
**YOUR GROUP LIFE AND
ACCIDENTAL DEATH AND
DISMEMBERMENT BENEFITS**

Northern Arizona Public Employees Benefit Trust

**City of Flagstaff
Division 2**

**Flagstaff Housing Authority
Division 3**

Revised September 1, 2005

HOW TO OBTAIN PLAN BENEFITS

To obtain benefits see the Payment of Claims provision.

Forward your completed claim form to:

Northern Arizona Public Employee Benefit Trust
211 West Aspen Avenue
Flagstaff, Arizona 86001

CLAIM ASSISTANCE

If you need assistance with filing your claim or an explanation of how your claim was paid, contact the:

United of Omaha Life Insurance Company
Mutual of Omaha Plaza
Omaha, Nebraska 68175
Call Toll-Free: 1-800-775-8805

Your policy number is GLUG-5N76.

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appear in the following order.

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CERTIFICATE OF INSURANCE

UNITED OF OMAHA LIFE INSURANCE COMPANY

Home Office: Mutual of Omaha Plaza
Omaha, Nebraska 68175

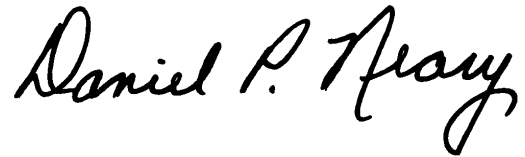
United of Omaha Life Insurance Company certifies that Group Policy No. GLUG-5N76 (policy) has been issued to Northern Arizona Public Employees Benefit Trust (Policyholder).

Insurance is provided for certain employees as described in the policy.

The benefits described in this Certificate are subject to the terms and conditions of the policy. Benefits are effective only if you and your dependent(s) are eligible for the insurance, become insured and remain insured as described in this Certificate.

This Certificate replaces any previous Certificate issued under the Policy.

UNITED OF OMAHA LIFE INSURANCE COMPANY



Chairman of the Board and Chief Executive Officer



Corporate Secretary

DEFINITIONS

When used in the policy or your certificate:

Our, We, Us means the Company shown on your Certificate of Insurance.

You, Your means an employee or member who is insured under the policy.

Insured Person means you and/or your dependents who are insured under the policy.

Sickness means a disease, disorder or condition, which requires treatment by a physician.

Injury means an accidental bodily injury which requires treatment by a physician. It must result in loss independently of sickness and other causes.

Physician means any of the following licensed practitioners:

- (a) a doctor of medicine (MD), osteopathy (DO), podiatry (DPM) or chiropractic (DC);
- (b) a licensed doctoral clinical psychologist;
- (c) a Master's level counselor and licensed or certified social worker who is acting under the supervision of a doctor of medicine or a licensed doctoral clinical psychologist;
- (d) a licensed physician's assistant (PA); or
- (e) where required to cover by law, any other licensed practitioner who is acting within the scope of his/her license.

A physician does not include a person who lives with you or is part of your family (you; your spouse; or a child, brother, sister or parent of you or your spouse).

Total Disability, Totally Disabled or Disabled means that because of an injury or sickness you are completely and continuously unable to perform any work or engage in any occupation.

Rider means a provision added to the policy or your certificate to expand or limit benefits or coverage.

EMPLOYEE ELIGIBILITY

Eligible Employees

You are eligible on the day following completion of 30 days' continuous active employment with the Policyholder.

NOTE: If you leave the employment of a NAPEBT participating employer and then immediately become eligible as a dependent or an employee of another NAPEBT participating employer, coverage will be immediate and preexisting conditions will not apply.

You are eligible as long as:

- (a) you are a regular full-time employee of the Policyholder;
- (b) you are and continue to be actively employed; and
- (c) you receive compensation for your work from the Policyholder for your work for the Policyholder.

NOTE: If you were eligible for coverage under the prior group plan but did not elect coverage, you may enroll in this plan if you provide evidence of good health. If evidence is acceptable to us, we will determine the date insurance begins.

Active Employment, Actively Employed and Actively at Work means working 20 hours or more a week at your:

- (a) regular job; and
- (b) customary place of employment or other location to which you must travel to perform your regular job.

