



Colonial Life & Accident
Insurance Company
P.O. Box 1365
Columbia, SC 29202-1365

Dawson Independent Sch Dist
1106a Ridge Rd Ste A
Rockwall, TX 75087-0000



COLONIAL LIFE & ACCIDENT INSURANCE COMPANY
1200 Colonial Life Boulevard, P. O. Box 1365, Columbia, South Carolina 29202
1.800.325.4368 coloniallife.com
A Stock Company

CRITICAL ILLNESS GROUP SPECIFIED DISEASE INSURANCE POLICY

Please Read This Policy Carefully

This policy is a legal contract between the policyholder and us. To understand the coverage, this policy must be read as a whole.

Throughout this policy, the word **policyholder** refers to the organization shown on the Policy Rate Schedule. **You** or **your** refers to a named insured who is covered under this coverage. **Named insured** refers to the person who is a member of an eligible class as described on the Policy Rate Schedule, who holds a certificate of coverage and for whom the policyholder remits premium.

Covered person refers to any person covered under this policy as described on the Certificate Schedule. **We, us, our** or **company** refers to Colonial Life & Accident Insurance Company. The male pronoun includes the female whenever used.

This policy is delivered in and is governed by the laws of the governing jurisdiction shown on the Policy Rate Schedule and, to the extent applicable, by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments.

This policy is issued in consideration of the application of the policyholder, a copy of which is attached to and made a part of this policy, and the payment of premium when due. This policy takes effect at 12:01 a.m. Standard Time at the policyholder's address on the Policy Effective Date shown on the Policy Rate Schedule.

We agree to pay, in accordance with the terms of this policy, the benefit amounts of the policy to the named insureds. Details of the benefits are shown in the certificate.

Signed for Colonial Life & Accident Insurance Company:


Secretary


President and Chief Executive Officer

**THIS IS A LIMITED POLICY.
PLEASE READ IT CAREFULLY.**

**THE POLICY IS CANCELLABLE AT THE OPTION OF THE COMPANY.
PLEASE READ THE "TERMINATION OF THIS CONTRACT" PROVISION.**

THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.

THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE POLICYHOLDER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY, AND IF THE POLICYHOLDER IS A NON-SUBSCRIBER, THE POLICYHOLDER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKERS' COMPENSATION LAWS. THE POLICYHOLDER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.



SECTION 2 - POLICY GUIDE

SECTION 1 - FACE PAGE

SECTION 2 - POLICY GUIDE

SECTION 3 - POLICY RATE SCHEDULE

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COLONIAL LIFE & ACCIDENT INSURANCE COMPANY
POLICY RATE SCHEDULE

Policyholder: Dawson Independent Sch Dist Policy Number: G0044025
Policyholder Address: 1106a Ridge Rd Ste A Billing Control Number: E5185962
Rockwall, TX
75087-0000 Governing Jurisdiction: Texas
Policy Effective Date: 01-01-2019 First Policy Anniversary: 01-01-2020

Description of Eligible Classes

All employees in active employment working a minimum of 20 hours per week. Temporary and seasonal workers are excluded from coverage.

Active Employment means the named insured is working for the policyholder at the worksite for earnings that are paid regularly, and he is performing the material and substantial duties of his regular occupation. The named insured will not be considered in active employment if employment status is being continued under a severance or termination agreement. The worksite must be:

- the policyholder's usual place of business;
- an alternative work site at the direction of the policyholder; or
- a location to which the named insured's job requires him to travel.

Material and substantial duties means duties that are normally required for the performance of the named insured's regular occupation, and cannot be reasonably omitted or modified.

Regular occupation means the occupation the named insured routinely performs on his job.

Policyholder Plan Choice for Critical Illness Benefit:

A member of an eligible class chooses from the following options:

Face Amount for Named Insured in \$1,000 increments from a minimum Face Amount of \$5,000 up to a maximum Face Amount of \$30,000.

Critical Illnesses Covered:

Heart Attack (Myocardial Infarction), Stroke, End Stage Renal (Kidney) Failure, Major Organ Failure, Permanent Paralysis Due to a Covered Accident, Coma, Blindness, Occupational HIV or Occupational Infectious Hepatitis B, C or D, Coronary Artery Bypass Graft Surgery.

Benefits Payable Upon Subsequent Diagnosis of a Critical Illness

This policy may include enrollment, risk management and other support services related to the policyholder's benefit program.

Eligibility Period: 31 days

Initial Monthly Rates/Unit for Critical Illness Benefit:

Tobacco Premium Class

Named Insured		Named Insured and Spouse	
Issue Ages	Rates/Unit	Issue Ages	Rates/Unit
16-29	\$0.440	16-29	\$0.660
30-39	\$0.770	30-39	\$1.140



40-49	\$1.500	40-49	\$2.240
50-59	\$2.660	50-59	\$4.140
60-74	\$4.320	60-74	\$6.700
One-Parent Family		Two-Parent Family	
Issue Ages	Rates/Unit	Issue Ages	Rates/Unit
16-29	\$0.470	16-29	\$0.680
30-39	\$0.790	30-39	\$1.160
40-49	\$1.520	40-49	\$2.260
50-59	\$2.680	50-59	\$4.160
60-74	\$4.350	60-74	\$6.720

Non-Tobacco Premium Class

Named Insured		Named Insured and Spouse	
Issue Ages	Rates/Unit	Issue Ages	Rates/Unit
16-29	\$0.220	16-29	\$0.330
30-39	\$0.380	30-39	\$0.570
40-49	\$0.750	40-49	\$1.120
50-59	\$1.330	50-59	\$2.070
60-74	\$2.160	60-74	\$3.350
One-Parent Family		Two-Parent Family	
Issue Ages	Rates/Unit	Issue Ages	Rates/Unit
16-29	\$0.250	16-29	\$0.350
30-39	\$0.410	30-39	\$0.590
40-49	\$0.770	40-49	\$1.140
50-59	\$1.350	50-59	\$2.090
60-74	\$2.190	60-74	\$3.370

Unit means \$1,000 of Face Amount for named insured.

Rate Guarantee Period: A change in the premium rate table(s) will not take effect before two years after the policy effective date.

Divisions, subsidiaries or affiliated companies include:

Dawson Independent Sch Dist	Rockwall	TX
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SECTION 4 - POLICYHOLDER PROVISIONS

Ownership

The policyholder is the owner of this policy and may agree with us to change it without the consent of or notice to the covered persons or their assignees.

Entire Contract

The entire contract consists of:

- this policy;
- the application of the policyholder attached to this policy;
- each named insured's enrollment form and evidence of insurability, if applicable;
- certificates issued under this policy; and
- riders, endorsements or amendments to the policy or certificates.

Changes to the Contract

Riders, endorsements and amendments add provisions to or change the terms of the policy.

