observation unit; or
- any facility not meeting the definition of a Hospital ICU as defined in this Policy.

BENEFITS

If an Insured is confined in a Hospital's Intensive Care Unit due to an Injury or Sickness, We will pay the daily benefit amount shown on the Policy Schedule. We will pay this amount for each day of such confinement, but not to exceed [20] days during any Period of Confinement, as defined in the Policy.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

LUMP SUM INDEMNITY RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

First Hospital Confinement means The first Period of Confinement in a Calendar Year for an Insured. No other Period of Confinement during a Calendar Year will be considered a First Hospital Confinement.

BENEFITS

We will pay the benefit amount shown on the Policy Schedule for an Insured's First Hospital Confinement. Before benefits are payable, the Hospital Confinement must:

- be due to Injury or Sickness;
- begin while this Rider is in force for the Insured;
- be at the direction of and under the supervision of a Physician.

Benefits for this Rider will be limited to the amount each calendar year for each Insured.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

PRIVATE DUTY NURSE RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

Private Duty Nurse means a licensed registered nurse (R.N.), or a licensed practical nurse (L.P.N.) whose service is rendered solely for the Insured.

A Private Duty Nurse does not include a family member of the Insured. Family member means You, Your Spouse, Children, grandchildren, siblings, parents, grandparents or corresponding in-laws.

BENEFITS

For each day an Insured receives the services of a Private Duty Nurse during a Hospital Confinement, We will pay the Daily Benefit shown on the Policy Schedule. We will pay this amount for up to a maximum of [30] days during any Period of Confinement, as defined in the Policy. Before benefits are payable, the service must:

- be rendered as the result of an Injury or Sickness;
- be at the direction of and under the supervision of a Physician;
- be Medically Necessary and provided for at least [8] hours a day; and
- begin while this Rider is in force for the Insured.

We will pay only one daily benefit for all Private Duty Nurse services received within a consecutive 24-hour period.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

SPECIFIED INJURY RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

Anesthesia includes local and general anesthesia.

BENEFITS

APPLIANCE:

We will pay this benefit if an Insured is Injured and is required to use an appliance as a result of the Injury. The appliance must be used to help the Insured move around and not be used for treatment of the Injury. Dental appliances and orthodontia will not be covered. A Physician must advise the use of an appliance and the Insured must begin using it within [90] days after the Injury. We will pay a [\$25] benefit for each Injury.

AMBULANCE:

We will pay this benefit if an Insured is Injured and requires transportation to a Hospital. The Insured must be transported by a professional ambulance service within [90] days after the Injury. We will pay a [\$25] benefit for each Injury.

BLOOD/PLASMA:

We will pay this benefit if an Insured is Injured and requires blood/plasma. The Insured must receive the blood/plasma within [90] days after the Injury. We will pay a [\$50] benefit for each Injury.

BURNS:

We will pay this benefit if an Insured receives burns in an Injury. The burns must be second degree burns that cover at least thirty-six percent of the body surface or third degree burns that cover at least nine square inches of the body surface. A Physician must treat the Insured within [72] hours after the Injury. We will pay a [\$600] benefit for each Injury.

DISLOCATION (SEPARATED JOINT):

We will pay this benefit if an Insured receives a dislocation due to an Injury. The dislocation is a completely separated joint. A Physician must diagnose it as a dislocation within [90] days after the Injury. The dislocation must require correction by a Physician with the use of Anesthesia. It can be corrected by open or closed reduction. We will pay the benefit shown on the schedule below for the joint involved. If the dislocation is not listed, We will pay a benefit most comparable to what is listed for a dislocation in the schedule.

If an Insured receives more than one dislocation in an Injury and they require open or closed reduction, We will pay no more than one and one-half times the benefit for the joint involved which has the highest benefit amount.

If the dislocation requires reduction by a Physician without the use of Anesthesia, We will pay [25%] of the Benefit shown for the joint involved.

If a Physician diagnoses the dislocation as an incomplete dislocation, We will pay [25%] of the benefit shown for the joint involved. An incomplete dislocation is a dislocation in which the joint is not complete separated.

If an Insured receives a fracture and a dislocation in the same Injury, We will pay for both. However, We will pay no more than [one and one-half times] the benefit for the bone or joint involved which has the highest benefit amount.

| JOINT | POLICYHOLDER | SPOUSE | CHILDREN |
|--|---------------------|---------------|-----------------|
| Hip | [\$1500] | [\$1000] | [\$450] |
| Knee (except Patella) | [\$1100] | [\$750] | [\$325] |
| Shoulder – Glenohumeral | [\$800] | [\$550] | [\$225] |
| Collar Bone- Sternoclavicular | [\$800] | [\$550] | [\$225] |
| Collar Bone- Acromioclavicular | [\$720] | [\$480] | [\$225] |
| Collar Bone- Acromioclavicular Separation | [\$720] | [\$480] | [\$225] |
| Ankle- Bone or Bones of the Foot (other than Toes) | [\$660] | [\$440] | [\$200] |
| Bone or Bones of the Hand (other than Fingers) | [\$600] | [\$400] | [\$175] |
| Lower Jaw | [\$500] | [\$350] | [\$150] |
| Wrist | [\$450] | [\$300] | [\$125] |
| Elbow | [\$325] | [\$225] | [\$100] |
| One Toe or Finger | [\$150] | [\$100] | [\$40] |

EYE INJURY:

We will pay this benefit if an Insured receives an eye injury. It must require surgery with Anesthesia. An exam with Anesthesia will not be considered surgery. A Physician must perform the surgery within [90] days after the Injury. We will pay a [\$100] benefit for this Injury.

FRACTURE (BROKEN BONE):

We will pay this benefit if an Insured receives a fracture in an Injury. A fracture is a break in a bone, which can be seen by x-ray. A Physician must diagnose it as a fracture within [90] days after the Injury. The fracture must require correction by a Physician. It can be corrected by open or closed reduction. We will pay this benefit shown in the schedule below for the bone involved. If the fracture is not listed, We will pay a benefit most comparable to what is listed for a fracture in the schedule.

If an Insured receives more than one fractured bone in an Injury and they require open or closed reduction, We will pay no more than [one and one-half times] the benefit for the bone involved which has the highest benefit amount.

If a Physician diagnoses the fracture as a chip fracture, We will pay [10%] of the benefit shown for the bone involved.

If the Insured receives a fracture and a dislocation in the same Injury, We will pay for both. However, We will pay no more than one and one-half times the benefit for the bone or joint involved which has the highest benefit amount.

| BONE | POLICYHOLDER | SPOUSE | CHILDREN |
|---|---------------------|---------------|-----------------|
| Hip, Thigh (Femur) | [\$1800] | [\$1200] | [\$500] |
| Vertebrae, Body of (except Vertebral Processes) | [\$1600] | [\$1000] | [\$450] |
| Pelvis (includes Ilium, Ischium, Pubis Acetabulum except Coccyx) | [\$1400] | [\$950] | [\$375] |
| Skull (except Bones of Face or Nose)- Simple Non-reduction Skull Fracture | [\$600] | [\$400] | [\$175] |
| Skull (except Bones of Face or Nose)- Depressed Skull Fracture | [\$1350] | [\$900] | [\$375] |
| Leg (Tibia and/or Fibula) | [\$1100] | [\$750] | [\$300] |
| Forearm (Radius and/or Ulna)- Hand or Wrist (except Finger) | [\$900] | [\$600] | [\$250] |
| Foot (except Toes), Ankle, Kneecap (Patella) | [\$900] | [\$600] | [\$250] |
| Lower Jaw, Mandible (except Alveolar Process) | [\$720] | [\$480] | [\$200] |
| Shoulder Blade (Scapula), Collar Bone (Clavicle, Sternum) | [\$720] | [\$480] | [\$200] |
| Arm, between Elbow and Shoulder (Humerus) | [\$630] | [\$420] | [\$175] |
| Upper Jaw, Maxilla (except Alveolar Process) | [\$630] | [\$420] | [\$175] |
| Bones of Face or Nose (except Mandible or Maxilla) | [\$550] | [\$375] | [\$150] |
| Vertebral Processes- Transverse, Spinous, etc. | [\$350] | [\$250] | [\$100] |
| Coccyx, One Rib, Finger, Toe | [\$150] | [\$100] | [\$40] |

RUPTURED DISK:

We will pay this benefit if an Insured receives a ruptured disk in an Injury. A Physician must treat it within [90] days after the Injury. A Physician must repair it with surgery within one year after the Injury. We will pay one of these benefits for each Injury. The benefit We pay will be based on when the Injury occurs as follows:

- Injury which occurs less than one year after the Effective Date of this Rider- [\$100]
- Injury which occurs one year or more after the Effective Date of this Rider- [\$400]

TENDON/LIGAMENT:

We will pay this benefit if an Insured receives an Injury to a tendon/ligament. It must be torn, ruptured or severed. A Physician must repair it with surgery within [90] days after the Injury. We

will pay one of these benefits for each Injury. The benefit We pay will be based on the number of tendons/ligaments repaired as the result of each Injury as follows:

- Repair of one tendon or ligament- [\$500]
- Repair of all tendons/ligaments if more than one- [\$750]

We will only pay one benefit if the Insured is Injured and receives a fracture or dislocation and tears, ruptures or severs a tendon/ligament. We will pay the largest of the appropriate Tendon/Ligament benefit, the Fracture Benefit or the Dislocation Benefit.

TORN KNEE CARTILAGE:

We will pay this benefit if an Insured receives a torn knee cartilage (meniscus) in an Injury. A Physician must treat it within [90] days after the Injury. A Physician must repair it with surgery within one year after the Injury. We will pay one of these benefits for each Injury. The benefit We pay will be based on when the Injury occurs as follows:

- Injury which occurs less than one year after the Effective Date of this Rider- [\$100]
- Injury which occurs one year or more after the Effective Date of this Rider- [\$400]

GUNSHOT WOUND:

There are NO Gunshot Wound benefits for Insured Dependents.

We will pay this benefit if the Policyholder is Injured by a gunshot wound and did not intentionally shoot him/herself. It must be caused by a shot from a conventional firearm. A conventional firearm is a weapon which fires a shot (bullet) by gun powder or compressed gas. It must require treatment by a Physician, including a Hospital Confinement, within 24 hours and surgery within [72] hours after the Injury. We will pay a [\$1000] benefit for each Injury after all of these occur.

We will only pay benefits for the first wound if the Policyholder is shot more than once within a 24-hour period.

If the Policyholder receives a fracture or a dislocation as a result of the same gunshot wound accident, We will pay the benefit shown above for the Gunshot Wound Benefit plus one-half of the Fracture Benefit or the Dislocation Benefit shown in this Rider for the bone or joint involved. However, We will not pay more than [\$2000] total for each Injury involving a combination of a gunshot wound with a fracture or a dislocation.

BENEFIT CONDITIONS, LIMITATIONS AND EXCLUSIONS

In addition to the Benefit Conditions, Limitations and Exclusions listed in the Policy, the following are hereby added to this Rider:

- Riding in or driving any motor-driven vehicle in a race, stunt show or speed test;
- Driving a car or any other licensed vehicle on a highway without a valid operator's license;
- Mountaineering, sky diving, hang gliding, or bungee jumping;
- Insured Dependent(s) practicing for or participating in any high school, college, semi-professional or professional competitive athletic contest. Participation in intramural sports is not excluded.

Sickness is not covered under this Rider.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


[
[President]
]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

SURGICAL PLUS RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

Ambulatory Surgical Center means a licensed facility where the patient is admitted to and discharged within the same day with the primary purpose to provide surgical procedures. It has one or more Physicians on duty whenever a patient is in the center.

It is not:

- A facility existing for the primary purpose of terminating pregnancies;
- An office maintained by a Physician for the practice of medicine; or
- A facility which provides services or overnight accommodations for patients.

Breast Reconstructive Surgery means a surgical procedure performed following a mastectomy on one or both breasts to reestablish symmetry between the two breasts. The term includes, but is not limited to, augmentation mammoplasty, reduction mammoplasty and mastopexy.

Mammography Screening/Mammogram means the x-ray examination of the breast using equipment dictated specifically for mammography.

Papanicolaou Test (Pap Smear) means the cytologic examination of cells, especially from the cervix, vagina and endometrium for the detection of malignant and premalignant cells.

BENEFITS

A. SURGICAL BENEFITS

If a Physician performs surgery due to Injury or Sickness while this Rider is in force for the Insured, We will pay a Surgical Benefit. The Surgical Benefit amount is the percentage next to the procedure listed in the Schedule times the Insured's Maximum Benefit shown on the Policy Schedule. The surgery can take place in: (1) a Hospital; or (2) an Ambulatory Surgical Center; or (3) a Physician's office. If an operation is not listed in the Schedule, We will pay an amount comparable to that which we would be payable for the operation listed in the Schedule which is most similar in severity and complexity. If two or more surgical procedures are performed at the same time through the same or different incisions, only the largest benefit will be paid.

B. ANESTHESIA BENEFITS

When anesthesia is used by a Physician on an Insured during a surgical procedure that is covered under the Surgical Benefit, We will pay a benefit. The benefit will be [25%] of the amount paid under the Surgical Benefit.

C. BREAST RECONSTRUCTIVE SURGERY BENEFITS

We will pay a benefit after Breast Reconstructive Surgery is performed on an Insured after a covered mastectomy under the Surgical Benefit. The benefit is the percentage next to the procedure listed on the Schedule, times the Insured's Maximum Benefit shown on the Policy Schedule.

D. BREAST PROSTHETIC DEVICES BENEFIT

We will pay a benefit when breast prosthetic devices are used on an Insured after a covered mastectomy under the Surgical Benefit. We will pay for a maximum of two prosthetic devices following such surgery. The benefit is the percentage next to the procedure listed on the Schedule times the Insured's Maximum Benefit Amount shown on the Policy Schedule.

E. MAMMOGRAPHY SCREENING BENEFIT

We will pay a benefit when a Mammography Screening is performed while this Rider is in force for the Insured. The benefit is [4%] of the Insured's Maximum Benefit Amount shown on the Policy Schedule based on the following schedule:

- For ages 35-39: one baseline Mammogram;
- For ages 40-49: one every two years, or more often at the request of the Insured's Physician;
- For ages 50 and over: one every year.

At any age, We will pay the benefit listed above for a Mammogram performed at the request of the Insured's Physician.