When Your Insurance Begins

You will become insured on the first day of the policy month which coincides with or follows the day you become eligible, provided you are actively at work on that day. If you are not actively at work on that day, your insurance will begin on the day you return to active work.

Exceptions

1. If, on the day your insurance is to begin:
 - (a) you are on a regular paid day of vacation; or
 - (b) such day is a regular non-working day;you will still be considered actively at work if you were available for work on the last preceding regular work day.
2. If, on the day your insurance is to begin you do not report to work, you will be considered actively at work if you are available for work on that day.

3. If your customary place of employment is at your home, you will be considered actively at work if you are not confined on that day (as described in the Confinement Rule).

Confinement Rule

If you are:

- (a) hospital confined;
- (b) confined in any institution/facility other than a hospital due to an injury or sickness; or
- (c) confined at home and under the supervision of a physician;

insurance will begin on the day after such confinement ends.

If you are not:

- (a) confined; and
- (b) available for work because of injury or sickness;

insurance will begin on the day you return to active work.

Amount of Coverage

The amount of coverage for your classification is shown in the Schedule.

Changes in Your Classification or in the Amount of Your Coverage

Any changes in your classification or coverage will take effect on the day of the change, provided you are actively at work on that day. If you are not actively at work, the following conditions will apply:

- (a) If the change involves an increase in coverage, the change will not take effect until the day you return full-time to your regular job.
- (b) If the change involves a decrease in coverage, the change will take effect on the day of the change.

When Your Insurance Ends

Your insurance will end at midnight on the earliest of:

- (a) the day the policy ends;
- (b) the day any premium for your insurance is due and unpaid;
- (c) the day before you enter the Armed Forces on active duty (except for temporary active duty of two weeks or less); or
- (d) the last day of the policy month in which you are no longer eligible under the policy.

You will no longer be eligible when:

- (a) you are no longer in an eligible class; or
- (b) you do not satisfy:
 - (1) the requirements for hours worked; or

(2) any other eligibility condition in the policy.

However, upon uninterrupted payment of premium to us, you may be eligible to continue your coverage in accord with the following continuation provision.

Continuation of Insurance
In the Event of Leave of Absence

Unpaid Leave of Absence - Coverage terminates on the first day of the policy month following the unpaid leave.

Paid Leave of Absence - Coverage will continue until the earlier of six months or the date you exhaust your paid leave (sick, vacation, sabbatical, personal).

Continuation of Insurance
In the Event of Layoff or Disability

Your insurance may be continued 12 months in the event you are laid off or are disabled provided the appropriate premium payment is made.

You should contact the Policyholder to determine the amount of contribution, if any, you are required to make in order to continue your insurance.

RIDER
FAMILY AND MEDICAL LEAVE
as Federally Mandated

This rider is made a part of Group Policy GLUG-5N76.

This rider is effective on the later of:

- (a) the effective date of the policy; or
- (b) the date required by Federal law.

If the provisions of this rider and those of the policy or Your certificate do not agree, the provisions of this rider will apply.

Family and Medical Leave

If You become eligible for a family or medical leave of absence in accordance with the Family and Medical Leave Act of 1993 (FMLA) (including any amendments to such Act) Your insurance coverage may be continued on the same basis as if You were an Actively at Work employee for up to 12 weeks during the 12 month period, as defined by Your employer, for any of the following reasons:

- (a) to care for Your child after the birth or placement of a child with You for adoption or foster care; so long as such leave is completed within 12 months after the birth or placement of the child;
- (b) to care for Your spouse, child, foster child, adopted child, stepchild, or parent who has a serious health condition; or
- (c) for Your own serious health condition.

In the event You or Your spouse are both insured as employees of the Policyholder, the continued coverage under (a) may not exceed a combined total of 12 weeks. In addition, if the leave is taken to care for a parent with a serious health condition, the continued coverage may not exceed a combined total of 12 weeks.