Any changes to this policy, other than a change in the premium we charge, must be in writing and evidenced by endorsement on this policy, or by amendment to this policy signed by the policyholder and one of our executive officers at our home office. No agent or anyone else can change this policy or waive any of its provisions.

Furnishing Certificates

The company will provide a certificate for each named insured. The certificate will provide a description of the insurance provided by this policy and will state:

- the benefits provided under the policy;
- to whom benefits are payable;
- the limitations, exclusions and requirements that apply to coverage under the policy; and
- how to file a claim against the coverage.

If there is any discrepancy between the provisions of any certificate and the provisions of this policy, the provisions of this policy govern.

Contestability

After two years from the Policy Effective Date, no misstatements made by the policyholder in the application will be used to void this policy or to deny a claim for loss incurred after the expiration of the two-year period.

Conformity with State Statutes

Any provision of this policy that is in conflict with the applicable state laws of the state in which the named insured resides when he becomes insured is amended to conform to the minimum requirements of those laws.

Our Right to Change Premiums

We have the right to change the premium we charge after notifying the policyholder in writing at least 60 days in advance. A change in premium rate table(s) will not take effect before the end of the rate guarantee period shown on the Policy Rate Schedule except for reasons which affect the risk assumed, including, but not limited to those reasons shown below:

- a change occurs in this policy;
- a division, subsidiary, or affiliated company is added or deleted;
- the number of insureds changes by 25% or more; or
- a new law or a change in any existing law is enacted which applies to this policy.

After the rate guarantee period, we can change premium rate table(s) at any time. A change may take effect on an earlier date when both we and the policyholder agree in writing.

New Entrants

Any member of an eligible class, as described on the Policy Rate Schedule, and the eligible dependents of those members will become insured when they satisfy the requirements set forth in the certificate of insurance.



Information to Be Furnished By the Policyholder

The policyholder must keep a record of the named insureds and the particulars of the insurance on each and their covered spouse and dependent children, if applicable. As changes occur, the policyholder should provide us, on forms acceptable to us, information relative to any persons:

- who are eligible to enroll;
- who are insured by the coverage;
- whose status changes; and/or
- whose coverage terminates pursuant to the “Termination of Insurance” provision.

The policyholder should also provide us with any other information about the coverage that may be reasonably required, such as named insureds on leave of absence, including named insureds who are on leave under the Family and Medical Leave Act.

Policyholder records that have a bearing, in our opinion, on this policy will be available for review by us at any reasonable time. We may inspect these records at any time while this policy is in force and within one year after the termination of this policy.

All statements made in any application are considered representations and not warranties (absolute guarantees). No representation by the policyholder in applying for insurance under this policy will make it void unless the representation is contained in the application of the policyholder.

Clerical error or omission by us will not:

- prevent a covered person from receiving coverage;
- affect the amount of a covered person's coverage; or
- cause a covered person's coverage to begin or continue when the coverage would not otherwise be effective.

Electronic Transactions

Any transaction relating to this policy may be conducted by electronic means if performance of the transaction is consistent with applicable state and federal law. Any notice required by the provisions of this policy given by written, electronic, and telephonic, as applicable, means will have the same force and effect as notice given in writing.

SECTION 5 - PREMIUM PAYMENTS

Premium Payments

The initial premium for each type of coverage under this policy is based on the initial premium rate table(s) shown on the Policy Rate Schedule.

Premium Amount

To ensure accurate premium calculations, the policyholder is responsible for reporting to us the following information during the stated time periods:

- individuals who are eligible to enroll are to be reported during the month prior to or during the month the coverage becomes effective;
- covered persons whose coverage has terminated are to be reported within a month of the date coverage terminated; and
- changes in named insureds' class are to be reported within a month of the date that the change in insurance class took place.

When and Where to Pay Premiums

The premiums for each certificate must be paid to us at our home office when they are due.

The premium due dates are based on:

- the coverage effective dates shown on the Certificate Schedules; and
- the premium frequency.

The premium frequency is how often the premiums are paid. The policyholder will be liable to us for all unpaid premiums for any period, including the grace period, during which coverage under the policy was in force as to any covered person.



Premium increases or decreases which take effect during an insurance month are due on the next premium due date following the change. Changes will not be pro-rated daily.

If premiums are paid on other than a monthly basis, premiums for increases and decreases will result in a monthly pro-rated adjustment on the next premium due date.

Grace Period (If Premiums Are Not Paid When Due)

After the first premium, if the premium is not paid when it is due, it can be paid during the next 31 days. These 31 days are called the grace period. During the grace period this coverage will stay in force. If the premium is not paid before the grace period ends, the coverage provided by this policy will terminate at the end of the grace period.

SECTION 6 - TERMINATION

Termination of This Contract

This policy can be terminated:

- by the policyholder; or
- by us.

If the premium is not paid when it is due or during the grace period, this policy will terminate automatically at the end of the grace period.

Except for nonpayment of the required premium or the failure to meet continued underwriting standards, we may not cancel the policy prior to the first anniversary date of the policy effective date as specified on the Policy Rate Schedule. After the first anniversary date, we may cancel this policy for any reason.

If we cancel this policy for reasons other than the policyholder's failure to remit premium, a written notice will be delivered to the policyholder by certified mail at least 60 days prior to the cancellation date.

The policyholder may cancel this policy by written notice delivered to us at least 31 days prior to the cancellation date. This policy can be cancelled on an earlier date if we both agree. Coverage will end at 12:00 midnight Standard Time at the policyholder's address on the cancellation date.

If the policy is cancelled, the cancellation will not affect a claim for which we are liable under the terms of this policy.

Policyholder Responsibility to Named Insureds

If this policy terminates for any reason, the policyholder must:

- notify each named insured of the effective date of the termination; and
- refund or otherwise account to each named insured all contributions received or withheld from them for premiums not actually paid to us.

Workers' Compensation

This policy is not in lieu of, and does not affect, any requirement for coverage by workers' compensation insurance.



COLONIAL LIFE & ACCIDENT INSURANCE COMPANY
P. O. Box 1365, Columbia, South Carolina 29202
1-800-325-4368

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Colonial Life & Accident Insurance Company's toll-free telephone number for information or to make a complaint at:

1-800-3-Client (1-800-325-4368)

You may also write to:

Colonial Life & Accident
Insurance Company
P.O. Box 1365
Columbia, South Carolina 29202

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance at:

P.O. Box 149104
Austin, Texas 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Colonial para informacion o para someter una queja al:

1-800-325-4368

Usted tambien puede escribir a Colonial Life & Accident Insurance Company:

P.O. Box 1365
Columbia, South Carolina 29202

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas

P.O. Box 149104
Austin, Texas 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.