F. PAPANICOLAOU TEST (PAP SMEAR) BENEFIT

We will pay a benefit when a Papanicolaou Test (Pap Smear) is performed while this Rider is in force for the Insured. The benefit is [1%] of the Insured's Maximum Benefit Amount shown on the Policy Schedule. We will pay for one screening test per year for ages 18 and over.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or
- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

SCHEDULE

| OPERATIONS | % of Maximum Surgical Benefit | OPERATIONS | % of Maximum Surgical Benefit |
|---|--------------------------------------|---|--------------------------------------|
| INTEGUMENTARY SYSTEM | | MUSCULOSKELETAL SYSTEM | |
| SKIN | | BONE OR CARTILAGE GRAFT | |
| Incision and Drainage of Cyst | 1.0 | Spinal Fusion | 40.0 |
| Acne Surgery | 0.75 | Spinal Fusion with removal of intervertebral disc | 40.0 |
| Biopsy | 1.5 | Spinal Fusion for Scoliosis | 60.0 |
| Excision of Benign Tumor | 2.0 | FRACTURES (Requiring Reduction) | |
| Excision of Malignant Tumor (Trunk, Arms or Legs) | 3.0 | Skull | 37.5 |
| Excision of Malignant Tumor (Face, Scalp, Ears, Neck, Hands, Feet, Genitalia) | 5.0 | Nose | 2.5 |
| Excision of Malignant Tumor (Eyelids, Nose, Lips, Mucous Membrane) | 7.5 | Jaw | 15.0 |
| Excision of Nail | 5.0 | Vertabrae, one or more | 15.0 |
| Repair- Simple Wounds | 1.0 | Collar Bone | 7.5 |
| Repair- Complex Wounds (Linear Repair) | 3.5 | Shoulder Blade (Scapula) | 27.5 |
| Repair- Skin Grafts (Single Stage) | 2.5 | Upper Arm | 12.5 |
| Repair- Skin Grafts (Multiple Stage) | 7.5 | Lower Arm | 7.5 |
| Electro-surgical destruction or Chemocautery | 1.0 | Hand | 5.0 |
| Chemosurgery- malignancies of skin | 10.0 | Fingers or Toes | 2.5 |
| | | Upper Leg | 20.0 |
| | | Lower Leg | 7.5 |
| | | Ankle | 12.5 |
| | | Foot | 5.0 |
| BREAST | | JOINTS | |
| Biopsy | 7.5 | Shoulder or Elbow- Arthrotomy | 25.0 |
| Excision of Cyst or Benign Tumor | 7.5 | Shoulder or Elbow-Arthroplasty | 40.0 |
| Excision of Chest Wall Tumor | 35.0 | Wrist- Arthrotomy | 20.0 |
| Mastectomy, simple | 15.0 | Wrist- Arthroplasty | 40.0 |
| Mastectomy, radical | 35.0 | Hip- Arthrotomy | 35.0 |
| Mammoplasty, Reconstructive | 50.0 | Hip- Arthroplasty | 50.0 |
| Mammoplasty, Prosthetic Devices | 35.0 | Knee- Arthrotomy | 25.0 |
| | | Knee- Arthroplasty | 50.0 |
| DISLOCATIONS | | Ankle- Arthrotomy | 25.0 |

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|--|------|---|-------|
| Jaw | 2.5 | Ankle- Arthroplasty | 37.5 |
| Collar Bone (requiring reduction) | 5.0 | Hammertoe | 10.0 |
| Shoulder (humerus with anesthesia) or Elbow | 2.5 | | |
| Wrist | 2.5 | CARDIOVASCULAR SYSTEM | |
| Fingers or Toes | 1.0 | HEART | |
| Hip or Knee | 10.0 | Heart Transplant | 100.0 |
| Ankle | 5.0 | Catherization of Heart | 7.5 |
| | | Suture of Heart wound or injury | 50.0 |
| TENDONS | | Valvotomy, aortic and pulmonic valve | 75.0 |
| Repair or Suture | 6.0 | Valvotomy, mitral valve | 70.0 |
| Lengthening or Shortening (e.g. Achilles tendon) | 15.0 | Valvuloplasty or Replacement, aortic and mitral valve | 100.0 |
| | | Coronary Bypass, single or multiple | 100.0 |
| AMPUTATIONS | | Repair of Myocardial Aneurysm | 100.0 |
| Arm at Shoulder Joint | 37.5 | Repair of Septal Defect | 90.0 |
| Arm below Shoulder Joint | 17.5 | Angioplasty, percutaneous | 50.0 |
| Finger | 7.5 | Pervenous or Transvenous insertion of Pacemaker | 25.0 |
| Leg at Hip Joint | 40.0 | | |
| Leg at Knee | 20.0 | | |
| Leg above or below knee | 25.0 | ARTERIES | |
| Toe | 5.0 | Arteriotomy, extremity | 30.0 |
| | | Thromboendartectomy | 60.0 |
| RESPIRATORY SYSTEM | | Cartoid endurterectomy | 60.0 |
| NOSE | | Excision and graft, Abdominal Aortic Aneurysm | 75.0 |
| Excision of Nasal Polyps | 1.5 | Injection- Varicose Veins | 00.5 |
| Submucous resection, Classic Nasal Sept | 15.0 | | |
| | | HEMIC AND LYMPHATIC SYSTEMS | |
| SINUSES | | Splenectomy | 30.0 |
| Frontal Sinusotomy- simple | 10.0 | Biopsy of Lymph Node | 2.5 |
| Frontal Sinusotomy- radical | 30.0 | Radical Lymphadenectomy | 25.0 |
| | | | |
| LARYNX | | DIGESTIVE SYSTEM | |
| Laryngectomy | 50.0 | Gastrotomy | 25.0 |
| Laryngoscopy | 2.0 | Gastrectomy, Total | 50.0 |
| | | Gastrectomy, Partial | 40.0 |
| TRACHEA AND BRONCHI | | Gastroscopy | 7.5 |
| Tracheotomy | 10.0 | Gastrostomy | 20.0 |
| Bronchoscopy | 7.5 | Gastrorrhaphy | 25.0 |
| Closure of Tracheotomy | 12.5 | Enterotomy | 30.0 |
| | | Enterectomy | 35.0 |
| LUNGS | | Colostomy | 40.0 |
| Thoracotomy | 25.0 | Enterostomy | 25.0 |
| Pneumonotomy | 30.0 | Enterolysis | 20.0 |
| Pneumonocentesis | 2.5 | Diverticulectomy | 25.0 |
| Thoracentesis | 1.5 | Appendectomy | 20.0 |
| Pneumonectomy, total | 50.0 | Proctectomy | 50.0 |
| Wedge Resection of Lung, Single or Multiple | 40.0 | Protosigmoidoscopy | 1.5 |
| Thoracoscopy (including | 10.0 | Proctoplasty | 20.0 |

| | | | |
|--|------|--|------|
| biopsy) | | | |
| | | Fistulotomy | 5.0 |
| URINARY SYSTEM | | Sphincterotomy | 2.5 |
| Nephrolithotomy | 40.0 | Fissurectomy or Hemorrhoidectomy | 10.0 |
| Renal Biopsy | 2.5 | Removal of External Hemorrhoids | 1.5 |
| Nephrectomy | 40.0 | Aspiration biopsy of liver, pancreas or bile duct | 2.5 |
| Lithotripsy | 25.0 | Cholecystotomy | 25.0 |
| Kidney Transplant | 62.5 | Cholecystectomy | 30.0 |
| Cystotomy | 25.0 | Pancreatectomy- partial | 40.0 |
| Cystectomy- partial | 35.0 | Pancreatectomy- total | 70.0 |
| Cystectomy- complete | 50.0 | Laparotomy | 20.0 |
| Urethroscopy or Cystoscopy | 2.5 | Herniotomy | 17.5 |
| Cystoplasty | 40.0 | | |
| Dilation of Urethra | 1.0 | ENDOCRINE SYSTEM | |
| | | Incision and drainage of Throid Gland | 1.5 |
| GENITAL SYSTEM | | Local excision of thyroid cyst or adenoma | 20.0 |
| MALE | | Thyroidectomy or Parathyroidectomy | 35.0 |
| Circumcision | 1.5 | Adrenalectomy | 40.0 |
| Orchiectomy | 10.0 | | |
| Reduction of Torsion of Testis | 15.0 | | |
| Excision of Epididymis, Hydrocele, Varicocele | 15.0 | NERVOUS SYSTEM | |
| Vasectomy | 7.5 | Burr Holes | 15.0 |
| Biopsy, Prostate | 2.5 | Cranioplasty | 50.0 |
| Prostatectomy- partial | 40.0 | Craniotomy or Craniectomy | 20.0 |
| Prostatectomy- radical | 50.0 | Laminectomy | 50.0 |
| | | Spinal Puncture | 1.0 |
| FEMALE | | Paravertebral block, lumbar or thoracic nerve | 2.5 |
| Hysterectomy, Vaginal or Abdominal | 30.0 | Median nerve decompression (Carpal Tunnel) | 15.0 |
| Hysterectomy, radical for cancer including lymph nodes | 50.0 | | |
| Salpingo-oophorectomy | 22.5 | EYE | |
| Repair of cystocele or rectocele | 17.5 | Removal of eye | 20.0 |
| Repair of cystocele and rectocele | 25.0 | Excision of pterygium | 12.5 |
| Tubal Ligation | 20.0 | Sclerotomy- anterior | 25.0 |
| Biopsy or removal of cervical lesion or polyp | 1.5 | Sclerotomy- posterior | 15.0 |
| Dilation and Curettage | 7.5 | Iridectomy | 25.0 |
| Myomectomy | 25.0 | Extraction of lens (including cataract extraction) | 40.0 |
| Repair of uterine suspension | 20.0 | Reattachment of retina | 50.0 |
| Cesarian Section | 25.0 | Muscle operation (one or more muscles) | 30.0 |
| Obstetrical Delivery | 10.0 | Excision of lacrimal gland or sac | 25.0 |
| Amniocentesis | 2.5 | | |
| | | EAR | |
| | | Drainage of abscess | 1.0 |
| | | Otoscopy | 1.0 |
| | | Myringotomy | 1.5 |

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| | | Tympanotomy (diagnostic) | 25.0 |
| | | Tympanotomy with insertion of Collar Button Tube | 12.5 |
| | | Mastoidectomy- simple | 25.0 |
| | | Tympanoplasty | 50.0 |
| | | Labyrinthotomy or Labyrinthectomy | 50.0 |

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


 []
 [President]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

SURGICAL RIDER

Rider Effective Date: _____
(if other than the Policy Effective Date)

PLEASE READ THIS RIDER CAREFULLY.

This Rider is effective as of the Policy Effective Date unless a different Rider Effective Date is shown above.

This Rider is made a part of the Policy to which it is attached. This Rider is issued in consideration of the application and receipt of the first Premium. All Definitions, Provisions, Limitations and Exclusions of the Policy apply to this Rider except as modified in this Rider. Where there is a conflict between this Rider and the Policy, the provisions of this Rider will control.

DEFINITIONS

In addition to the Definitions listed in the Policy, the following is hereby added to this Rider:

Ambulatory Surgical Center means a licensed facility where the patient is admitted to and discharged within the same day with the primary purpose to provide surgical procedures. It has one or more Physicians on duty whenever a patient is in the center.

It is not:

- A facility existing for the primary purpose of terminating pregnancies;
- An office maintained by a Physician for the practice of medicine; or
- A facility which provides services or overnight accommodations for patients.

BENEFITS

A. SURGICAL BENEFITS

If a Physician performs surgery due to Injury or Sickness while this Rider is in force for the Insured, We will pay a Surgical Benefit. The Surgical Benefit amount is the percentage next to the procedure listed in the Schedule times the Insured's Maximum Benefit shown on the Policy Schedule. The surgery can take place in: (1) a Hospital; or (2) an Ambulatory Surgical Center; or (3) a Physician's office. If an operation is not listed in the Schedule, We will pay an amount comparable to that which we would be payable for the operation listed in the Schedule which is most similar in severity and complexity. If two or more surgical procedures are performed at the same time through the same or different incisions, only the largest benefit will be paid.

B. ANESTHESIA BENEFITS

When anesthesia is used by a Physician on an Insured during a surgical procedure that is covered under the Surgical Benefit, We will pay a benefit. The benefit will be [25%] of the amount paid under the Surgical Benefit.

TERMINATION

This Rider ends on the earlier date:

- Your coverage terminating under the Policy to which this Rider is attached;
- any Premium for this Rider is not paid before the end of the grace period; or

- You give Us a written request to end this Rider.

Coverage for an Insured Dependent will end under this Rider the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse, as defined in the Policy; or
- coverage for the Policyholder terminates.

PREMIUMS

While this Rider is in force, Premiums are due based on the terms of the Policy to which this Rider is attached.

We reserve the right to change the Premiums for this Rider and when this occurs, the new rate will be guaranteed for a period of not less than 12-months. We may change the Premiums if:

- We change the premiums for all riders of this same form and issue age in Your state of issue;
- Such change complies with the laws and regulations of Your state of issue; and
- We give You 60 days written notice before such change becomes effective.