COLONIAL LIFE & ACCIDENT INSURANCE COMPANY
1200 Colonial Life Boulevard, P. O. Box 1365, Columbia, South Carolina 29202
1.800.325.4368 coloniallife.com
A Stock Company

CRITICAL ILLNESS GROUP SPECIFIED DISEASE INSURANCE CERTIFICATE

THIS CERTIFICATE EXPLAINS THE BENEFITS PROVIDED UNDER THE CRITICAL ILLNESS GROUP SPECIFIED DISEASE INSURANCE POLICY.

THIS IS A LIMITED BENEFIT CERTIFICATE.

Please Read This Certificate Carefully

This is your certificate of coverage as long as you are insured under the policy. You will want to read it carefully and keep it in a safe place.

Throughout this certificate, the word **you** or **your** refers to the named insured shown on the Certificate Schedule, who is a member of an eligible class as described on the Policy Rate Schedule, who holds a certificate of coverage and for whom premiums are remitted.

Covered person refers to any person covered under the policy as described on the Certificate Schedule. **We, us, our** or **company** refers to Colonial Life & Accident Insurance Company. **Policyholder** refers to the organization shown on the Policy Rate Schedule. It includes any division, subsidiary or affiliated company named in the Policy Rate Schedule. **Policy** means the group contract owned by the policyholder and available for review by you. The male pronoun includes the female whenever used. If the terms of your certificate of coverage and the policy differ, the policy will govern.

The policy and this certificate may be changed in whole or in part or cancelled as stated in the policy. Such an action may be taken without the consent of or notice to any covered person. Only an executive officer at our home office can approve a change. The approval must be in writing and evidenced by endorsement on the policy or certificate or an amendment signed by the policyholder and one of our executive officers at our home office. No other person, including an agent, may change the policy or certificate or waive any of its provisions. Premiums are subject to periodic changes. This Certificate replaces any and all Certificates previously issued for the eligible classes under the Policy.

The policy and this certificate are delivered in and are governed by the laws of the governing jurisdiction shown on the Policy Rate Schedule and to the extent applicable by the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments.

Signed for Colonial Life & Accident Insurance Company:


Secretary


President and Chief Executive Officer

Please read this certificate carefully.

THIS IS NOT MEDICARE SUPPLEMENT COVERAGE.

If you are eligible for Medicare, review the Guide To Health Insurance for People with Medicare available from the company.

THE INSURANCE POLICY UNDER WHICH THIS CERTIFICATE IS ISSUED IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. YOU SHOULD CONSULT YOUR POLICYHOLDER TO DETERMINE WHETHER YOUR POLICYHOLDER IS A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM.



SECTION 2 - CERTIFICATE GUIDE

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COLONIAL LIFE & ACCIDENT INSURANCE COMPANY

CERTIFICATE SCHEDULE

Policyholder:	Dawson Independent Sch Dist	Policy Number:	G0044025
Named Insured:	John A. Doe	Certificate Number:	9999999999
Coverage Type:	Two-Parent Family	Governing Jurisdiction:	Texas
Coverage Effective Date:	January 1, 2019	Billing Control Number:	E5185962
Pre-existing Condition Limitation Period:	12 months	Premium Class:	Tobacco Non-Tobacco

BENEFITS

Face Amount for Named Insured	\$30,000
Face Amount for Spouse	\$15,000
Face Amount for Dependent Children	\$15,000

The Face Amount(s) will reduce by 50% on the first Policy Anniversary Date after the named insured attains age 75.

Critical Illness Benefit	Percentage of Face Amount
Heart Attack (Myocardial Infarction)	100%
Stroke	100%
End Stage Renal (Kidney) Failure	100%
Major Organ Failure	100%
Permanent Paralysis due to a Covered Accident	100%
Coma	100%
Blindness	100%
Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D	100%
Coronary Artery Bypass Graft Surgery	25%

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SECTION 4 - GENERAL DEFINITIONS

Additional definitions may be contained in other certificate benefit provisions or any endorsement, amendment or rider.

Calendar Year means the period beginning on the coverage effective date shown on the Certificate Schedule and ending on December 31 of the same year. Thereafter, it is the period beginning on January 1 and ending on December 31 of each following year.

Coverage Effective Date means the date coverage begins as shown in the Certificate Schedule. The coverage effective date of this certificate is not the date you signed the application for coverage.

Dependent Children means your:

- natural children;
- step-children;
- grandchildren who are your dependents for federal income tax purposes;
- adopted children;
- children for whom you have filed a suit seeking adoption of the children;
- children whom you are required to insure under a medical support order issued under Section 14.061, Family Code, or enforceable by a court in this state; and
- children in your custody under a temporary court order that grants you conservatorship of the children.

Such children must be younger than age 26.

Doctor or Physician means a person who:

- is licensed by the state to practice a healing art; and
- performs services for a covered person which are allowed by his license.

For purposes of this definition, Doctor or Physician does not include any covered person or anyone related to any covered person by blood or marriage, a business or professional partner of any covered person, or any person who has a financial affiliation or a business interest with any covered person.

Evidence of Insurability means a statement of your medical history which we will use to determine if you are approved for coverage.

Policy Anniversary Date means the date that occurs annually on the same day and in the same month as the First Policy Anniversary shown on the Policy Rate Schedule.

Pre-existing Condition means a sickness or physical condition for which a covered person was treated, had medical testing, received medical advice or had taken medication within 12 months before the coverage effective date.

Spouse means a person who is married to you on the day we issue your certificate.

Temporary Layoff or Leave of Absence means the named insured is temporarily absent from active employment for a period of time that has been agreed to in advance in writing by the employer. Normal vacation time or any period of disability is not considered a temporary layoff or leave of absence.

SECTION 5 - DEFINITIONS FOR CRITICAL ILLNESS BENEFIT

Additional definitions may be contained in other certificate benefit provisions or any endorsement, amendment or rider.

Accident means an unintended or unforeseen bodily injury sustained by a covered person, wholly independent of disease, bodily infirmity, illness, infection, or any other abnormal physical condition.



Blindness means clinically proven irreversible reduction of sight in both eyes that has persisted for a period of at least 180 consecutive days. Sight must be reduced to a corrected visual acuity of less than 6/60 (Metric Acuity) or 20/200 (Snellen or E-Chart Acuity), or visual field restriction to 20° or less in both eyes.

The following are not to be construed as blindness for purposes of this certificate:

- if, in general medical opinion, any procedure, device, or implant could result in the partial or total restoration of sight;
- if the covered person has not attained age three or above on the date of diagnosis, and
- if the covered person's reduction of sight, as defined above, occurs prior to the coverage effective date of the covered person's coverage under this certificate.

Cardiologist means a doctor who is licensed to practice medicine and who is also licensed to practice by the American Board of Internal Medicine in the subspecialty of cardiovascular disease.