SCHEDULE

| OPERATIONS | % of Maximum Surgical Benefit | OPERATIONS | % of Maximum Surgical Benefit |
|---|--------------------------------------|---|--------------------------------------|
| INTEGUMENTARY SYSTEM | | MUSCULOSKELETAL SYSTEM | |
| SKIN | | BONE OR CARTILAGE GRAFT | |
| Incision and Drainage of Cyst | 1.0 | Spinal Fusion | 40.0 |
| Acne Surgery | 0.75 | Spinal Fusion with removal of intervertebral disc | 40.0 |
| Biopsy | 1.5 | Spinal Fusion for Scoliosis | 60.0 |
| Excision of Benign Tumor | 2.0 | FRACTURES (Requiring Reduction) | |
| Excision of Malignant Tumor (Trunk, Arms or Legs) | 3.0 | Skull | 37.5 |
| Excision of Malignant Tumor (Face, Scalp, Ears, Neck, Hands, Feet, Genitalia) | 5.0 | Nose | 2.5 |
| Excision of Malignant Tumor (Eyelids, Nose, Lips, Mucous Membrane) | 7.5 | Jaw | 15.0 |
| Excision of Nail | 5.0 | Vertebrae, one or more | 15.0 |
| Repair- Simple Wounds | 1.0 | Collar Bone | 7.5 |
| Repair- Complex Wounds (Linear Repair) | 3.5 | Shoulder Blade (Scapula) | 27.5 |
| Repair- Skin Grafts (Single Stage) | 2.5 | Upper Arm | 12.5 |
| Repair- Skin Grafts (Multiple Stage) | 7.5 | Lower Arm | 7.5 |
| Electro-surgical destruction or Chemocautery | 1.0 | Hand | 5.0 |
| Chemosurgery- malignancies of skin | 10.0 | Fingers or Toes | 2.5 |
| | | Upper Leg | 20.0 |

| | | | |
|--|------|---|-------|
| | | Lower Leg | 7.5 |
| | | Ankle | 12.5 |
| | | Foot | 5.0 |
| BREAST | | JOINTS | |
| Biopsy | 7.5 | Shoulder or Elbow- Arthrotomy | 25.0 |
| Excision of Cyst or Benign Tumor | 7.5 | Shoulder or Elbow-Arthroplasty | 40.0 |
| Excision of Chest Wall Tumor | 35.0 | Wrist- Arthrotomy | 20.0 |
| Mastectomy, simple | 15.0 | Wrist- Arthroplasty | 40.0 |
| Mastectomy, radical | 35.0 | Hip- Arthrotomy | 35.0 |
| Mammoplasty, Reconstructive | 50.0 | Hip- Arthroplasty | 50.0 |
| Mammoplasty, Prosthetic Devices | 35.0 | Knee- Arthrotomy | 25.0 |
| | | Knee- Arthroplasty | 50.0 |
| DISLOCATIONS | | Ankle- Arthrotomy | 25.0 |
| Jaw | 2.5 | Ankle- Arthroplasty | 37.5 |
| Collar Bone (requiring reduction) | 5.0 | Hammertoe | 10.0 |
| Shoulder (humerus with anesthesia) or Elbow | 2.5 | | |
| Wrist | 2.5 | CARDIOVASCULAR SYSTEM | |
| Fingers or Toes | 1.0 | HEART | |
| Hip or Knee | 10.0 | Heart Transplant | 100.0 |
| Ankle | 5.0 | Catherization of Heart | 7.5 |
| | | Suture of Heart wound or injury | 50.0 |
| TENDONS | | Valvotomy, aortic and pulmonic valve | 75.0 |
| Repair or Suture | 6.0 | Valvotomy, mitral valve | 70.0 |
| Lengthening or Shortening (e.g. Achilles tendon) | 15.0 | Valvuloplasty or Replacement, aortic and mitral valve | 100.0 |
| | | Coronary Bypass, single or multiple | 100.0 |
| AMPUTATIONS | | Repair of Myocardial Aneurysm | 100.0 |
| Arm at Shoulder Joint | 37.5 | Repair of Septal Defect | 90.0 |
| Arm below Shoulder Joint | 17.5 | Angioplasty, percutaneous | 50.0 |
| Finger | 7.5 | Pervenous or Transvenous insertion of Pacemaker | 25.0 |
| Leg at Hip Joint | 40.0 | | |
| Leg at Knee | 20.0 | | |
| Leg above or below knee | 25.0 | ARTERIES | |
| Toe | 5.0 | Arteriectomy, extremity | 30.0 |
| | | Thromboendarterectomy | 60.0 |
| RESPIRATORY SYSTEM | | Cartoid endurterectomy | 60.0 |
| NOSE | | Excision and graft, Abdominal Aortic Aneurysm | 75.0 |
| Excision of Nasal Polyps | 1.5 | Injection- Varicose Veins | 00.5 |
| Submucous resection, Classic Nasal Sept | 15.0 | | |
| | | HEMIC AND LYMPHATIC SYSTEMS | |
| SINUSES | | Splenectomy | 30.0 |
| Frontal Sinusotomy- simple | 10.0 | Biopsy of Lymph Node | 2.5 |
| Frontal Sinusotomy- radical | 30.0 | Radical Lymphadenectomy | 25.0 |
| | | | |
| LARYNX | | DIGESTIVE SYSTEM | |
| Laryngectomy | 50.0 | Gastrotomy | 25.0 |
| Laryngoscopy | 2.0 | Gastrectomy, Total | 50.0 |

| | | | |
|---|------|--|------|
| | | Gastrectomy, Partial | 40.0 |
| TRACHEA AND BRONCHI | | Gastroscopy | 7.5 |
| Tracheotomy | 10.0 | Gastrostomy | 20.0 |
| Bronchoscopy | 7.5 | Gastrorrhaphy | 25.0 |
| Closure of Tracheotomy | 12.5 | Enterotomy | 30.0 |
| | | Enterectomy | 35.0 |
| LUNGS | | Colostomy | 40.0 |
| Thoracotomy | 25.0 | Enterostomy | 25.0 |
| Pneumonotomy | 30.0 | Enterolysis | 20.0 |
| Pneumonocentesis | 2.5 | Diverticulectomy | 25.0 |
| Thoracentesis | 1.5 | Appendectomy | 20.0 |
| Pneumonectomy, total | 50.0 | Proctectomy | 50.0 |
| Wedge Resection of Lung, Single or Multiple | 40.0 | Protosigmoidoscopy | 1.5 |
| Thoracoscopy (including biopsy) | 10.0 | Proctoplasty | 20.0 |
| | | Fistulotomy | 5.0 |
| URINARY SYSTEM | | Sphincterotomy | 2.5 |
| Nephrolithotomy | 40.0 | Fissurectomy or Hemorrhoidectomy | 10.0 |
| Renal Biopsy | 2.5 | Removal of External Hemorrhoids | 1.5 |
| Nephrectomy | 40.0 | Aspiration biopsy of liver, pancreas or bile duct | 2.5 |
| Lithotripsy | 25.0 | Cholecystotomy | 25.0 |
| Kidney Transplant | 62.5 | Cholecystectomy | 30.0 |
| Cystotomy | 25.0 | Pancreatectomy- partial | 40.0 |
| Cystectomy- partial | 35.0 | Pancreatectomy- total | 70.0 |
| Cystectomy- complete | 50.0 | Laparotomy | 20.0 |
| Urethroscopy or Cystoscopy | 2.5 | Herniotomy | 17.5 |
| Cystoplasty | 40.0 | | |
| Dilation of Urethra | 1.0 | ENDOCRINE SYSTEM | |
| | | Incision and drainage of Throid Gland | 1.5 |
| GENITAL SYSTEM | | Local excision of thyroid cyst or adenoma | 20.0 |
| MALE | | Thyroidectomy or Parathyroidectomy | 35.0 |
| Circumcision | 1.5 | Adrenalectomy | 40.0 |
| Orchiectomy | 10.0 | | |
| Reduction of Torsion of Testis | 15.0 | | |
| Excision of Epididymis, Hydrocele, Varicocele | 15.0 | NERVOUS SYSTEM | |
| Vasectomy | 7.5 | Burr Holes | 15.0 |
| Biopsy, Prostate | 2.5 | Cranioplasty | 50.0 |
| Prostatectomy- partial | 40.0 | Craniotomy or Craniectomy | 20.0 |
| Prostatectomy- radical | 50.0 | Laminectomy | 50.0 |
| | | Spinal Puncture | 1.0 |
| FEMALE | | Paravertebral block, lumbar or thoracic nerve | 2.5 |
| Hysterectomy, Vaginal or Abdominal | 30.0 | Median nerve decompression (Carpal Tunnel) | 15.0 |
| Hysterectomy, radical for cancer including lymph nodes | 50.0 | | |
| Salpingo-oophorectomy | 22.5 | EYE | |
| Repair of cystocele or rectocele | 17.5 | Removal of eye | 20.0 |
| Repair of cystocele and rectocele | 25.0 | Excision of pterygium | 12.5 |

| | | | |
|---|------|--|------|
| Tubal Ligation | 20.0 | Sclerotomy- anterior | 25.0 |
| Biopsy or removal of cervical lesion or polyp | 1.5 | Sclerotomy- posterior | 15.0 |
| Dilation and Curettage | 7.5 | Iridectomy | 25.0 |
| Myomectomy | 25.0 | Extraction of lens (including cataract extraction) | 40.0 |
| Repair of uterine suspension | 20.0 | Reattachment of retina | 50.0 |
| Cesarian Section | 25.0 | Muscle operation (one or more muscles) | 30.0 |
| Obstetrical Delivery | 10.0 | Excision of lacrimal gland or sac | 25.0 |
| Amniocentesis | 2.5 | | |
| | | EAR | |
| | | Drainage of abscess | 1.0 |
| | | Otoscopy | 1.0 |
| | | Myringotomy | 1.5 |
| | | Tympanotomy (diagnostic) | 25.0 |
| | | Tympanotomy with insertion of Collar Button Tube | 12.5 |
| | | Mastoidectomy- simple | 25.0 |
| | | Tympanoplasty | 50.0 |
| | | Labyrinthotomy or Labyrinthectomy | 50.0 |

Other than as stated above, this Rider shall not alter, waive or extend any provisions of the Policy to which this Rider is attached.

Signed for the Company


 [President]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610
LANCASTER, SC 29721-0610]
TELEPHONE [1-877-378-1505]

PRE-EXISTING CONDITIONS ENDORSEMENT

The Policy to which this Endorsement is attached is amended as follows:

The following is added to the Pre-Existing Conditions Limitations provision:

If this Policy replaces similar coverage under another policy, credit will be given towards satisfying the Pre-Existing Conditions provision of this Policy for the period of time that the Insured was continuously covered under the prior policy being replaced.

Other than as stated above, this Rider shall not alter, waive or extend any other provisions of the Policy to which this Rider is attached.

Signed for the Company

[]

[President]

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

HOSPITAL INDEMNITY INSURANCE POLICY 1715 AR OUTLINE OF COVERAGE

THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY. IF YOU ARE ELIGIBLE FOR MEDICARE, REVIEW THE “GUIDE TO HEALTH INSURANCE FOR PEOPLE WITH MEDICARE” AVAILABLE FROM THE COMPANY.

READ YOUR POLICY CAREFULLY. This Outline of coverage provides a very brief description of the important features of Your Policy. This is not the insurance contract. Only the actual Policy provisions will control. The Policy itself sets forth in detail the rights and obligations of both You and Your insurance company. It is, therefore, important that You **READ YOUR POLICY CAREFULLY.**

RENEWABILITY. You have the right to renew the Policy until the Policy Anniversary date on or after Your [65]th birthday, if You pay the correct premium when due or within the Grace Period.

HOSPITAL INDEMNITY COVERAGE. The policy is designed to pay benefits for Injury or Sickness in the form of fixed sums for hospitalization. Benefits are subject to the limitations set forth in the Policy. The Policy does not provide basic hospital, basic hospital and surgical or major medical benefits unless added by Rider.

POLICY BENEFITS

Hospital Confinement:

| | |
|--|--------------|
| Elimination Period, Injury: | [0-365] Days |
| Elimination Period, Sickness: | [0-365] Days |
| Maximum Benefit Period: | [0-365] Days |
| Daily Benefit for Primary Insured: | [\$200] |
| [Daily Benefit for Eligible Spouse: | [\$200]] |
| [Daily Benefit for each Eligible Dependent Child: | [\$200]] |

Hospitalization Benefit- Benefits are subject to the terms of the Policy. We will pay a daily benefit, as shown on the Policy Schedule, for each day of Hospital Confinement for an Insured for Injury or Sickness. Before benefits are payable, the Hospital Confinement must:

- be at the direction of and under the supervision of a Physician;
- continue beyond the Elimination Period for each Period of Confinement due to an Injury or Sickness;
- begin after the Policy Effective Date and while this Policy is in force for the Insured; and
- be due to Injury or Sickness that is not excluded by name or description in this Policy.

Benefits payable will not exceed the Maximum Benefit Period for any Period of Confinement.

BENEFIT CONDITIONS, LIMITATIONS AND EXCLUSIONS

Except for congenital anomalies of a covered Dependent Child, any loss due to a Pre-existing Condition will not be covered if the loss begins within [12] months after the Covered Person's Start Date of Insurance.

No Benefits of this Policy will be paid for loss that is caused by, contributed to by, occurs during or results from:

- [intentionally self-inflicted Injury;]
- [suicide or any attempted suicide, while sane or insane;]
- [mental or emotional disorders without demonstrable organic disease;]
- [taking part in an illegal occupation;]
- [treatment for drug addiction or for the use of drugs, except when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of drug Intoxication, except when caused by drugs when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of alcoholism, or treatment for the use of alcohol;]
- [rest cures;]
- [dental services or treatments unless needed due to Injury;]
- [routine eye examinations, eye glasses or the fitting thereof;]
- [hearing aids or the fitting thereof;]
- [Sickness or Injury if Workers' Compensation or Employer's Liability benefits are payable;]
- [war, declared or undeclared;]
- [taking part in a riot, felony or insurrection;]
- [parachute jumping or sky diving;]
- [travel in or on any kind of aircraft, unless as a fare paying passenger on a commercial airline, passenger on a private airline charter or as a passenger on a privately owned and operated airplane that seats more than 10 passengers;]
- [military or naval services (On written notice to Us, We will refund Premiums pro rata for any period not covered because of such service.);]
- [hospitalization, treatment or services for members or ex-members of the armed forces in any military or veteran's hospital, soldier's home or Hospital contracted for or operated by any national government or agency thereof unless the Covered Person is legally required to pay the charges therefore in the absence of insurance;]
- cosmetic surgery, except that cosmetic surgery shall not include reconstructive surgery when such service is incidental to trauma, infection or other diseases of the involved part; and reconstructive surgery because of congenital disease or anomaly of a covered Dependent Child which has resulted in functional defect;
- [routine well-baby care.]

No Benefits of this Policy will be paid for loss that takes place outside of the United States.

OPTIONAL RIDERS

[ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT RIDER – Form 1727

This Rider [] is [] is not included. We will pay [\$20,000] if You, [\$15,000] if Your covered spouse or [\$5,000] if Your covered child(ren) sustain(s) a covered Injury that results in death or multiple dismemberments. Losses must occur within [90] days of the covered Injury. The Benefit will be doubled if death results from an Injury while a fare-paying passenger in a common carrier. We will pay [50%] of the Benefit for a single dismemberment. The total amount We will pay for all losses will not exceed the Benefit for such Insured. The only exception is if death results from a common carrier accident, we will pay twice the Benefit for such Insured.]

[EMERGENCY ACCIDENT RIDER – Form 1720

This Rider [] is [] is not included. This Rider will pay [\$200] if a covered Insured is Injured and requires Emergency Care by a Physician. Treatment must be (i) rendered in an emergency room of a Hospital or in a Physician's office; and (ii) received within 72 hours of the Injury. Benefits are limited to [4] treatments per Insured in a Calendar Year with the exception of covered children. The Benefits for all covered children are limited to a combined total of [4] treatments in a Calendar Year, not for each covered child.]

[FIRST HOSPITAL CONFINEMENT RIDER – Form 1721

This Rider [] is [] is not included. We will pay the Benefit Amount for an Insured's First Hospital Confinement. The Benefit Amount is listed on the Schedule in this Rider. The Benefit Amount will be the amount next to the total number of days of Hospital Confinement. Benefits for the Rider will be limited to the First Hospital Confinement each Calendar Year for each Insured. The Benefit Amount will not exceed [\$5,000] for each Insured per Calendar Year.

SCHEDULE

| <u>Total Days of Hospital Confinement</u> | <u>Benefit Amount</u> |
|---|-----------------------|
| 1 | [\$500] |
| 2 | [\$1,000] |
| 3 | [\$2,000] |
| 4 | [\$3,000] |
| 5 | [\$4,000] |
| 6 | [\$5,000]] |

[HOSPITAL INJURY INDEMNITY RIDER – Form 1722

This Rider [] is [] is not included. This Rider provides [\$50] for each day of Hospital Confinement. The confinement must be the result of an Injury to a covered Insured. The maximum number of days We will pay is [365].]