Coma means a continuous state of profound unconsciousness resulting from a covered accident or a covered sickness, characterized by the absence of:

- eye opening,
- motor response, and
- verbal response.

The condition must require intubation for respiratory assistance. The term "coma" does not include any medically induced coma.

Coronary Artery Bypass Graft Surgery means undergoing open heart surgery to correct narrowing or blockage of one or more coronary arteries utilizing venous or arterial grafts, excluding procedures such as, but not limited to, balloon angioplasty, valve replacement surgery, laser relief, stents or other non-surgical procedures.

Covered Accident means an accident which:

- occurs on or after the coverage effective date shown on the Certificate Schedule;
- occurs while this certificate is in force; and
- is not excluded by name or specific description in this certificate.

Covered Sickness means a sickness which:

- occurs on or after the coverage effective date shown on the Certificate Schedule;
- occurs while this certificate is in force; and
- is not excluded by name or specific description in this certificate.

Critical Illness means one of the specified illnesses listed in the Critical Illness Benefit section of the Certificate Schedule.

Date of Diagnosis

- for *Heart Attack (Myocardial Infarction)*, the date that the ischemic death of a portion of the heart muscle (myocardium) occurred based on the applicable criteria listed under the heart attack (myocardial infarction) definition;
- for *Stroke*, the date a stroke occurred based on neuroimaging or other neurodiagnostic study consistent with an acute or subacute infarction, hemorrhage, embolism, thrombosis and presence of neurological deficits persisting for a period of 30 days or greater;
- for *End Stage Renal (Kidney) Failure*, the date that regular hemodialysis or peritoneal dialysis begins;
- for *Major Organ Failure*, the date that the covered person is placed on the UNOS list for transplantation;
- for *Permanent Paralysis due to a Covered Accident*, the date the doctor confirms the permanent paralysis due to a covered accident continued for a period of 180 consecutive days;
- for *Coma*, the date a doctor confirms a coma resulting from a covered accident or a covered sickness has lasted 7 or more consecutive days;
- for *Blindness*, the date the doctor confirms the irreversible reduction of sight has continued for a period of 180 consecutive days;
- for *Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D*, the date of a positive antibody test for HIV or Hepatitis B, C or D subsequent to a prior negative test for the same condition with a lapse of between 90 and 180 days between the two tests; and
- for *Coronary Artery Bypass Graft Surgery*, the date the covered person undergoes the open heart surgery.

End Stage Renal (Kidney) Failure means chronic irreversible failure of the function of both kidneys such that the covered person must undergo at least weekly hemodialysis or peritoneal dialysis.



Heart Attack (Myocardial Infarction) means the ischemic death of a portion of heart muscle (myocardium) as a result of obstruction of one or more of the coronary arteries. A positive diagnosis of myocardial infarction must occur and must be supported by three or more of the following:

- chest pain;
- electrocardiographic (EKG) changes indicative of myocardial infarction; in the case of myocardial infarction associated with percutaneous coronary intervention (balloon angioplasty, stent implantation, and related procedures to increase the flow of blood through the coronary arteries), evolving ST elevations or new Q wave changes must be documented and included as one of the criteria in establishing a diagnosis;
- elevation of biochemical markers of myocardial necrosis; and
- confirmatory imaging studies.

In the event of death, an autopsy, medical examiner's confirmation or death certificate identifying heart attack (myocardial infarction) as the cause of death will be accepted.

A heart attack (myocardial infarction) is not congestive heart failure, atherosclerotic heart disease, angina, coronary artery disease, cardiac arrest (including arrhythmias), or any other disease, injury or dysfunction of the cardiovascular system.

Major Organ Failure means diagnosis of major organ failure of the heart, kidney, liver, lung, or pancreas resulting in the covered person being placed on the UNOS (United Network for Organ Sharing) list for a transplant.

Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D means diagnosis of Human Immunodeficiency Virus (HIV) infection or Hepatitis B, C or D resulting from exposure to HIV-contaminated or Hepatitis B, C or D contaminated body fluids as the result of a covered accident during the normal course of performing an occupation for which remuneration is earned.

We will pay this benefit if:

- within five days of the covered accident, it is reported and recorded by the appropriate person according to the legislation, regulations, standards or guidelines that apply to the covered person's occupation or profession;
- the covered accident is investigated and a written investigation report is provided to us by the covered person's employer;
- a confirmatory antibody HIV or Hepatitis B, C or D test is taken within five days of the covered accident and HIV or Hepatitis B, C or D is not present;
- all HIV or Hepatitis B, C or D tests are performed by a state certified and licensed laboratory; and
- a follow-up confirmatory antibody HIV or Hepatitis B, C or D test is taken between 90 days and 180 days after the covered accident, and the result is positive.

Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D excludes:

- HIV or Hepatitis B, C or D infection as the result of IV drug use;
- HIV or Hepatitis B, C or D infection as the result of sexual transmission; and
- HIV or Hepatitis B, C or D infection determined not to have been the result of a covered accident.

Permanent Paralysis Due to a Covered Accident means the complete and permanent loss of the use of two or more limbs through paralysis as the result of a covered accident as defined in this certificate for a continuous period of 180 days, as confirmed by a doctor. Loss of use of two or more limbs through paralysis as the result of a stroke will not be construed as permanent paralysis due to a covered accident for purposes of this certificate.

Sickness means an illness, infection, disease or any other abnormal physical condition not caused by an accident. Sickness includes complications of pregnancy.

Stroke means an acute or sub-acute cerebrovascular incident, including infarction of brain tissue, cerebral and subarachnoid hemorrhage, cerebral embolism and cerebral thrombosis. The diagnosis must be supported by:

- evidence of persistent neurological deficits confirmed by a neurologist at least 30 days after the event; and
- confirmatory neuroimaging studies consistent with the diagnosis of a new stroke.

The following are not to be construed as a stroke for purposes of this certificate:

- transient ischemic attack;
- brain injury related to trauma or infection;
- brain injury associated with hypoxia/anoxia or hypotension;
- vascular disease affecting the eye or optic nerve; and



- ischemic disorders of the vestibular system.

In the event of death, an autopsy confirmation identifying stroke as the cause of death will be accepted.

SECTION 6 - ELIGIBILITY AND EFFECTIVE DATE

Coverage Effective Date

Your coverage under the policy will start at 12:01 a.m. Standard Time in the time zone where you live on the coverage effective date shown on your Certificate Schedule.

Enrollment

An individual who is a member of an eligible class may enroll in coverage during the eligibility period, as shown on the Policy Rate Schedule, that follows the later of:

- the policy effective date as shown on the Policy Rate Schedule;
- the date the individual first becomes a member of an eligible class;
- the date the individual completes the policyholder probationary period shown on the application of the policyholder, if applicable;
- the date the individual meets evidence of insurability requirements, if any.