[INTENSIVE CARE UNIT RIDER – Form 1723

This Rider [] is [] is not included. This Rider provides [\$400] for each day an Insured is confined in a Hospital's Intensive Care Unit due to an Injury or Sickness. The maximum number of days We will pay is [365].]

[LUMP SUM INDEMNITY RIDER- Form 1724

This Rider [] is [] is not included. This Rider provides a [\$100] benefit for an Insured's First Hospital Confinement. Benefits are limited to the benefit amount each Calendar Year for each Insured.]

[OUTPATIENT SICKNESS RIDER – Form 1725

This Rider [] is [] is not included. This Rider provides a [\$50] benefit if a covered Insured receives treatment due to a Sickness. Treatment must be in an out-of-Hospital facility or a Hospital emergency room. Treatment must be by a Physician. Benefits are limited to [4] different Sicknesses per Insured each Calendar Year, with the exception of covered children. The

Benefits for all covered children are limited to a combined total of different [4] Sicknesses in a Calendar Year, not for each covered child.]

[PRIVATE DUTE NURSE RIDER- Form 1726

This Rider [] is [] is not included. This Rider provides a [\$50] daily benefit if an Insured receives the services of a Private Duty Nurse during a Hospital Confinement. The service must (i) be rendered as the result of an Injury or Sickness; (ii) be at the direction of and under the supervision of a Physician; (iii) be Medically Necessary and provided for at least 8 hours a day; and (iv) begin while the Rider is in force for the Insured. We will only pay one daily benefit for all Private Duty Nurse services received within a consecutive 24-hour period. This benefit will be paid for up to a maximum of [30] days during any Period of Confinement.]

[SPECIFIED INJURY RIDER – Form 1719

This Rider [] is [] is not included. If a covered Insured is Injured, We will pay a specific amount as indicated within the Rider for appliances, ambulance, blood/plasma, burns, dislocation, eye Injuries, fractures, ruptured disk, tendons/ligaments, torn knee cartilage, and gunshot wound (note: gunshot wound benefit is for You only).

For purposes of this Rider, the following limitations and exclusions are in addition to the Limitations and Exclusions contained in the Policy:

- 1) riding or driving in any motor-driven vehicle in a race, stunt show or speed test;
- 2) driving a car or any other licensed vehicle on a highway without a valid operator's license;
- 3) mountaineering, sky diving, hang gliding or bungee jumping; or
- 4) practicing for or participating in any high school, college, semi-professional or professional competitive athletic contest. This does not include intramural sports.

Sickness is not covered under this Rider.]

[SURGICAL RIDER- Form 1717

This Rider [] is [] is not included. If a Physician performs surgery on an Insured as a result of Injury or Sickness, We will pay the percentage of the surgical benefit amount for the procedure as indicated within the Rider. When anesthesia is used by a Physician on an Insured during a covered surgical procedure, We will pay [25%] of the amount paid under the surgical benefit.]

[SURGICAL PLUS RIDER- 1718

This Rider [] is [] is not included. We will pay a specific amount as indicated within the Rider for surgical benefits, anesthesia benefits, breast reconstructive surgery benefits, breast prosthetic devices, mammography screenings and papanicolaou tests (pap smear).]

SERFF Tracking Number: HUMA-126762434 State: Arkansas
 Filing Company: Kanawha Insurance Company State Tracking Number: 46458
 Company Tracking Number:
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

Supporting Document Schedules

| | | Item Status: | Status Date: |
|--------------------------|----------------------|---------------------|-------------------------|
| Satisfied - Item: | Flesch Certification | Approved-Closed | 09/09/2010 |
| Comments: | | | |
| Attachment: | | | |
| AR Read Cert.pdf | | | |

| | | Item Status: | Status Date: |
|---|-------------|---------------------|-------------------------|
| Satisfied - Item: | Application | Approved-Closed | 09/09/2010 |
| Comments: | | | |
| Form 1716 (07/10) pending review and approval under SERFF Tracking Number HUMA-126712490. | | | |

| | | Item Status: | Status Date: |
|--------------------------|---------------------|---------------------|-------------------------|
| Satisfied - Item: | Outline of Coverage | Approved-Closed | 09/09/2010 |
| Comments: | | | |
| see forms schedule. | | | |

**ARKANSAS DEPARTMENT OF INSURANCE
READABILITY CERTIFICATION**

COMPANY NAME: Kanawha Insurance Company

I hereby certify that the form(s) listed below has (have) the following readability score(s) as calculated by the Flesch Reading Ease Test.

| <u>FORM TITLE</u> | <u>NUMBER</u> | <u>FLESCH SCORE</u> |
|--|----------------------|----------------------------|
| Hospital Indemnity Policy | 1715 AR | 47 |
| Accidental Death & Dismemberment Rider | 1727 | 57 |
| Emergency Accident Rider | 1720 | 51 |
| First Hospital Confinement Rider | 1721 | 51 |
| Hospital Injury Indemnity Rider | 1722 | 59 |
| Intensive Care Unit Rider | 1723 | 55 |
| Lump Sum Indemnity Rider | 1724 | 53 |
| Private Duty Nurse Rider | 1726 | 54 |
| Specified Injury Rider | 1719 | 56 |
| Surgical Plus Rider | 1718 | 45 |
| Surgical Rider | 1717 | 51 |
| Pre-Existing Conditions Endorsement | 1736 | 40 |
| Outline of Coverage | 1715 OTLN AR | 47 |



Name: R. Dale Vaughan
Title: President, Kanawha Insurance Company

Date: August 10, 2010

SERFF Tracking Number: HUMA-126762434 State: Arkansas
 Filing Company: Kanawha Insurance Company State Tracking Number: 46458
 Company Tracking Number:
 TOI: H14I Individual Health - Hospital Indemnity Sub-TOI: H14I.000 Health - Hospital Indemnity
 Product Name: Individual Hospital Indemnity
 Project Name/Number: /

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) |
|----------------|----------|---------------------------|---------------------------|--|
| 08/31/2010 | Form | Hospital Indemnity Policy | 09/09/2010 | 1715 AR - Ind. Hospital Indemnity Policy - rev. 8-31-10.pdf (Superseded) |
| 08/10/2010 | Form | Hospital Indemnity Policy | 08/31/2010 | 1715 AR - Ind. Hospital Indemnity Policy.pdf (Superseded) |

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

HOSPITAL INDEMNITY INSURANCE POLICY

This Policy is a legal contract between You and Kanawha Insurance Company ("Company"). **PLEASE READ IT CAREFULLY.** Each Policy term begins at 12:01 AM standard time on the Policy Effective Date at the place You live. It ends at 12:00 PM, standard time, on the last day Premiums are paid, subject to the Grace Period. You may then renew this Policy subject to the Renewal Condition provision on the cover of this Policy.

The Company, subject to the terms of this Policy, will pay the benefits of this Policy to You upon receipt of Proofs of Loss incurred while this Policy is in force. The Company will also provide the other rights and benefits set forth in this Policy and any Riders attached hereto.

NOTICE TO BUYER: This is a hospital confinement indemnity Policy. **This Policy provides limited benefits.** Benefits provided are supplemental and are not intended to cover all medical expenses.

THIRTY DAY RIGHT TO EXAMINE POLICY- If, for any reason, You decide not to keep this Policy, return it to Us within 30 days after You receive it. You may return it to Our administrative office or to the agent who sold it to You. We will treat the Policy as if it had never been issued. We will refund any Premium paid.

GUARANTEED RENEWABLE TO AGE [65]- You have the right to renew this Policy until the Policy Anniversary date on or after Your [65th] birthday, if You pay the correct Premium when due or within the Grace Period. Thereafter, You have the right to renew this Policy if You are Actively At Work and pay the correct Premium when due or within the Grace Period. We retain the right to change the premium rates on this Policy. The Company can change Your Premium if the Premiums for all the Policies in the same Class are changed. You will be given at least [30-90] days notice before Your Premium is changed. Any increase or decrease in Premium will begin the next Premium due date after the [30-90]-day notice is given.

NO RECOVERY FOR PRE-EXISTING CONDITIONS – Except for congenital anomalies of a covered Dependent Child, no benefits will be provided during the first [0-12] months of this Policy for any Pre-existing Condition which first made itself known prior to the Date of Policy.

IMPORTANT NOTICE -- The Policy application may have been captured electronically or on paper. Please carefully review answers to questions on the Application to make sure they are answered correctly. The application is a part of this Policy and the Policy was issued on the basis that the answers to all questions and the information shown on the application are correct and complete. If an error exists, please notify Us within 30 days at Kanawha Insurance Company [P.O. Box 610, Lancaster, SC 29721-0610]. In the event you need to contact someone about this Policy for any reason, You may contact Us at the above address or by calling [800-635-4252].

Signed for the Company

[]
[President]

THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY. IF YOU ARE ELIGIBLE FOR MEDICARE, REVIEW THE "GUIDE TO HEALTH INSURANCE FOR PEOPLE WITH MEDICARE" AVAILABLE FROM THE COMPANY.

**HOSPITAL INDEMNITY INSURANCE POLICY
NON-PARTICIPATING**

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POLICY SCHEDULE

PRIMARY INSURED: [JOHN DOE]
INSURED DEPENDENTS: [ELIGIBLE SPOUSE]
 [ELIGIBLE DEPENDENT]
PRIMARY INSURED ISSUE AGE: [16-69]
POLICY NUMBER: [1234567]
POLICY EFFECTIVE DATE: [August 1, 2010]
FIRST ANNIVERSARY DATE: [August 1, 2011]
ANNUAL PREMIUM: [\$2,223.48]
MODE SELECTED AT ISSUE: [ANNUAL/PRD]
MODE PREMIUM: [\$2,223.48]

| BENEFITS | BENEFIT AMOUNT | ANNUAL PREMIUM |
|--|---|--|
| HOSPITAL CONFINEMENT: ELIMINATION PERIOD, INJURY: [0-365] DAYS ELIMINATION PERIOD, SICKNESS: [0-365] DAYS MAXIMUM BENEFIT PERIOD: [0-365] DAYS Daily Benefit for Primary Insured: Daily Benefit for Eligible Spouse: Daily Benefit for each Eligible Dependent Child: | [\$200] [\$200] [\$200] | [\$336.00] [\$336.00] [\$204.00] |
| [Emergency Accident Rider: Benefit per Accident for Policyholder Limited to 4 Accidents per Calendar Year [Benefit per Accident for Eligible Spouse Limited to 4 Accidents per Calendar Year [Benefit per Accident for Eligible Dependent Child | [\$200] [\$200] | [\$27.36] [\$27.36] |

| | | |
|---|----------------|------------|
| Limited to a total of 4 Accidents per Calendar Year]] | [\$200] | [\$27.36] |
| [Outpatient Sickness Rider: | | |
| Benefit per Sickness for Policyholder | | |
| Limited to 4 Sicknesses per Calendar Year | [\$25-100] | [\$87.60] |
| [Benefit per Sickness for Eligible Spouse | | |
| Limited to 4 Sicknesses per Calendar Year] | [\$25-100] | [\$87.60] |
| [Benefit per Sickness for Eligible Dependent Child | | |
| Limited to a total of 4 Sicknesses per Calendar Year]] | [\$25-100] | [\$144.00] |
| [Intensive Care Unit Rider: | | |
| Daily benefit for Policyholder | [\$30-1500] | [\$33.60] |
| [Daily benefit for Eligible Spouse] | [\$30-1500] | [\$33.60] |
| [Daily benefit for each Eligible Dependent Child]] | [\$30-1500] | [\$19.20] |
| [Accidental Death Benefit & Dismemberment Rider: | | |
| Benefit amount for Policyholder | [\$1000-30000] | [\$24.00] |
| [Benefit amount for Eligible Spouse] | [\$1000-15000] | [\$18.00] |
| [Benefit amount for each Eligible Dependent Child]] | [\$1000-5000] | [\$6.00] |
| [Surgical Plus Rider: | | |
| Maximum benefit for Policyholder | [\$500-5000] | [\$62.40] |
| [Maximum benefit for Eligible Spouse] | [\$500-5000] | [\$62.40] |
| [Maximum benefit for each Eligible Dependent Child]] | [\$500-5000] | [\$30.00] |
| [Surgical Rider: | | |
| Maximum benefit for Policyholder | [\$500-5000] | [\$36.00] |
| [Maximum benefit for Eligible Spouse | [\$500-5000] | [\$36.00] |
| [Maximum benefit for each Eligible Dependent Child]] | [\$500-5000] | [\$30.00] |
| [Private Duty Nurse Rider: | | |
| Daily benefit for Policyholder | [\$10-100] | [\$3.00] |
| [Daily benefit for Eligible Spouse] | [\$10-100] | [\$3.00] |
| [Daily benefit for each Eligible Dependent Child]] | [\$10-100] | [\$1.80] |

| | | |
|---|--------------------|-----------|
| [Hospital Injury Indemnity Rider: | | |
| Daily benefit for Policyholder | [\$30-150] | [\$12.00] |
| [Daily benefit for Eligible Spouse | [\$30-150] | [\$12.00] |
| [Daily benefit for each Eligible Dependent Child]] | [\$30-150] | [9.00] |
| [Lump Sum Indemnity Rider: | | |
| Benefit for Policyholder | [\$40-1000] | [\$19.20] |
| [Benefit for Eligible Spouse] | [\$40-1000] | [\$19.20] |
| Benefit for each Eligible Dependent Child]] | [\$40-1000] | [\$7.80] |
| [Specified Injury Benefit Rider: | | |
| Benefit for Policyholder | According to Rider | [\$42.00] |
| [Benefit for Eligible Spouse] | According to Rider | [\$21.00] |
| [Benefit for each Eligible Dependent Child]] | According to Rider | [\$21.00] |
| [First Hospital Confinement Rider: | | |
| Benefit for Policyholder | According to Rider | [\$150] |
| [Benefit for Eligible Spouse] | According to Rider | [\$150] |
| [Benefit for each Eligible Dependent Child]] | According to Rider | [\$84.00] |

DEFINITIONS

For the purposes of this Policy, when we use the following terms, we mean:

[Actively At Work (Active Employment) means the person must be working:

- on a full-time basis (at least [15-40] hours per week) and paid regular earnings;
- at the Employer's usual place of business; or
- at a location to which the Employer's business requires the person to travel.

A person must be considered Actively At Work if the employee was actually at work on the day immediately preceding:

- a weekend;
- holidays;
- paid vacations;
- any non-scheduled work day;
- excused leave of absence (except medical leave and lay-off); or
- emergency leave of absence (except emergency medical leave required by His Sickness or Injury).]