An individual who fails to enroll during the eligibility period may enroll only during an open enrollment period. Evidence of insurability may be required. The policyholder and the company will determine when an open enrollment period begins and ends.

After the coverage effective date, the named insured cannot make any changes to the coverage type under the certificate until an open enrollment period, unless the named insured has a qualifying event. A qualifying event, for the purposes of this provision, means:

- birth or adoption of a child;
- issuance of a court order requiring coverage of a child;
- marriage;
- divorce; or
- death of a covered person.

The named insured will have 31 days from the date of occurrence of a qualifying event in which to:

- notify us he wishes to make a change;
- complete any required enrollment form; and
- pay any additional premium, if applicable.

Delayed Coverage Effective Date

The effective date of your coverage will be delayed if you are not a member of an eligible class on the coverage effective date shown on the Certificate Schedule. The coverage will be effective on the date that you return to status as a member of an eligible class. If this is named insured and spouse coverage, one-parent family or two-parent family coverage, coverage on the spouse and/or dependent children will be effective on the date that you return to status as a member of an eligible class.

Who is Covered By This Certificate

If this is named insured coverage as shown on the Certificate Schedule, we insure you, the named insured.

If this is named insured and spouse coverage as shown on the Certificate Schedule, we insure you and your spouse.

If this is one-parent family coverage as shown on the Certificate Schedule, we insure you and your dependent children.

If this is two-parent family coverage as shown on the Certificate Schedule, we insure you, your spouse and your dependent children.

You may not apply for coverage for your spouse if your spouse is covered as a named insured.

Coverage on newborn children begins from the moment of live birth. Coverage for adopted children begins with the date of placement into your custody for adoption or the date you filed a suit seeking adoption of the children. If the coverage is named



insured coverage or named insured and spouse coverage, the coverage on the newborn or newly adopted child will end 31 days later if you do not request a change in coverage type as provided in the Enrollment provision above.

SECTION 7 - BENEFIT FOR CRITICAL ILLNESS

Critical Illness Benefit

We will pay this benefit if a covered person is diagnosed with a critical illness, as defined in this Certificate, and:

- the date of diagnosis is while this certificate is in force; and
- the critical illness is not excluded by name or specific description in this certificate.

We will pay the percentage of the covered person's face amount shown on the Certificate Schedule for the critical illness diagnosed.

We will pay the benefit for Coronary Artery Bypass Graft Surgery only once per lifetime per covered person.

If, on the same day, a covered person is placed on the UNOS list for a transplant of two or more major organs listed above in the definition of major organ failure (example: heart and lungs), a single benefit will be paid.

We will pay the benefit for Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D only once per lifetime per covered person.

If the date of diagnosis of two or more critical illnesses is the same day, we will pay only one critical illness benefit. We will pay the larger of the critical illness benefit.

The Critical Illness Benefit is not payable for conditions other than the critical illnesses defined in this certificate.

Benefit Payable Upon Subsequent Diagnosis of a Critical Illness

If a covered person has been diagnosed with and received a benefit for a critical illness and is subsequently diagnosed with a **different** critical illness, we will pay the percentage of the covered person's face amount as shown on the Certificate Schedule for the critical illness diagnosed, if:

- the date of diagnosis of the subsequent critical illness is more than 180 days after any previous date of diagnosis for a critical illness;
- the subsequent date of diagnosis is while coverage under this certificate is in force; and
- the critical illness is not excluded by name or specific description in this certificate.

If a covered person has been diagnosed with and received a benefit for a critical illness and is subsequently diagnosed with the **same** critical illness (other than Coronary Artery Bypass Graft Surgery and Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D), we will pay an amount equal to 25 percent of the Face Amount for the covered person as shown on the Certificate Schedule, if:

- the date of diagnosis of the subsequent critical illness is more than 180 days after any previous date of diagnosis for the same critical illness;
- the covered person has not received treatment during the 180 days between the dates of diagnosis for the same critical illness. For purposes of the preceding sentence, treatment does not include medications and follow-up visits to the covered person's doctor;
- the subsequent date of diagnosis is while coverage under this certificate is in force; and
- the critical illness is not excluded by name or specific description in this certificate.

Benefit Reduction

The Face Amount(s) will reduce by 50 percent on the first policy anniversary date after the named insured attains age 75. All critical illness benefits payable after that date will be based on the reduced Face Amount.

SECTION 8 - EXCLUSIONS AND LIMITATIONS FOR CRITICAL ILLNESS

We will not pay benefits for a critical illness that occurs as a result of a covered person's:



Felonies or Illegal Occupations

Committing or attempting to commit a felony or engaging in an illegal occupation.

Intoxicants and Narcotics

Being intoxicated or under the influence of any narcotic unless administered on the advice of his doctor.

Psychiatric or Psychological Conditions

Having a psychiatric or psychological condition, including but not limited to affective disorders, neuroses, anxiety, stress and adjustment reactions. However, Alzheimer's Disease and other organic senile dementias are covered under this certificate.

Suicide or Injuries Which Any Covered Person Intentionally Does to Himself

Committing or trying to commit suicide or his injuring himself intentionally, whether he is sane or not.

War or Armed Conflict

Being exposed to war or any act of war, declared or undeclared, or serving in the armed forces of any country or authority. Losses as a result of acts of terrorism or nuclear release committed by individuals or groups will not be excluded from coverage unless the covered person who suffered the loss committed the act of terrorism or nuclear release.

Pre-Existing Condition Limitation

We will not pay the Critical Illness Benefit or Benefits Payable Upon Subsequent Diagnosis of a Critical Illness for any covered person when the critical illness is a pre-existing condition as defined in this certificate, unless the covered person has satisfied the pre-existing condition limitation period shown on the Certificate Schedule on the date the covered person is diagnosed with a critical illness.

SECTION 9 - TERMINATION OF INSURANCE

Termination of The Named Insured's Coverage

The coverage on a named insured under the policy will terminate on the earliest of the following dates:

- the date the policy terminates; or
- the end of the grace period following the premium due date we fail to receive the required premium for the named insured; or
- the date the named insured is no longer in an eligible class; or
- the date the named insured's class is no longer included for insurance; or
- the date the next premium is due after the named insured asks us to end his coverage.

Extension of Benefits

Termination of coverage will not affect any claim that began while the coverage was in force, subject to our right to withhold premium from claim payments as described in the Unpaid Premium provision.

When Coverage Ends on Your Spouse and Dependent Children

If this is a named insured and spouse coverage or two-parent family coverage, coverage on your spouse will end on the earliest of the following dates:

- the date your coverage under the policy terminates; or
- the end of the grace period following the premium due date we fail to receive the required premium for your spouse; or
- the date the next premium is due after you ask us to end your spouse's coverage; or
- the date you die; or
- the date the next premium is due after you divorce your spouse or your marriage is annulled.