[Age means the Age of the Insured on His or Her last birthday as of the Date of Policy. Age increases by one year on each Policy anniversary.]

Application means the forms the Policyholder completed when applying for this Policy [that are attached to this Policy].

[Calendar Year means the period beginning on the Date of Policy and ending on December 31 of the same year. Thereafter, Calendar Year is the period beginning on January 1 and ending December 31 of the same year.]

[Child (Children) means a person who is:

- Your unmarried child under age 19 who is primarily dependent upon and living with the Policyholder in a permanent parent-child relationship; or
- Your unmarried child under age [23] if he/she is a full-time student at an accredited school, college, or university and We are furnished proof of such enrollment.

Child includes:

- natural or adopted child of the Policyholder or Spouse;
- Child placed with the Policyholder or Spouse for adoption;
- Child legally placed with the Policyholder or Spouse as a foster Child; or
- stepchild of the Policyholder.

Child does not include a:

- person not meeting the above Child definition;
- Child living outside of the United States (unless living with an Insured); or
- Child on active military duty for a period in excess of [30-90] days.]

[Complications of Pregnancy mean bodily conditions while a Covered Person is pregnant that are distinct from, but adversely affected or caused by the pregnancy. These conditions include:

- postpartum hemorrhage;
- toxemia of pregnancy;
- rupture or prolapse of the uterus;
- ectopic pregnancy which is ended;
- emergency (non-elective) cesarean section; and
- spontaneous termination of a pregnancy when a viable birth is not possible.]

[Date of Policy means the date that coverage begins under this Policy.]

[Dental Treatment means the treatment of the teeth and/or periodontal area.]

[Eligible Dependent(s)] means the Spouse and Child(ren) unless specifically excluded by this Policy.

We must approve eligibility of the Spouse and Child(ren).

Each such person must meet the Eligibility requirements.

If a Child is covered by this Policy, the Child's Eligibility will not end if the Child is and remains:

- unmarried;
- incapable of self-sustaining employment due to mental incapacity or physical handicap; and
- chiefly dependent on the Policyholder or Spouse for support.

However, in no event will Eligibility or coverage of any Child go beyond the date that the Policyholder's coverage ends.

The Policyholder must furnish Us with proof of physical or mental incapacity of the Child. Thereafter, We may require proof, but not more frequently than annually.]

[Elimination Period] means the number of consecutive days of confinement to a Hospital during each Period of Confinement before benefits become payable under this Policy. Benefits are not payable during the Elimination Period. The Elimination Periods for Injury and Sickness are shown on the Policy Schedule.]

[Emergency Room] means a specified area in a Hospital which is designated for the emergency care of Sickness or Injury. This area must be:

- staffed and equipped to handle trauma;
- be supervised and provide treatment by Physicians; and
- provide care seven days per week, 24 hours per day.

[Emergency Treatment] means medical attention provided after the acute onset of symptoms relating to Sickness or Injury, including severe pain, which symptoms are severe enough that the lack of immediate medical attention could reasonably be expected to result in any of the following:

- health would be placed in serious jeopardy;
- bodily function would be seriously impaired; or
- there would be serious dysfunction of a bodily organ or part.]

Emergency Treatment does not include care that is:

- elective;
- preventive; or
- well care.

[Evidence of Insurability] means a form accepted by Us showing that a person meets Our requirements to be insured by this Policy.]

[Hospital] means a place in the United States:

- licensed and operated as a Hospital;
- providing overnight care of Ill and Injured people;
- supervised by a Physician;
- having full-time nurses supervised by a Registered Nurse;
- having on-site or pre-arranged use of x-ray equipment, laboratory and surgical facilities; and
- maintaining permanent medical history records.

A Hospital is not:

- a facility outside of the United States;
- a nursing home;
- an extended care facility;
- a convalescent home;
- a rest home or a home for the aged;

- a place for alcoholics or drug addicts; or
- a mental institution.]

[Hospital Confinement means admission to a Hospital and confinement as a resident bed patient due to an Injury or Sickness. The assignment must be on the advice of a Physician and be Medically Necessary. We do not consider confinement to an emergency room, outpatient treatment room or observation unit as Hospital Confinement.]

[Injury means bodily injured sustained which:

- is directly caused by an accident, independent of all other causes;
- has not been specifically excluded by name or description in this Policy;
- is not caused or contributed by Sickness; and
- occurs while this Policy is in force for the Insured.

Losses that occur after the Pre-existing Condition provision has been satisfied will be covered for an Injury that occurred before the date the person becomes an Insured under this Policy unless the Injury has been specifically excluded by name or description within the Policy or Rider.]

[Insured means the Policyholder or Eligible Dependent who is covered under this Policy. Persons eligible for coverage are shown on the Policy Schedule.]

[Intoxication means a blood alcohol content equal or over the legal presumption of intoxication under the laws of the state where the event took place.]

[Material and Substantial Duties mean those duties normally required for the performance of the Insured's Regular occupation and cannot be reasonably omitted or modified.]

[Maximum Benefit Period means the period of time during which the Daily Benefit is payable for a Period of Confinement. The Maximum Benefit Period is shown on the Policy Schedule.]

[Medically Necessary means the treatment, services or supplies necessary and appropriate for the diagnosis or treatment of Sickness or Injury based upon generally accepted medical practice.

[Mental or Nervous Disorders means a neurosis, psychoneurosis, psychosis, or mental or emotional disease/disorder of any kind.]

[Period of Confinement means one continuous Hospital Confinement or several Hospital Confinements for the same or a related cause, which are separated by less than [30-90] days. Each Hospital Confinement must begin while the coverage is in force for the Insured.]

[Physician means a medical doctor or other person recognized by law or regulation in the state where services are rendered as a Physician. The person must be licensed to practice medicine and prescribe and administer drugs or to perform surgery in the United States.

Physician does not include:

- You;
- a person related to You by blood or marriage; or
- a medical doctor or other person practicing outside of the United States.]

[Policy means the Policy issued to the Policyholder.]

[Policy Anniversary means the yearly anniversary of the Policy Effective Date.]

[Policy Effective Date means the date coverage under this Policy begins as shown on the Policy Schedule. It will be used to determine Premium due dates and anniversary dates. If an Insured is added to the Policy after the date listed on the Policy Schedule, the Policy effective date for that Insured will be the date shown on the Endorsement added to this Policy.]

[Policy Schedule means page(s) so labeled in this Policy.]

[Policyholder means the person to whom the Policy is issued.]

[Pre-existing Condition means a condition which a Physician has treated or for which a Physician has advised treatment of the Insured within [0-12] months before the Insured's Start Date of Insurance. It is also one which would cause a person to seek diagnosis or care within the same [0-12]-month period.

Pre-existing Conditions for any person who was age 65 or over when they became insured under this Policy shall mean only those conditions specifically excluded in any part of this Policy or attached endorsement.]

[Proof means evidence satisfactory to Us for insurability or for other matters which require Proof.

[Regular Care means the Insured personally visits a Physician as frequently as medically required, according to generally accepted medical standards, to effectively manage and treat the disabling condition(s); and is receiving the most appropriate treatment and care which conforms with generally accepted medical standards, for the disabling condition(s) by a Physician whose specialty or experience is the most appropriate for those condition(s), according to generally accepted medical standards.]

[Regular Occupation means the occupation the Insured is routinely performing when Total Disability begins. We will look at the occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific employer or at a specific location.]

[Replaced Coverage means a policy that:

- insured the persons covered under this Policy;
- was paid for by the Insured;
- has a paid-to date within [60] days of this Policy's Date of Application;
- is replaced by this Policy; and
- ends upon issue of this Policy.

At Our request, the Policyholder must give Us Proof about an Insured's Replaced Coverage.]

[Sickness means illness, disease or Complication of Pregnancy of an Insured which: (1) first manifests itself while this Policy is in force for the Insured; and (2) does not result from Pre-existing Conditions as defined; and (3) has not been specifically excluded by name or description in this Policy.

Benefits for a normal pregnancy are paid on the same basis as for any other Sickness. However, Benefits will be payable beginning on the [300th] day after the Start Date of Insurance and while this Policy is in force. The [300]-day period will be reduced by one day for each day that Replaced Coverage was in force.]

[Spouse means[:]

[1.] the person recognized as the covered Policyholder's husband or wife under the laws of the state in which the Policyholder lives[: or]

[2.] [the person recognized by the Policyholder's state of residence as[:]

[• the Policyholder's Domestic Partner;]

[• a party to a Civil Union with the Policyholder [(Vermont)][and][Connecticut];]

[• a Reciprocal Beneficiary of the Policyholder [(Hawaii)]; or

[• someone for whom we must provide the coverage of this Policy on a spousal equivalent basis under the laws or regulations of the state where the Policyholder lives.]]

[When We provide coverage under this definition "2", We will keep providing coverage after the Policyholder or Spouse moves to a state that does not recognize the relationship described.]

[We will not give coverage under these definitions "1" and "2" for the Spouse after a legal action ends a relationship described.]]

This Policy will at no time cover more than one person as a Policyholder's Spouse.

[Totally Disabled (Total Disability) means that the Insured is:

- unable to perform the Material and Substantial Duties of His Regular Occupation during the Elimination Period and the next two (2) years of disability;
- not working in any other occupation; and
- under the care of a Physician for the disability.

You are not totally disabled when You are not under the Regular Care of a Physician. We will not require care of a Physician when it is no longer needed for the sound medical care of the condition causing Total Disability.]

[United States means the United States of America and its territories.]

[We, Us, Our and Company all mean Kanawha Insurance Company.]

[You and Your mean the Insured.]

Any reference to “He,” “Him” or “His” will also refer to “She” or “Her,” “they,” “them” or “their.”

ELIGIBILITY AND ADDITION OF PERSONS

Your Spouse and any Children, as defined in the Policy, may be added to this Policy. To add a Spouse or Child to this Policy after the Policy Effective Date, You must:

- make written application to Us;
- furnish Evidence of Insurability; and
- pay the additional Premium due for that person. The first Premium for the person to be added will be determined from the effective date of his/her coverage. The person added will be subject to the Pre-existing Conditions provision of the Policy.

Any Child born to You while this Policy is in force will be automatically insured from the moment of birth for 31 days. A Child placed with You for adoption after the Policy Effective Date will automatically be covered for a period of 31 days from the earlier of (1) the date of placement for the purpose of adoption; or (2) the date of the entry of an order granting the adoptive parent custody of the child for the purpose of adoption. A child placed with You as a foster child shall automatically be covered for a period of 31 days from the date of placement. Coverage and benefits for the Child will be the same as those that are provided for the following Insureds, successively:

- any other insured Dependents; if none then
- You

The Pre-existing conditions provisions of this Policy is waived with respect to such Child. Coverage for a Child placed for the purpose of adoption will end if the adoption is stopped prior to legal adoption and the Child is removed.

Without Eligible Dependent Children Coverage: To continue coverage for the newborn, foster or adopted child beyond the 31 day period, You must (1) notify Us in writing; and (2) pay the Premium for the Child within 90 days from the date of birth, placement or order granting custody. Premiums for the child will be pro-rated to the next Premium due date of this Policy. If We are not notified and the required Premium is not paid within 90 days, the coverage for the Child will end 31 days after the date of birth, placement or order granting custody.

With Eligible Dependent Children Coverage: Please notify Us in writing as soon as possible to be sure that the Child is properly enrolled, that coverage is in place and that medical care can be obtained when sought. A newborn child will be covered from the moment of birth. A foster child will be covered from the moment of placement. An adopted child will be covered from the earlier of (1) the date of placement for the purpose of adoption; or (2) the date of the entry of an order granting the adoptive parent custody of the child for the purpose of adoption.

PREMIUMS AND REINSTATEMENT

Premiums

To keep this Policy in force, You must pay the Premiums when they are due. The first Premium is due in advance of the Policy Effective Date. There is no insurance until the first Premium is paid. Later Premiums are due according to the mode of Premium payment shown on the Policy Schedule.

Each Premium is payable in advance either:

- at Our home office, or
- to Our authorized agent in exchange for a receipt, if requested.

We actuarially determine the Premiums. We reserve the right to change the Premiums as stated in the Change in Premium provision.

Change in Premium

We have the right to change Premiums at any time. If Your Premium changes, the new rate will be guaranteed for a period of not less than 12 months. We will only change the Premiums:

- if We change the Premiums for all policies of this same form and issue age in Your state of issue;
- if such change is in accordance with the laws and regulations of Your state of issue; and
- if We give You 60 days notice before such change becomes effective.

Any increase or decrease will begin the next Premium due date after the notice is given. Any change in Premium will be based on Your age on the Policy effective date.

Grace Period

You are allowed a Grace Period of [30-90] days after the Premium due date in which to pay Premiums; however, there is no Grace Period for the first Premium. This Policy remains in force during the Grace Period. The Premium will be considered paid if it was postmarked during the Grace Period.

If a claim is incurred during the Grace Period and the Premium has not been paid at the time the claim is being paid, the Premium may be deducted from the claim payment.

Change in Mode of Payment

When We receive a satisfactory written request from You, the mode of future Premium payments may be changed. Such change will be according to the Premium rates in effect on the Policy Date.

Return of Unearned Premiums

Within 30 days of proof of death or cancellation of the Policy, We will refund any unearned Premium. Unearned Premium is any Premium paid for any period beyond the end of the month in which death or cancellation occurred.

Non-payment of Premium

If any Premium after the first is not paid by its due date or within the Grace Period, this Policy will Lapse as of the date of the past due Premium and will have no further value except as may be provided in this Policy.

Reinstatement

If this Policy Lapses for non-payment of Premium, You may request that it be reinstated. Reinstatement is subject to acceptance and approval by Us. If We accept the Premium without requiring an application for reinstatement, this Policy will be reinstated.

We require a reinstatement form or a new application to reinstate a Policy. If We approve the application, the Policy will be reinstated with a new Policy Effective Date. If We do not notify You that We have disapproved the reinstatement application, the Policy will be reinstated on the 45th day after the date We receive such application.

When this Policy is reinstated, only Injuries that are sustained after the date of Reinstatement and loss due to Sickness that may begin more than 10 days after the date of Reinstatement are covered. In all other respects, Your rights and Our rights will remain the same, subject to any provisions noted on or attached to the reinstated Policy.

After the reinstated Policy has been in force for 2 years from the date of reinstatement, We cannot cancel or deny benefits because of any misstatement, except fraudulent misstatements, made by You in the reinstatement application.

Any Premiums We accept for a reinstatement will be applied to a period for which Premiums have not been paid. No Premiums will be applied to any period more than [30-90] days before the reinstatement date.

BENEFITS

We will pay a daily benefit, as shown on the Policy Schedule, for each day of Hospital Confinement for an Insured for Injury or Sickness. Before benefits are payable, the Hospital Confinement must:

- be at the direction of and under the supervision of a Physician;
- continue beyond the Elimination Period for each Period of Confinement due to an Injury or Sickness;
- begin after the Policy Effective Date and while this Policy is in force for the Insured; and
- be due to Injury or Sickness that is not excluded by name or description in this Policy.