If this is a one-parent family or two-parent family coverage, coverage on your dependent children will end on the earliest of the following dates:

- the date your coverage under the policy terminates; or
- the end of the grace period following the premium due date we fail to receive the required premium for your dependent children; or
- the date the next premium is due after you ask us to end your dependent children's coverage; or
- the date you die.



We will provide coverage for a claim for which we are liable under the terms of this certificate if the loss occurs while your spouse and/or dependent child is covered.

Coverage will end on each child when he no longer qualifies as a dependent child as defined in this certificate. A dependent child who reaches age 26 may remain covered if that child is and continues to be mentally or physically handicapped and is dependent on you for support and maintenance. You must submit satisfactory proof of incapacity and dependency to us within 31 days of the termination date and subsequently as we may require, but not more frequently than annually after the two-year period following the termination date. We will continue to charge any appropriate premium for that child as long as he meets the definition of a dependent child. It is your responsibility to notify us if any dependent child no longer qualifies as an eligible dependent. If this is one-parent family or two-parent family coverage and all of your dependent children no longer qualify as eligible dependents and you do not notify us, the extent of our liability will be to refund premium paid for the time period for which they did not qualify.

Leave of Absence Under the Family and Medical Leave Act

A named insured may continue his coverage during absences for family or medical leave. If a named insured is on a family or medical leave of absence, coverage will continue under this certificate as if the named insured were in active employment, if the following conditions are met:

- the premiums are paid in accordance with the policy's provisions; and
- the policyholder has approved the named insured's leave in writing.

Coverage will be continued for up to the greater of:

- the leave period required by the federal Family and Medical Leave Act of 1993, and any amendments; or
- the leave period required by applicable state law.

If coverage is not continued during a family or medical leave of absence, upon the named insured's return to active employment:

- no new pre-existing condition limitation will be applied; and
- no new evidence of insurability will be required to reinstate the coverage which was in effect before the leave began.

In order for these conditions to apply, the policyholder must notify us and commence paying premiums for the named insured's coverage within 31 days following a named insured's return to active employment following a leave of absence for family or medical leave.

The time period in the pre-existing condition limitation period will continue to run through a named insured's family or medical leave of absence.

Leave of Absence - Other

If the named insured is on a temporary layoff or leave of absence other than for family or medical leave and premium is paid in accordance with the policy's provisions, he will be covered through the premium due date immediately following the date the temporary layoff or leave of absence begins.

If premium is remitted beyond the premium due date referenced above, our only liability will be to return the premium.

SECTION 10 - PORTABILITY

Portability Privilege

We will provide specified disease insurance portability coverage, subject to these provisions.

Such coverage will not be available for a named insured, unless:

- that named insured specified disease insurance under the policy terminates under the provision Termination of the Named Insured's Coverage for one of the following reasons:
 - o the named insured is no longer in an eligible class; or
 - o the named insured's class is no longer included for insurance;
- we receive a written request by the named insured and payment of all premiums due for the portability coverage not later than 63 days after such termination; and
- the request is made on a form we furnish or approve for that purpose.



Coverage

The benefits, terms and conditions of the portability coverage will be the same as those provided under the policy for specified disease insurance when the named insured's insurance terminated. We will allow you to decrease the face amount at the time portability is requested; provided that the face amount cannot be decreased below a Face Amount for Named Insured of \$5,000. Portability coverage may include any eligible family members who were covered under the policy. Any change made to the policy after a named insured is insured under the portability privilege will not apply to that named insured unless it is required by law.

Portability coverage will be effective on the day after coverage under the policy terminates.

Premiums

Premiums are due and payable in advance to us at our home office. Premium due dates are the first day of each calendar month. The premium rates are based on the portability rates in effect on any premium due date. We have the right to change the portability premium we charge on any premium due date. Written notice will be given at least 45 days before the change is to take effect.

Grace Period

The grace period provision of the policy will apply to each certificateholder of portability coverage as if such certificateholder is the policyholder.

Termination of Insurance

Insurance under this portability privilege will automatically end on the earliest of the following dates:

- The date the named insured again becomes eligible for specified disease insurance under the policy.
- The last day for which premiums have been paid, if the named insured fails to pay premiums when due, subject to the Grace Period provision.
- The date insurance under this portability provision is cancelled by us for any reason upon 31-days notice.

With respect to insurance for your spouse and dependent children, insurance under this portability privilege will automatically end on the earliest of the following dates:

- the date the named insured's insurance terminates; or
- as to your dependent children, the date the dependent child ceases to qualify as a dependent child as defined in this certificate; or
- as to your spouse, the date the next premium is due after you divorce your spouse or your marriage is annulled.

Once insurance under this portability provision is cancelled, it can not be reinstated.

Termination of the Policy

Portability coverage may continue beyond the termination date of the policy, subject to the timely payment of premiums. Benefits, terms and conditions for portability coverage will be determined as if the policy had remained in full force and effect.

SECTION 11 - GENERAL PROVISIONS

Misstatement of Age

If the age of the named insured has been misstated, we will make any equitable adjustment of premiums. We will refund any excess premium payment over the amount due based on your correct age. We will request payment for any overdue premium based on your correct age. If the misstatement is discovered after a payment is due and payable, we will reduce or increase the benefit amount payable by the amount of excess or overdue premium due to the misstatement. If a named insured is not eligible because of age we will refund all premiums paid.

Misstatement of Tobacco Status

If there is a misstatement in the application of the named insured's tobacco status, we will adjust the benefits payable to the amounts which would have been purchased at the correct tobacco status in consideration of the most recent premium. We will not make such an adjustment after this policy has been in force for two years from the coverage effective date.

Contestability

No statement made by any named insured relating to his insurability or the insurability of his dependents shall be used to contest the validity of the insurance after the insurance has been in force prior to the contest for a period of two years during the lifetime



of the person about whom the statement was made and unless the statement is contained in a written instrument signed by the named insured making the statement, unless the statement was fraudulent.

Contest means that we question the validity of coverage under this policy through a letter to the policyholder or the named insured. This contest is effective on the date we mail the letter and refund premiums.

All statements made by the policyholder or any named insured shall be deemed representations and not warranties. No written statement made by the policyholder or any named insured shall be used in any contest unless a copy of the statement is furnished to the policyholder or the named insured.

Policyholder as Agent

For purposes of the policy and this certificate, the policyholder acts on its own behalf or as your agent. Under no circumstances will the policyholder be deemed our agent.

SECTION 12 - CLAIM PROVISIONS

Notice of Claim

If a covered person has an injury or sickness that may result in a claim for benefits under the policy, written notice must be given to us at our home office. This must be done within 90 days after a covered loss begins. If notice cannot be given within that time, it must be given as soon as is reasonably possible. The notice must contain enough information to identify the covered person.