Benefits payable will not exceed the Maximum Benefit Period for any Period of Confinement.

BENEFIT CONDITIONS, LIMITATIONS AND EXCLUSIONS

Except for congenital anomalies of a covered Dependent Child, any loss due to a Pre-existing Condition will not be covered if the loss begins within [0-12] months after the Covered Person's Start Date of Insurance.

No Benefits of this Policy will be paid for loss that is caused by, contributed to by, occurs during or results from:

- [intentionally self-inflicted Injury;]
- [suicide or any attempted suicide, while sane or insane;]
- [mental or emotional disorders without demonstrable organic disease;]
- [taking part in an illegal occupation;]
- [treatment for drug addiction or for the use of drugs, except when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of drug Intoxication, except when caused by drugs when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of alcoholism, or treatment for the use of alcohol;]
- [rest cures;]

- [dental services or treatments unless needed due to Injury;]
- [routine eye examinations, eye glasses or the fitting thereof;]
- [hearing aids or the fitting thereof;]
- [Sickness or Injury if Workers' Compensation or Employer's Liability benefits are payable;]
- [war, declared or undeclared;]
- [taking part in a riot, felony or insurrection;]
- [parachute jumping or sky diving;]
- [travel in or on any kind of aircraft, unless as a fare paying passenger on a commercial airline, passenger on a private airline charter or as a passenger on a privately owned and operated airplane that seats more than 10 passengers;]
- [military or naval services (On written notice to Us, We will refund Premiums pro rata for any period not covered because of such service.);]
- [hospitalization, treatment or services for members or ex-members of the armed forces in any military or veteran's hospital, soldier's home or Hospital contracted for or operated by any national government or agency thereof unless the Covered Person is legally required to pay the charges therefore in the absence of insurance;]
- cosmetic surgery, except that cosmetic surgery shall not include reconstructive surgery when such service is incidental to trauma, infection or other diseases of the involved part; and reconstructive surgery because of congenital disease or anomaly of a covered Dependent Child which has resulted in functional defect;
- [routine well-baby care.]

No Benefits of this Policy will be paid for loss that takes place outside of the United States.

TERMINATION

Coverage for the Policyholder under this Policy will end the earlier of:

- when You request in writing that it be cancelled;
- when You fail to pay Premiums within Your Grace Period
- the Policy Anniversary date You no longer meet the Renewal Condition as defined on the cover of this Policy; or
- when You die.

Coverage for an Insured Dependent will end under this Policy the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse; or
- coverage for the Policyholder terminates.

When such Insured Dependent's coverage ends, We will:

- refund any Premium accepted for the period the Insured ceases to be an Eligible Dependent;
- consider any claim that began before the insurance ended; and
- allow a conversion policy for the Eligible Dependent, as set forth in the Conversion Privilege.

MILITARY SERVICE

You may suspend this Policy if You enter full-time, active duty in the military service. However, You may not suspend the Policy during active military duty or training lasting three months or less. The Policy will not be in force while it is suspended and You will not have to pay any Premiums. We need Your written request to suspend the Policy. We will refund the pro-rata portion of any Premium paid for a period beyond the date We receive Your request.

If Your full time active duty military service ends before Your 65th birthday, You may place this Policy back in force without Evidence of Insurability. You coverage will start again when:

- We receive Your written request; and

- You have paid the pro-rate Premium for coverage until the next Premium due date.

We must receive Your request and Premium payment within 90 days after the date Your active duty service in the military ends. Premiums will be at the same rate they would have been had Your Policy remained in force. The Policy will not cover any loss due to Injury or Sickness that occurs while the Policy is suspended. In all other respects, both You and We will have the same rights under the Policy as before it was suspended.

If Your active duty ends after Your 65th birthday, this Policy cannot be reinstated.

CONVERSION

When an Eligible Dependent Child ceases to be an Eligible Dependent Child, as defined, coverage can be converted to a new Policy. We must receive a written application and the required Premium within 31 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer in the state the person lives which is most similar to (but not greater than) this Policy; and
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the next day after the date coverage for the Eligible Dependent Child ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

If You and Your eligible Spouse divorce, Your eligible Spouse may convert to a new Policy. Written application for the Policy must be made to Us and the required Premium paid within 60 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer for conversion in the state the person lives (but not greater than this Policy);
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the next day after the date coverage for the eligible Spouse ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

At the option of the eligible Spouse, any eligible Dependent children covered under this Policy (from whom the eligible Spouse has the obligation of support) may also be converted to the new Policy. Said conversion is subject to the same conditions as the eligible Spouse's conversion.

Your eligible Spouse may convert to a new Policy if You die. Application for the Policy must be made to Us and the required Premium paid within 60 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer for conversion in the state the person lives (but not greater than this Policy);
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the day after the date coverage for the eligible Spouse ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

At the option of the eligible Spouse, any eligible Dependent children covered under this Policy (from whom the eligible Spouse has the obligation of support) may also be converted to the new Policy. Said conversion is subject to the same conditions as the eligible Spouse's conversion.

CLAIM PROVISIONS

NOTICE OF CLAIM

Written notice of Claim must be given to Us within 20 days after the date of a loss. If that is not possible, We must be notified as soon as it is reasonably possible to do so. Notice can be given to Us at the address listed on the cover of this Policy or to any authorized agent of the Company. Notice should include the name of the Insured and the Policy Number.

CLAIM FORMS

When We receive written notice of Claim, We will send claim forms. If the claim forms are not received within 15 days after the notice is sent, written Proof of claim can be sent to Us without waiting for the forms.

PROOF OF LOSS

Proof of loss must be given to us within 90 days after a loss occurs or starts. If it is not possible to give proof within this time limit, it must be given as soon as reasonably possible. Proof of Loss may not be given later than one year after the time such proof is otherwise required, except if the individual is legally unable to provide it.

Proof of Loss includes a Claim Form or other documents satisfactory to Us.

Proof of Loss may also include statements completed by the Insured and/or the claimant and the attending Physician documenting:

- the nature of the loss;
- the date, or inclusive dates, of loss; and
- the cause of loss.

We may require Proof of Loss on a monthly basis. We will not require such Proof of Loss on a monthly basis when it is no longer reasonably necessary to do so.

On request, We will tell the Insured or other claimant what forms or documents are required.

We may require authorization to obtain:

- medical information;
- psychiatric information; and
- non-medical information, such as payroll.

We will give the Insured or the claimant a Claim Form upon request. He or She is responsible for any costs to complete the Claim Form.

We may ask for other Proof of Loss from Hospitals and Physicians. We will pay the reasonable cost of obtaining these records.

PAYMENT OF CLAIMS

We will pay Benefits when We receive Proof of Loss acceptable to Us.

We will pay the Insured. If He or She does not survive to receive payment We will pay His or Her:

- Beneficiary, if one is named; or
- estate.

If Benefits are payable to an estate or to a Beneficiary who cannot give Us a valid release, We can pay up to \$1,000 to someone related to the Insured, by blood or marriage, whom We find is justly entitled to payment. Such a payment made in good faith will discharge Us to the extent of the amount paid.

The Insured may assign proceeds of a Claim.

TIME PAYMENT OF CLAIMS

Payment will be issued immediately when We receive Proof of Loss acceptable to Us.

EXAMINATION AND AUTOPSY

We, at Our own expense, will have the right and opportunity to have a claimant examined by a medical professional of Our choice. We may use this right as often as reasonably required.

GENERAL PROVISIONS

AGREEMENTS AND POLICY CHANGES

No change in this Policy shall be valid unless made by endorsement or amendment. Such a change is valid only if signed by Our Chairman or Our President. No other person can waive any Policy terms or make any agreements about this Policy that are binding on Us.

ASSIGNMENT

The Insured may assign proceeds of a claim.

Assignment of this Policy is not allowed.

We are not responsible:

- for the validity of any Assignment; or
- to honor any Assignment unless it is given to Us with any claim subject to the Assignment.

Our payment in good faith as outlined above will fully discharge Us with respect to the amount(s) paid.

BENEFICIARY, CHANGE OF BENEFICIARY

Benefits will be paid as stated in the Payment of Claims provision.

The Insured may add or change the Beneficiary by filing a form with Us.

We are not:

- responsible for the validity of any Beneficiary designation; or
- required to honor any Beneficiary designation unless it is given to Us with any affected claim.

CONFORMITY WITH STATE STATUTES

Any Policy wording that, on the Date of Policy, is in conflict with the statutes of the state in which it is issued is hereby amended to meet the minimum requirements of such statutes.

DATA REQUIRED

The Policyholder will give Us all data and proof that We may reasonably need to administer this Policy.

DATE OF BIRTH AND TOBACCO USE

If a Covered Person's date of birth or tobacco use is misstated, We will adjust the Benefits payable on a pro-rata basis. The Benefits will be those which We would have issued based on the correct information.

ENTIRE CONTRACT

This Policy, the Application and Evidence of Insurability as well as any riders, endorsements and amendments shall make up the entire contract.

Statements made by the Policyholder or Insured individuals shall be deemed representations and not warranties.

EVIDENCE OF INSURABILITY

We may require evidence that a person meets our underwriting standards for this insurance.

LEGAL ACTIONS

Legal action cannot be taken against Kanawha Insurance Company:

- sooner than 60 days after due Proof of Loss has been filed; or
- later than three years after the time written Proof of Loss is required to be filed according to the terms of this Policy.

NON-PARTICIPATING

This Policy is a non-participating policy. We will not pay dividends on this Policy.

TIME LIMIT ON CERTAIN DEFENSES

After the Policy has been in force for 2 years from the Policy Effective Date, We cannot cancel or deny benefits because of any misstatement made by You in the application for the Policy, except for fraudulent misstatements made by You in the application for the Policy.

If a Rider is added after the Policy Effective Date, We cannot cancel or deny benefits because of a misstatement made by You in the application after the Rider has been in force for 2 years from the Rider's Effective Date.

After the coverage has been in force beyond the Pre-existing Conditions period, We will pay benefits for any Pre-existing conditions not specifically excluded by name or description in the Policy, Rider or endorsement.

KANAWHA INSURANCE COMPANY

[210 SOUTH WHITE STREET, POST OFFICE BOX 610, LANCASTER, SC 29721-0610]
TELEPHONE [1-800-635-4252]

HOSPITAL INDEMNITY INSURANCE POLICY

This Policy is a legal contract between You and Kanawha Insurance Company ("Company"). **PLEASE READ IT CAREFULLY.** Each Policy term begins at 12:01 AM standard time on the Policy Effective Date at the place You live. It ends at 12:00 PM, standard time, on the last day Premiums are paid, subject to the Grace Period. You may then renew this Policy subject to the Renewal Condition provision on the cover of this Policy.

The Company, subject to the terms of this Policy, will pay the benefits of this Policy to You upon receipt of Proofs of Loss incurred while this Policy is in force. The Company will also provide the other rights and benefits set forth in this Policy and any Riders attached hereto.

NOTICE TO BUYER: This is a hospital confinement indemnity Policy. **This Policy provides limited benefits.** Benefits provided are supplemental and are not intended to cover all medical expenses.

THIRTY DAY RIGHT TO EXAMINE POLICY- If, for any reason, You decide not to keep this Policy, return it to Us within 30 days after You receive it. You may return it to Our administrative office or to the agent who sold it to You. We will treat the Policy as if it had never been issued. We will refund any Premium paid.

GUARANTEED RENEWABLE TO AGE [65]- You have the right to renew this Policy until the Policy Anniversary date on or after Your [65th] birthday, if You pay the correct Premium when due or within the Grace Period. Thereafter, You have the right to renew this Policy if You are Actively At Work and pay the correct Premium when due or within the Grace Period. We retain the right to change the premium rates on this Policy. The Company can change Your Premium if the Premiums for all the Policies in the same Class are changed. You will be given at least [30-90] days notice before Your Premium is changed. Any increase or decrease in Premium will begin the next Premium due date after the [30-90]-day notice is given.

NO RECOVERY FOR PRE-EXISTING CONDITIONS – Except for congenital anomalies of a covered Dependent Child, no benefits will be provided during the first [0-12] months of this Policy for any Pre-existing Condition which first made itself known prior to the Date of Policy.

IMPORTANT NOTICE -- The Policy application may have been captured electronically or on paper. Please carefully review answers to questions on the Application to make sure they are answered correctly. The application is a part of this Policy and the Policy was issued on the basis that the answers to all questions and the information shown on the application are correct and complete. If an error exists, please notify Us within 30 days at Kanawha Insurance Company [P.O. Box 610, Lancaster, SC 29721-0610]. In the event you need to contact someone about this Policy for any reason, You may contact Us at the above address or by calling [800-635-4252].

Signed for the Company

[]
[President]

THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY. IF YOU ARE ELIGIBLE FOR MEDICARE, REVIEW THE "GUIDE TO HEALTH INSURANCE FOR PEOPLE WITH MEDICARE" AVAILABLE FROM THE COMPANY.