Claim Forms

When we receive written or verbal notice of a claim, claim forms will be sent with which to file Proof of Loss. If these forms are not given to you within 15 days, you will be excused from filing the forms as long as you send us Proof of Loss as described below.

Proof of Loss

We must receive a written proof of loss within 90 days after the covered loss begins. If you are not able to give us written proof of loss within 90 days, it will not have a bearing on this claim if proof is given to us as soon as it is reasonably possible. In any event, proof must be given no later than one year from the time stated unless you are legally unable to do so.

Written proof of loss must include one or more of the following: a doctor's bill, a hospital bill or other proof of charges.

Time of Payment of Claim

After we receive written proof of loss and process your claim, we will pay any benefits due within 60 days.

Payment of Claim

Benefits will be paid to you unless we receive a written authorization to pay them elsewhere, such as to a hospital or a doctor's office. This is called assignment.

If we still owe you benefits at your death, benefits due will be paid in this order to your:

- spouse; or
- children; or
- parents; or
- brothers and sisters; or
- estate.

If benefits are payable to your estate, we can pay benefits up to \$1,000 to someone related to you by blood or marriage who we feel is fairly entitled to them. If we do this, we will have no responsibility for this payment because we made it in good faith.

Benefits paid on behalf of a child or children under the policy shall be paid to the Texas Department of Human Services after written notice to us if: (1) the parent who is a member of the group is: (A) a possessory conservator of the child under an order issued by a court in Texas or is not entitled to possession of or access to the child; and (B) is required by court order or court-approved agreement to pay child support; (2) the Texas Department of Human Services is paying benefits on behalf of the child under Chapter 31 or 32, Human Resources Code; and (3) we are notified through an attachment to the claim for insurance



benefits when the claim is first submitted to us that the benefits must be paid directly to the Texas Department of Human Services.

If you are receiving medical assistance through the Medicaid Program of Texas, any benefits payable to you will be paid to the Texas Department of Human Services.

Unpaid Premium

When a claim is paid under the policy, any premium then due and unpaid may be deducted by us from the claim payment.

Overpaid Claim

We have the right to recover any overpayments due to:

- fraud; and
- any error we make in processing a claim.

You must reimburse us in full. We will work with you to develop a reasonable method of repayment if you are financially unable to repay us in a lump sum.

We will not recover more money than the amount we overpaid.

Questions Concerning the Named Insured's Claim

If we accept or deny your claim in whole or in part, we will notify you no later than the 15th business day after the date we receive all items, statements and forms required to secure final proof of loss. If we deny your claim in whole or in part, we will explain the reasons for our denial of your claim. If we are unable to accept or reject the claim within the 15 business day period, we, within that same period, will notify you of the reasons that we need additional time. We will accept or reject the claim not later than the 45th day after the date we notify you.

If you have questions concerning your claim, you can call us at our home office. We are open Monday through Friday from 8:30 a.m. until 5:00 p.m. Eastern Time.

Physical Exam and Autopsy

We can require that any covered person be examined by a doctor of our choice as often as it is reasonably necessary while his claim is pending. We can also require an autopsy in the event of the death of any covered person in those states where this is allowed. Either or both of these will be done at our expense.

Legal Action

We cannot be sued for benefits under the policy:

- until 60 days after we are sent written proof of loss; or
- more than three years after the time has passed in which we require written proof of loss.

Claim Review

If a claim is denied, we will give written notice of:

- the reason for denial; and
- the policy provision that relates to the denial;
- the right to ask for a review of the claims; and
- the right to submit any additional information that might allow us to change our decision.

You may, upon written request, read any reports that are not confidential. For a small fee, we will make copies of those reports.

Appeals Procedure

Prior to filing any lawsuit and within 60 days after denial of a claim, you or your estate must appeal any denial of benefits under the policy by making a written request for review of the denial.

Workers' Compensation Not Affected

The policy does not replace or change any requirement for coverage under Workers' Compensation insurance.



COLONIAL LIFE & ACCIDENT INSURANCE COMPANY
1200 Colonial Life Boulevard, P. O. Box 1365, Columbia, South Carolina 29202
1.800.325.4368 coloniallife.com

CRITICAL ILLNESS GROUP SPECIFIED DISEASE INSURANCE CERTIFICATE

**THE CERTIFICATE PROVIDES LIMITED BENEFITS
BENEFITS PROVIDED ARE SUPPLEMENTAL AND ARE NOT INTENDED TO COVER ALL MEDICAL
EXPENSES**

Outline of Coverage
(Applicable to policy form GCC1.0-P-EE-TX and certificate form GCC1.0-C-EE-TX)

**THE INSURANCE POLICY UNDER WHICH THE CERTIFICATE IS ISSUED IS NOT A POLICY OF
WORKERS' COMPENSATION INSURANCE. YOU SHOULD CONSULT YOUR POLICYHOLDER TO
DETERMINE WHETHER YOUR POLICYHOLDER IS A SUBSCRIBER TO THE WORKERS'
COMPENSATION SYSTEM.**

**THIS IS NOT MEDICARE SUPPLEMENT COVERAGE. If you are eligible for Medicare, review the Guide
to Health Insurance for People with Medicare available from the company.**

Please Read Your Certificate Carefully. This outline provides a very brief description of the important features of the Group Policy. This is not an insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of the policyholder, you and us. The certificate describes the features of the coverage, lists any limitations or exclusions on coverage and explains how to file a claim against the coverage. It is, therefore, important that you **READ YOUR CERTIFICATE CAREFULLY.**

Coverage Provided by The Certificate. The certificate is designed to provide coverage ONLY for specified diseases, subject to any limitations or exclusions in your certificate. It does not provide coverage for basic hospital, basic medical-surgical or major medical expenses.

BENEFITS

Face Amount for Named Insured	\$30,000
Face Amount for Spouse (if covered)	50% of face amount for Named Insured
Face Amount for Dependent Children (if covered)	50% of face amount for Named Insured

The Face Amount(s) will reduce by 50% on the first Policy Anniversary Date after the named insured attains age 75.

BENEFIT FOR CRITICAL ILLNESS

We will pay this benefit if a covered person is diagnosed with a critical illness, as shown below and:
the date of diagnosis is while the certificate is in force; and the critical illness is not excluded by name or specific description in the certificate.



Critical Illness Benefit

	Percentage of Face Amount
Heart Attack (Myocardial Infarction)	100%
Stroke	100%
End Stage Renal (Kidney) Failure	100%
Major Organ Failure	100%
Permanent Paralysis due to a Covered Accident	100%
Coma	100%
Blindness	100%
Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D	100%
Coronary Artery Bypass Graft Surgery	25%

We will pay the percentage of the covered person's face amount shown above for the critical illness diagnosed.