**HOSPITAL INDEMNITY INSURANCE POLICY
NON-PARTICIPATING**

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POLICY SCHEDULE

PRIMARY INSURED: [JOHN DOE]
INSURED DEPENDENTS: [ELIGIBLE SPOUSE]
 [ELIGIBLE DEPENDENT]
PRIMARY INSURED ISSUE AGE: [16-69]
POLICY NUMBER: [1234567]
POLICY EFFECTIVE DATE: [August 1, 2010]
FIRST ANNIVERSARY DATE: [August 1, 2011]
ANNUAL PREMIUM: [\$2,223.48]
MODE SELECTED AT ISSUE: [ANNUAL/PRD]
MODE PREMIUM: [\$2,223.48]

| BENEFITS | BENEFIT AMOUNT | ANNUAL PREMIUM |
|--|---|--|
| HOSPITAL CONFINEMENT: ELIMINATION PERIOD, INJURY: [0-365] DAYS ELIMINATION PERIOD, SICKNESS: [0-365] DAYS MAXIMUM BENEFIT PERIOD: [0-365] DAYS Daily Benefit for Primary Insured: Daily Benefit for Eligible Spouse: Daily Benefit for each Eligible Dependent Child: | [\$200] [\$200] [\$200] | [\$336.00] [\$336.00] [\$204.00] |
| [Emergency Accident Rider: Benefit per Accident for Policyholder Limited to 4 Accidents per Calendar Year [Benefit per Accident for Eligible Spouse Limited to 4 Accidents per Calendar Year [Benefit per Accident for Eligible Dependent Child | [\$200] [\$200] | [\$27.36] [\$27.36] |

| | | |
|---|----------------|------------|
| Limited to a total of 4 Accidents per Calendar Year]] | [\$200] | [\$27.36] |
| [Outpatient Sickness Rider: | | |
| Benefit per Sickness for Policyholder | | |
| Limited to 4 Sicknesses per Calendar Year | [\$25-100] | [\$87.60] |
| [Benefit per Sickness for Eligible Spouse | | |
| Limited to 4 Sicknesses per Calendar Year] | [\$25-100] | [\$87.60] |
| [Benefit per Sickness for Eligible Dependent Child | | |
| Limited to a total of 4 Sicknesses per Calendar Year]] | [\$25-100] | [\$144.00] |
| [Intensive Care Unit Rider: | | |
| Daily benefit for Policyholder | [\$30-1500] | [\$33.60] |
| [Daily benefit for Eligible Spouse] | [\$30-1500] | [\$33.60] |
| [Daily benefit for each Eligible Dependent Child]] | [\$30-1500] | [\$19.20] |
| [Accidental Death Benefit & Dismemberment Rider: | | |
| Benefit amount for Policyholder | [\$1000-30000] | [\$24.00] |
| [Benefit amount for Eligible Spouse] | [\$1000-15000] | [\$18.00] |
| [Benefit amount for each Eligible Dependent Child]] | [\$1000-5000] | [\$6.00] |
| [Surgical Plus Rider: | | |
| Maximum benefit for Policyholder | [\$500-5000] | [\$62.40] |
| [Maximum benefit for Eligible Spouse] | [\$500-5000] | [\$62.40] |
| [Maximum benefit for each Eligible Dependent Child]] | [\$500-5000] | [\$30.00] |
| [Surgical Rider: | | |
| Maximum benefit for Policyholder | [\$500-5000] | [\$36.00] |
| [Maximum benefit for Eligible Spouse | [\$500-5000] | [\$36.00] |
| [Maximum benefit for each Eligible Dependent Child]] | [\$500-5000] | [\$30.00] |
| [Private Duty Nurse Rider: | | |
| Daily benefit for Policyholder | [\$10-100] | [\$3.00] |
| [Daily benefit for Eligible Spouse] | [\$10-100] | [\$3.00] |
| [Daily benefit for each Eligible Dependent Child]] | [\$10-100] | [\$1.80] |

| | | |
|---|--------------------|-----------|
| [Hospital Injury Indemnity Rider: | | |
| Daily benefit for Policyholder | [\$30-150] | [\$12.00] |
| [Daily benefit for Eligible Spouse | [\$30-150] | [\$12.00] |
| [Daily benefit for each Eligible Dependent Child]] | [\$30-150] | [9.00] |
| [Lump Sum Indemnity Rider: | | |
| Benefit for Policyholder | [\$40-1000] | [\$19.20] |
| [Benefit for Eligible Spouse] | [\$40-1000] | [\$19.20] |
| Benefit for each Eligible Dependent Child]] | [\$40-1000] | [\$7.80] |
| [Specified Injury Benefit Rider: | | |
| Benefit for Policyholder | According to Rider | [\$42.00] |
| [Benefit for Eligible Spouse] | According to Rider | [\$21.00] |
| [Benefit for each Eligible Dependent Child]] | According to Rider | [\$21.00] |
| [First Hospital Confinement Rider: | | |
| Benefit for Policyholder | According to Rider | [\$150] |
| [Benefit for Eligible Spouse] | According to Rider | [\$150] |
| [Benefit for each Eligible Dependent Child]] | According to Rider | [\$84.00] |

DEFINITIONS

For the purposes of this Policy, when we use the following terms, we mean:

[Actively At Work (Active Employment)] means the person must be working:

- on a full-time basis (at least [15-40] hours per week) and paid regular earnings;
- at the Employer's usual place of business; or
- at a location to which the Employer's business requires the person to travel.

A person must be considered Actively At Work if the employee was actually at work on the day immediately preceding:

- a weekend;
- holidays;
- paid vacations;
- any non-scheduled work day;
- excused leave of absence (except medical leave and lay-off); or
- emergency leave of absence (except emergency medical leave required by His Sickness or Injury).]

[Age] means the Age of the Insured on His or Her last birthday as of the Date of Policy. Age increases by one year on each Policy anniversary.]

[Application] means the forms the Policyholder completed when applying for this Policy [that are attached to this Policy].

[Calendar Year] means the period beginning on the Date of Policy and ending on December 31 of the same year. Thereafter, Calendar Year is the period beginning on January 1 and ending December 31 of the same year.]

[Child (Children)] means a person who is:

- Your unmarried child under age 19 who is primarily dependent upon and living with the Policyholder in a permanent parent-child relationship; or
- Your unmarried child under age [23] if he/she is a full-time student at an accredited school, college, or university and We are furnished proof of such enrollment.

Child includes:

- natural or adopted child of the Policyholder or Spouse;
- Child placed with the Policyholder or Spouse for adoption;
- Child legally placed with the Policyholder or Spouse as a foster Child; or
- stepchild of the Policyholder.

Child does not include a:

- person not meeting the above Child definition;
- Child living outside of the United States (unless living with an Insured); or
- Child on active military duty for a period in excess of [30-90] days.]

[Complications of Pregnancy] mean bodily conditions while a Covered Person is pregnant that are distinct from, but adversely affected or caused by the pregnancy. These conditions include:

- postpartum hemorrhage;
- toxemia of pregnancy;
- rupture or prolapse of the uterus;
- ectopic pregnancy which is ended;
- emergency (non-elective) cesarean section; and
- spontaneous termination of a pregnancy when a viable birth is not possible.]

[Date of Policy] means the date that coverage begins under this Policy.]

[Dental Treatment] means the treatment of the teeth and/or periodontal area.]

[Eligible Dependent(s)] means the Spouse and Child(ren) unless specifically excluded by this Policy.

We must approve eligibility of the Spouse and Child(ren).

Each such person must meet the Eligibility requirements.

If a Child is covered by this Policy, the Child's Eligibility will not end if the Child is and remains:

- unmarried;
- incapable of self-sustaining employment due to mental incapacity or physical handicap; and
- chiefly dependent on the Policyholder or Spouse for support.

However, in no event will Eligibility or coverage of any Child go beyond the date that the Policyholder's coverage ends.

The Policyholder must furnish Us with proof of physical or mental incapacity within 31 days after the Child's Eligibility would otherwise end. Thereafter, We may require proof, but not more frequently than annually.]

[Elimination Period] means the number of consecutive days of confinement to a Hospital during each Period of Confinement before benefits become payable under this Policy. Benefits are not payable during the Elimination Period. The Elimination Periods for Injury and Sickness are shown on the Policy Schedule.]

[Emergency Room] means a specified area in a Hospital which is designated for the emergency care of Sickness or Injury. This area must be:

- staffed and equipped to handle trauma;
- be supervised and provide treatment by Physicians; and
- provide care seven days per week, 24 hours per day.

[Emergency Treatment] means medical attention provided after the acute onset of symptoms relating to Sickness or Injury, including severe pain, which symptoms are severe enough that the lack of immediate medical attention could reasonably be expected to result in any of the following:

- health would be placed in serious jeopardy;
- bodily function would be seriously impaired; or
- there would be serious dysfunction of a bodily organ or part.]

Emergency Treatment does not include care that is:

- elective;
- preventive; or
- well care.

[Evidence of Insurability] means a form accepted by Us showing that a person meets Our requirements to be insured by this Policy.]

[Hospital] means a place in the United States:

- licensed and operated as a Hospital;
- providing overnight care of Ill and Injured people;
- supervised by a Physician;
- having full-time nurses supervised by a Registered Nurse;
- having on-site or pre-arranged use of x-ray equipment, laboratory and surgical facilities; and
- maintaining permanent medical history records.

A Hospital is not:

- a facility outside of the United States;
- a nursing home;
- an extended care facility;
- a convalescent home;

- a rest home or a home for the aged;
- a place for alcoholics or drug addicts; or
- a mental institution.]

[Hospital Confinement means admission to a Hospital and confinement as a resident bed patient due to an Injury or Sickness. The assignment must be on the advice of a Physician and be Medically Necessary. We do not consider confinement to an emergency room, outpatient treatment room or observation unit as Hospital Confinement.]

[Injury means bodily injured sustained which:

- is directly caused by an accident, independent of all other causes;
- has not been specifically excluded by name or description in this Policy;
- is not caused or contributed by Sickness; and
- occurs while this Policy is in force for the Insured.

Losses that occur after the Pre-existing Condition provision has been satisfied will be covered for an Injury that occurred before the date the person becomes an Insured under this Policy unless the Injury has been specifically excluded by name or description within the Policy or Rider.]

[Insured means the Policyholder or Eligible Dependent who is covered under this Policy. Persons eligible for coverage are shown on the Policy Schedule.]

[Intoxication means a blood alcohol content equal or over the legal presumption of intoxication under the laws of the state where the event took place.]

[Material and Substantial Duties mean those duties normally required for the performance of the Insured's Regular occupation and cannot be reasonably omitted or modified.]

[Maximum Benefit Period means the period of time during which the Daily Benefit is payable for a Period of Confinement. The Maximum Benefit Period is shown on the Policy Schedule.]

[Medically Necessary means the treatment, services or supplies necessary and appropriate for the diagnosis or treatment of Sickness or Injury based upon generally accepted medical practice.

[Mental or Nervous Disorders means a neurosis, psychoneurosis, psychosis, or mental or emotional disease/disorder of any kind.]

[Period of Confinement means one continuous Hospital Confinement or several Hospital Confinements for the same or a related cause, which are separated by less than [30-90] days. Each Hospital Confinement must begin while the coverage is in force for the Insured.]

[Physician means a medical doctor or other person recognized by law or regulation in the state where services are rendered as a Physician. The person must be licensed to practice medicine and prescribe and administer drugs or to perform surgery in the United States.

Physician does not include:

- You;
- a person related to You by blood or marriage; or
- a medical doctor or other person practicing outside of the United States.]

[Policy means the Policy issued to the Policyholder.]

[Policy Anniversary means the yearly anniversary of the Policy Effective Date.]

[Policy Effective Date means the date coverage under this Policy begins as shown on the Policy Schedule. It will be used to determine Premium due dates and anniversary dates. If an Insured is added to the Policy after the date listed on the Policy Schedule, the Policy effective date for that Insured will be the date shown on the Endorsement added to this Policy.]

[Policy Schedule means page(s) so labeled in this Policy.]

[Policyholder means the person to whom the Policy is issued.]

[Pre-existing Condition means a condition which a Physician has treated or for which a Physician has advised treatment of the Insured within [0-12] months before the Insured's Start Date of Insurance. It is also one which would cause a person to seek diagnosis or care within the same [0-12]-month period.

Pre-existing Conditions for any person who was age 65 or over when they became insured under this Policy shall mean only those conditions specifically excluded in any part of this Policy or attached endorsement.]

[Proof means evidence satisfactory to Us for insurability or for other matters which require Proof.

[Regular Care means the Insured personally visits a Physician as frequently as medically required, according to generally accepted medical standards, to effectively manage and treat the disabling condition(s); and is receiving the most appropriate treatment and care which conforms with generally accepted medical standards, for the disabling condition(s) by a Physician whose specialty or experience is the most appropriate for those condition(s), according to generally accepted medical standards.]

[Regular Occupation means the occupation the Insured is routinely performing when Total Disability begins. We will look at the occupation as it is normally performed in the national economy, instead of how the work tasks are performed for a specific employer or at a specific location.]

[Replaced Coverage means a policy that:

- insured the persons covered under this Policy;
- was paid for by the Insured;
- has a paid-to date within [60] days of this Policy's Date of Application;
- is replaced by this Policy; and
- ends upon issue of this Policy.

At Our request, the Policyholder must give Us Proof about an Insured's Replaced Coverage.]

[Sickness means illness, disease or Complication of Pregnancy of an Insured which: (1) first manifests itself while this Policy is in force for the Insured; and (2) does not result from Pre-existing Conditions as defined; and (3) has not been specifically excluded by name or description in this Policy.

Benefits for a normal pregnancy are paid on the same basis as for any other Sickness. However, Benefits will be payable beginning on the [300th] day after the Start Date of Insurance and while this Policy is in force. The [300]-day period will be reduced by one day for each day that Replaced Coverage was in force.]

[Spouse means[:]

[1.] the person recognized as the covered Policyholder's husband or wife under the laws of the state in which the Policyholder lives[; or]

[2.] [the person recognized by the Policyholder's state of residence as[:]

[• the Policyholder's Domestic Partner;]

[• a party to a Civil Union with the Policyholder [(Vermont)][and][Connecticut];]

[• a Reciprocal Beneficiary of the Policyholder [(Hawaii)]; or

[• someone for whom we must provide the coverage of this Policy on a spousal equivalent basis under the laws or regulations of the state where the Policyholder lives.]]

[When We provide coverage under this definition "2", We will keep providing coverage after the Policyholder or Spouse moves to a state that does not recognize the relationship described.]

[We will not give coverage under these definitions "1" and "2" for the Spouse after a legal action ends a relationship described.]]

This Policy will at no time cover more than one person as a Policyholder's Spouse.

[Totally Disabled (Total Disability) means that the Insured is:

- unable to perform the Material and Substantial Duties of His Regular Occupation during the Elimination Period and the next two (2) years of disability;
- not working in any other occupation; and
- under the care of a Physician for the disability.

You are not totally disabled when You are not under the Regular Care of a Physician. We will not require care of a Physician when it is no longer needed for the sound medical care of the condition causing Total Disability.]

[United States means the United States of America and its territories.]

[We, Us, Our and Company all mean Kanawha Insurance Company.]

[You and Your mean the Insured.]

Any reference to "He," "Him" or "His" will also refer to "She" or "Her," "they," "them" or "their."

ELIGIBILITY AND ADDITION OF PERSONS

Your Spouse and any Children, as defined in the Policy, may be added to this Policy. To add a Spouse or Child to this Policy after the Policy Effective Date, You must:

- make written application to Us;
- furnish Evidence of Insurability; and
- pay the additional Premium due for that person. The first Premium for the person to be added will be determined from the effective date of his/her coverage. The person added will be subject to the Pre-existing Conditions provision of the Policy.

Any Child born to You while this Policy is in force will be automatically insured from the moment of birth for 31 days. A Child placed with You for adoption after the Policy Effective Date will automatically be covered for a period of 31 days from the earlier of (1) the date of placement for the purpose of adoption; or (2) the date of the entry of an order granting the adoptive parent custody of the child for the purpose of adoption. A child placed with You as a foster child shall automatically be covered for a period of 31 days from the date of placement. Coverage and benefits for the Child will be the same as those that are provided for the following Insureds, successively:

- any other insured Dependents; if none then
- You

The Pre-existing conditions provisions of this Policy is waived with respect to such Child. Coverage for a Child placed for the purpose of adoption will end if the adoption is stopped prior to legal adoption and the Child is removed.