We will pay the benefit for Coronary Artery Bypass Graft Surgery only once per lifetime per covered person.

If, on the same day, a covered person is placed on the UNOS list for a transplant of two or more major organs listed above in the definition of major organ failure (example: heart and lungs), a single benefit will be paid.

We will pay the benefit for Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D only once per lifetime per covered person.

If the date of diagnosis of two or more critical illnesses is the same day, we will pay only one critical illness benefit. We will pay the larger of the critical illness benefits.

The Critical Illness Benefit is not payable for conditions other than the specified illnesses listed in the Critical Illness Benefit section of the Certificate Schedule.

Benefit Payable Upon Subsequent Diagnosis of a Critical Illness

If a covered person has been diagnosed with and received a benefit for a critical illness and is subsequently diagnosed with a **different** critical illness, we will pay the percentage of the covered person's face amount as shown above for the critical illness diagnosed, if:

- the date of diagnosis of the subsequent critical illness is more than 180 days after any previous date of diagnosis for a critical illness;
- the subsequent date of diagnosis is while coverage under the certificate is in force; and
- the critical illness is not excluded by name or specific description in the certificate.

If a covered person has been diagnosed with and received a benefit for a critical illness and is subsequently diagnosed with the **same** critical illness (other than Coronary Artery Bypass Graft Surgery and Occupational Infectious HIV or Occupational Infectious Hepatitis B, C or D), we will pay an amount equal to 25 percent of the Face Amount for the covered person, if:

- the date of diagnosis of the subsequent critical illness is more than 180 days after any previous date of diagnosis for the same critical illness;
- the covered person has not received treatment during the 180 days between the dates of diagnosis for the same critical illness;
- the subsequent date of diagnosis is while coverage under the certificate is in force; and
- the critical illness is not excluded by name or specific description in the certificate.

Benefit Reduction

The Face Amount(s) will reduce by 50 percent on the first policy anniversary date after the named insured attains age 75. All critical illness benefits payable after that date will be based on the reduced Face Amount.



EXCLUSIONS AND LIMITATIONS FOR CRITICAL ILLNESS

We will not pay benefits for a critical illness that occurs as a result of a covered person's:

- Committing or attempting to commit a felony or engaging in an illegal occupation.
- Being intoxicated or under the influence of any narcotic unless administered on the advice of his doctor.
- Having a psychiatric or psychological condition, including but not limited to affective disorders, neuroses, anxiety, stress and adjustment reactions. However, Alzheimer's Disease and other organic senile dementias are covered under this certificate.
- Committing or trying to commit suicide or his injuring himself intentionally, whether he is sane or not.
- Being exposed to war or any act of war, declared or undeclared, or serving in the armed forces of any country or authority. Losses as a result of acts of terrorism or nuclear release committed by individuals or groups will not be excluded from coverage unless the covered person who suffered the loss committed the act of terrorism or nuclear release.

Pre-Existing Condition Limitation

We will not pay the Critical Illness Benefit or Benefits Payable Upon Subsequent Diagnosis of a Critical Illness for any covered person when the critical illness is a pre-existing condition as defined in the certificate, unless the covered person has satisfied the pre-existing condition limitation period shown on the Certificate Schedule on the date the covered person is diagnosed with a critical illness.

TERMINATION

The policy can be cancelled by the policyholder or us. Your coverage will terminate if the policy terminates, if your premium is not paid, if you are no longer in an eligible class, your class is no longer included for insurance, or if you ask us to end your coverage.

For named insured and spouse or named insured, spouse and dependents coverage, coverage on your spouse will terminate on the earliest of the following dates: the date your coverage under the policy terminates, the required premium for your spouse is not paid, if you ask us to end your spouse's coverage, if you die, or if you divorce your spouse or your marriage is annulled.

For named insured and dependents or named insured, spouse and dependents coverage, the dependent children's coverage will terminate on the earliest of the following dates: the date your coverage under the policy terminates, the required premium for your dependent children is not paid, if you ask us to end your dependent children's coverage, or if you die. Coverage will end on each child when he no longer qualifies as a dependent child as defined in the certificate.



**IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE
TEXAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION
(For insurers declared insolvent or impaired on or after September 1, 2011)**

Texas law establishes a system to protect Texas policyholders if their life or health insurance company fails. The Texas Life and Health Insurance Guaranty Association ("the Association") administers this protection system. Only the policyholders of insurance companies that are members of the Association are eligible for this protection which is subject to the terms, limitations, and conditions of the Association law. (The law is found in the *Texas Insurance Code*, Chapter 463.)

It is possible that the Association may not protect all or part of your policy because of statutory limitations.

Eligibility for Protection by the Association

When a member insurance company is found to be insolvent and placed under an order of liquidation by a court or designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

- Residents of Texas (**regardless of where the policyholder lived when the policy was issued**)
- Residents of other states, ONLY if the following conditions are met:
 1. The policyholder has a policy with a company domiciled in Texas;
 2. The policyholder's state of residence has a similar guaranty association; and
 3. The policyholder is *not eligible* for coverage by the guaranty association of the policyholder's state of residence.

Limits of Protection by the Association

Accident, Accident and Health, or Health Insurance:

- For each individual covered under one or more policies: up to a total of \$500,000 for basic hospital, medical-surgical, and major medical insurance, \$300,000 for disability or long term care insurance, or \$200,000 for other types of health insurance.

Life Insurance:

- Net cash surrender value or net cash withdrawal value up to a total of \$100,000 under one or more policies on a single life; or
- Death benefits up to a total of \$300,000 under one or more policies on a single life; or
- Total benefits up to a total of \$5,000,000 to any owner of multiple non-group life policies.

Individual Annuities:

- Present value of benefits up to a total of \$250,000 under one or more contracts on any one life.

Group Annuities:

- Present value of allocated benefits up to a total of \$250,000 on any one life; or
- Present value of unallocated benefits up to a total of \$5,000,000 for one contractholder regardless of the number of contracts.

Aggregate Limit:

- \$300,000 on any one life with the exception of the \$500,000 health insurance limit, the \$5,000,000 multiple owner life insurance limit, and the \$5,000,000 unallocated group annuity limit.

These limits are applied for each insolvent insurance company.

Insurance companies and agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance. When you are selecting an insurance company, you should not rely on Association coverage. For additional questions on Association protection or general information about an insurance company, please use the following contact information.

Texas Life and Health Insurance
Guaranty Association
515 Congress Avenue, Suite 1875
Austin, Texas 78701
800-982-6362 or www.txlifega.org

Texas Department of Insurance
P.O. Box 149104
Austin, Texas 78714-9104
800-252-3439 or www.tdi.texas.gov