Without Eligible Dependent Children Coverage: To continue coverage for the newborn, foster or adopted child beyond the 31 day period, You must (1) notify Us in writing; and (2) pay the Premium for the Child within 90 days from the date of birth, placement or order granting custody. Premiums for the child will be pro-rated to the next Premium due date of this Policy. If We are not notified and the required Premium is not paid within 90 days, the coverage for the Child will end 31 days after the date of birth, placement or order granting custody.

With Eligible Dependent Children Coverage: Please notify Us in writing as soon as possible to be sure that the Child is properly enrolled, that coverage is in place and that medical care can be obtained when sought. A newborn child will be covered from the moment of birth. A foster child will be covered from the moment of placement. An adopted child will be covered from the earlier of (1) the date of placement for the purpose of adoption; or (2) the date of the entry of an order granting the adoptive parent custody of the child for the purpose of adoption.

PREMIUMS AND REINSTATEMENT

Premiums

To keep this Policy in force, You must pay the Premiums when they are due. The first Premium is due in advance of the Policy Effective Date. There is no insurance until the first Premium is paid. Later Premiums are due according to the mode of Premium payment shown on the Policy Schedule.

Each Premium is payable in advance either:

- at Our home office, or
- to Our authorized agent in exchange for a receipt, if requested.

We actuarially determine the Premiums. We reserve the right to change the Premiums as stated in the Change in Premium provision.

Change in Premium

We have the right to change Premiums at any time. If Your Premium changes, the new rate will be guaranteed for a period of not less than 12 months. We will only change the Premiums:

- if We change the Premiums for all policies of this same form and issue age in Your state of issue;
- if such change is in accordance with the laws and regulations of Your state of issue; and
- if We give You 60 days notice before such change becomes effective.

Any increase or decrease will begin the next Premium due date after the notice is given. Any change in Premium will be based on Your age on the Policy effective date.

Grace Period

You are allowed a Grace Period of [30-90] days after the Premium due date in which to pay Premiums; however, there is no Grace Period for the first Premium. This Policy remains in force during the Grace Period. The Premium will be considered paid if it was postmarked during the Grace Period.

If a claim is incurred during the Grace Period and the Premium has not been paid at the time the claim is being paid, the Premium may be deducted from the claim payment.

Change in Mode of Payment

When We receive a satisfactory written request from You, the mode of future Premium payments may be changed. Such change will be according to the Premium rates in effect on the Policy Date.

Return of Unearned Premiums

Within 30 days of proof of death or cancellation of the Policy, We will refund any unearned Premium. Unearned Premium is any Premium paid for any period beyond the end of the month in which death or cancellation occurred.

Non-payment of Premium

If any Premium after the first is not paid by its due date or within the Grace Period, this Policy will Lapse as of the date of the past due Premium and will have no further value except as may be provided in this Policy.

Reinstatement

If this Policy Lapses for non-payment of Premium, You may request that it be reinstated. Reinstatement is subject to acceptance and approval by Us. If We accept the Premium without requiring an application for reinstatement, this Policy will be reinstated.

We require a reinstatement form or a new application to reinstate a Policy. If We approve the application, the Policy will be reinstated with a new Policy Effective Date. If We do not notify You that We have disapproved the reinstatement application, the Policy will be reinstated on the 45th day after the date We receive such application.

When this Policy is reinstated, only Injuries that are sustained after the date of Reinstatement and loss due to Sickness that may begin more than 10 days after the date of Reinstatement are covered. In all other respects, Your rights and Our rights will remain the same, subject to any provisions noted on or attached to the reinstated Policy.

After the reinstated Policy has been in force for 2 years from the date of reinstatement, We cannot cancel or deny benefits because of any misstatement, except fraudulent misstatements, made by You in the reinstatement application.

Any Premiums We accept for a reinstatement will be applied to a period for which Premiums have not been paid. No Premiums will be applied to any period more than [30-90] days before the reinstatement date.

BENEFITS

We will pay a daily benefit, as shown on the Policy Schedule, for each day of Hospital Confinement for an Insured for Injury or Sickness. Before benefits are payable, the Hospital Confinement must:

- be at the direction of and under the supervision of a Physician;
- continue beyond the Elimination Period for each Period of Confinement due to an Injury or Sickness;
- begin after the Policy Effective Date and while this Policy is in force for the Insured; and
- be due to Injury or Sickness that is not excluded by name or description in this Policy.

Benefits payable will not exceed the Maximum Benefit Period for any Period of Confinement.

BENEFIT CONDITIONS, LIMITATIONS AND EXCLUSIONS

Except for congenital anomalies of a covered Dependent Child, any loss due to a Pre-existing Condition will not be covered if the loss begins within [0-12] months after the Covered Person's Start Date of Insurance.

No Benefits of this Policy will be paid for loss that is caused by, contributed to by, occurs during or results from:

- [intentionally self-inflicted Injury;]
- [suicide or any attempted suicide, while sane or insane;]
- [mental or emotional disorders without demonstrable organic disease;]
- [taking part in an illegal occupation;]
- [treatment for drug addiction or for the use of drugs, except when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of drug Intoxication, except when caused by drugs when the drugs are prescribed by and used as ordered by a Physician;]
- [treatment of alcoholism, or treatment for the use of alcohol;]
- [rest cures;]

- [dental services or treatments unless needed due to Injury;]
- [routine eye examinations, eye glasses or the fitting thereof;]
- [hearing aids or the fitting thereof;]
- [Sickness or Injury if Workers' Compensation or Employer's Liability benefits are payable;]
- [war, declared or undeclared;]
- [taking part in a riot, felony or insurrection;]
- [parachute jumping or sky diving;]
- [travel in or on any kind of aircraft, unless as a fare paying passenger on a commercial airline, passenger on a private airline charter or as a passenger on a privately owned and operated airplane that seats more than 10 passengers;]
- [military or naval services (On written notice to Us, We will refund Premiums pro rata for any period not covered because of such service.);]
- [hospitalization, treatment or services for members or ex-members of the armed forces in any military or veteran's hospital, soldier's home or Hospital contracted for or operated by any national government or agency thereof unless the Covered Person is legally required to pay the charges therefore in the absence of insurance;]
- cosmetic surgery, except that cosmetic surgery shall not include reconstructive surgery when such service is incidental to trauma, infection or other diseases of the involved part; and reconstructive surgery because of congenital disease or anomaly of a covered Dependent Child which has resulted in functional defect;
- [routine well-baby care.]

No Benefits of this Policy will be paid for loss that takes place outside of the United States.

TERMINATION

Coverage for the Policyholder under this Policy will end the earlier of:

- when You request in writing that it be cancelled;
- when You fail to pay Premiums within Your Grace Period
- the Policy Anniversary date You no longer meet the Renewal Condition as defined on the cover of this Policy; or
- when You die.

Coverage for an Insured Dependent will end under this Policy the earlier of:

- when such Insured ceases to be an Eligible Dependent Child or Eligible Spouse; or
- coverage for the Policyholder terminates.

When such Insured Dependent's coverage ends, We will:

- refund any Premium accepted for the period the Insured ceases to be an Eligible Dependent;
- consider any claim that began before the insurance ended; and
- allow a conversion policy for the Eligible Dependent, as set forth in the Conversion Privilege.

MILITARY SERVICE

You may suspend this Policy if You enter full-time, active duty in the military service. However, You may not suspend the Policy during active military duty or training lasting three months or less. The Policy will not be in force while it is suspended and You will not have to pay any Premiums. We need Your written request to suspend the Policy. We will refund the pro-rata portion of any Premium paid for a period beyond the date We receive Your request.

If Your full time active duty military service ends before Your 65th birthday, You may place this Policy back in force without Evidence of Insurability. You coverage will start again when:

- We receive Your written request; and

- You have paid the pro-rate Premium for coverage until the next Premium due date.

We must receive Your request and Premium payment within 90 days after the date Your active duty service in the military ends. Premiums will be at the same rate they would have been had Your Policy remained in force. The Policy will not cover any loss due to Injury or Sickness that occurs while the Policy is suspended. In all other respects, both You and We will have the same rights under the Policy as before it was suspended.

If Your active duty ends after Your 65th birthday, this Policy cannot be reinstated.

CONVERSION

When an Eligible Dependent Child ceases to be an Eligible Dependent Child, as defined, coverage can be converted to a new Policy. We must receive a written application and the required Premium within 31 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer in the state the person lives which is most similar to (but not greater than) this Policy; and
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the next day after the date coverage for the Eligible Dependent Child ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

If You and Your eligible Spouse divorce, Your eligible Spouse may convert to a new Policy. Written application for the Policy must be made to Us and the required Premium paid within 60 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer for conversion in the state the person lives (but not greater than this Policy);
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the next day after the date coverage for the eligible Spouse ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

At the option of the eligible Spouse, any eligible Dependent children covered under this Policy (from whom the eligible Spouse has the obligation of support) may also be converted to the new Policy. Said conversion is subject to the same conditions as the eligible Spouse's conversion.

Your eligible Spouse may convert to a new Policy if You die. Application for the Policy must be made to Us and the required Premium paid within 60 days after the date this coverage is to end. The new Policy will:

- be issued without Evidence of Insurability;
- be a Policy form We offer for conversion in the state the person lives (but not greater than this Policy);
- exclude any conditions that were excluded in this Policy for such Insured and cover Pre-existing Conditions to the extent they are covered in this Policy.

Coverage under the new Policy will begin on the day after the date coverage for the eligible Spouse ended under this Policy. The Premium will be based on Our table of rates in effect on the Policy Effective Date of the new Policy for such person's attained age and state of residence at the time of conversion.

At the option of the eligible Spouse, any eligible Dependent children covered under this Policy (from whom the eligible Spouse has the obligation of support) may also be converted to the new Policy. Said conversion is subject to the same conditions as the eligible Spouse's conversion.

CLAIM PROVISIONS

NOTICE OF CLAIM

Written notice of Claim must be given to Us within 20 days after the date of a loss. If that is not possible, We must be notified as soon as it is reasonably possible to do so. Notice can be given to Us at the address listed on the cover of this Policy or to any authorized agent of the Company. Notice should include the name of the Insured and the Policy Number.

CLAIM FORMS

When We receive written notice of Claim, We will send claim forms. If the claim forms are not received within 15 days after the notice is sent, written Proof of claim can be sent to Us without waiting for the forms.

PROOF OF LOSS

Proof of loss must be given to us within 90 days after a loss occurs or starts. If it is not possible to give proof within this time limit, it must be given as soon as reasonably possible. Proof of Loss may not be given later than one year after the time such proof is otherwise required, except if the individual is legally unable to provide it.

Proof of Loss includes a Claim Form or other documents satisfactory to Us.

Proof of Loss may also include statements completed by the Insured and/or the claimant and the attending Physician documenting:

- the nature of the loss;
- the date, or inclusive dates, of loss; and
- the cause of loss.

We may require Proof of Loss on a monthly basis. We will not require such Proof of Loss on a monthly basis when it is no longer reasonably necessary to do so.

On request, We will tell the Insured or other claimant what forms or documents are required.

We may require authorization to obtain:

- medical information;
- psychiatric information; and
- non-medical information, such as payroll.

We will give the Insured or the claimant a Claim Form upon request. He or She is responsible for any costs to complete the Claim Form.

We may ask for other Proof of Loss from Hospitals and Physicians. We will pay the reasonable cost of obtaining these records.

PAYMENT OF CLAIMS

We will pay Benefits when We receive Proof of Loss acceptable to Us.

We will pay the Insured. If He or She does not survive to receive payment We will pay His or Her:

- Beneficiary, if one is named; or
- estate.

If Benefits are payable to an estate or to a Beneficiary who cannot give Us a valid release, We can pay up to \$1,000 to someone related to the Insured, by blood or marriage, whom We find is justly entitled to payment. Such a payment made in good faith will discharge Us to the extent of the amount paid.

The Insured may assign proceeds of a Claim.

TIME PAYMENT OF CLAIMS

Payment will be issued immediately when We receive Proof of Loss acceptable to Us.

EXAMINATION AND AUTOPSY

We, at Our own expense, will have the right and opportunity to have a claimant examined by a medical professional of Our choice. We may use this right as often as reasonably required.

GENERAL PROVISIONS

AGREEMENTS AND POLICY CHANGES

No change in this Policy shall be valid unless made by endorsement or amendment. Such a change is valid only if signed by Our Chairman or Our President. No other person can waive any Policy terms or make any agreements about this Policy that are binding on Us.

ASSIGNMENT

The Insured may assign proceeds of a claim.

Assignment of this Policy is not allowed.

We are not responsible:

- for the validity of any Assignment; or
- to honor any Assignment unless it is given to Us with any claim subject to the Assignment.

Our payment in good faith as outlined above will fully discharge Us with respect to the amount(s) paid.

BENEFICIARY, CHANGE OF BENEFICIARY

Benefits will be paid as stated in the Payment of Claims provision.

The Insured may add or change the Beneficiary by filing a form with Us.

We are not:

- responsible for the validity of any Beneficiary designation; or
- required to honor any Beneficiary designation unless it is given to Us with any affected claim.

CONFORMITY WITH STATE STATUTES

Any Policy wording that, on the Date of Policy, is in conflict with the statutes of the state in which it is issued is hereby amended to meet the minimum requirements of such statutes.

DATA REQUIRED

The Policyholder will give Us all data and proof that We may reasonably need to administer this Policy.

DATE OF BIRTH AND TOBACCO USE

If a Covered Person's date of birth or tobacco use is misstated, We will adjust the Benefits payable on a pro-rata basis. The Benefits will be those which We would have issued based on the correct information.

ENTIRE CONTRACT

This Policy, the Application and Evidence of Insurability as well as any riders, endorsements and amendments shall make up the entire contract.

Statements made by the Policyholder or Insured individuals shall be deemed representations and not warranties.

EVIDENCE OF INSURABILITY

We may require evidence that a person meets our underwriting standards for this insurance.

LEGAL ACTIONS

Legal action cannot be taken against Kanawha Insurance Company:

- sooner than 60 days after due Proof of Loss has been filed; or
- later than three years after the time written Proof of Loss is required to be filed according to the terms of this Policy.

NON-PARTICIPATING

This Policy is a non-participating policy. We will not pay dividends on this Policy.

TIME LIMIT ON CERTAIN DEFENSES

After the Policy has been in force for 2 years from the Policy Effective Date, We cannot cancel or deny benefits because of any misstatement made by You in the application for the Policy, except for fraudulent misstatements made by You in the application for the Policy.

If a Rider is added after the Policy Effective Date, We cannot cancel or deny benefits because of a misstatement made by You in the application after the Rider has been in force for 2 years from the Rider's Effective Date.

After the coverage has been in force beyond the Pre-existing Conditions period, We will pay benefits for any Pre-existing conditions not specifically excluded by name or description in the Policy, Rider or endorsement.