Conditions

1. If, on the day Your insurance is to begin, You are already on an FMLA leave of absence You will be considered Actively at Work. Insurance for You and any eligible dependents (if applicable) will begin in accordance with the terms of the policy. However, if Your leave of absence is due to a serious health condition, benefits for that condition will not be payable to the extent benefits are payable under any prior group plan.
2. You are eligible to continue coverage under FMLA if:
 - (a) You have worked for Your employer for at least one year;
 - (b) You have worked at least 1,250 hours over the previous 12 months;
 - (c) Your employer employs at least 50 employees within 75 miles from Your worksite; and
 - (d) You continue to pay any required premium for yourself and any eligible dependents (if applicable) in a manner determined by Your employer.

3. In the event You choose not to pay any required premium during Your leave, Your insurance coverage will not be continued during the leave. You will be able to reinstate Your coverage on the day You return to work, subject to any changes that may have occurred in the policy during the time You were not insured. You and any insured dependents (if applicable) will not be subject to any evidence of good health requirement provided under the policy. Any partially-satisfied waiting periods, including any limitations for a preexisting condition, which are interrupted during the period of time premium was not paid will continue to be applied once coverage is reinstated.
4. You and Your dependents (if applicable) are subject to all conditions and limitations of the policy during Your leave, except that anything in conflict with the provisions of the FMLA will be construed in accordance with the FMLA.
5. If requested by Us, You or Your employer must submit proof acceptable to Us that Your leave is in accordance with FMLA.
6. This FMLA continuation is concurrent with any other continuation option except for COBRA, if applicable.
7. FMLA continuation ends on the earliest of:
 - (a) the day You return to work;
 - (b) the day You notify Your employer that You are not returning to work;
 - (c) the day Your coverage would otherwise end under the policy; or
 - (d) the day coverage has been continued for 12 weeks.

Definitions

Prior Group Plan means the group plan providing similar benefits (whether insured or self-insured plans provided by the Policyholder) in effect immediately prior to the effective date of this policy.

Serious Health Condition is defined as stated in the FMLA.

Important Notice

Contact Your employer for additional information regarding FMLA.

RIDER
UNIFORMED SERVICES EMPLOYMENT AND
REEMPLOYMENT RIGHTS

as Federally Mandated

This rider is made a part of Group Policy GLUG-5N76.

This rider is effective on the later of:

- (a) the effective date of the policy; or
- (b) the date required by Federal Law.

If the provisions of this rider and those of the policy or Your certificate do not agree, the provisions of this rider will apply.

Definitions

USERRA means the Uniformed Services Employment and Reemployment Rights Act of 1994 (including any amendments to such ACT and any interpretive regulations or rulings).

Service in the Uniformed Services means the performance of duty on a voluntary or involuntary basis in a uniformed service under competent authority and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, and a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of the person to perform any such duty.

Uniformed Services means the United States Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency.

Reemployment (following service in the Uniformed Services)

Following Your discharge from such service, You may be eligible to apply for reemployment with Your former employer in accord with USERRA.

Benefits

Your employer's leave of absence policy will determine Your right to participate in any group insurance, such as Life, Accidental Death and Dismemberment, Weekly Disability, and Long Term Disability.

After reemployment, credit will be given, if applicable, for the period of such service, if required to determine Your benefit amounts, eligibility, or costs.

Important Notice

In the event of a conflict between this provision and USERRA, the provisions of USERRA, as interpreted by Your employer or former employer, will apply.

DEPENDENTS ELIGIBILITY

Life Insurance

Eligible Dependents

Only the following are eligible for dependents insurance:

- (a) Your lawful spouse;
- (b) Your natural-born or legally adopted child;
- (c) Your stepchild who is living in your home and is chiefly dependent on you for support; and
- (d) A foster child.

A **foster child is:**

- (1) a child you are raising as your own;
- (2) a child who lives in your home;
- (3) a child who is chiefly dependent on you for support; and
- (4) a child for whom you have taken full parental responsibility and control.

A **foster child is not:**

- (1) a child temporarily living in your home;
- (2) a child placed with you in your home by a social service agency which retains control of the child; or
- (3) a child whose natural parent is in a position to exercise or share parental responsibility and control.

When the parents of a child are insured under the policy as employees or members, the child can be insured only as a dependent of one parent.

Dependents Not Eligible

The following are not eligible for dependents insurance:

- (a) Your divorced spouse or any married child;
- (b) A child who has been legally adopted by another person (Insurance ends on the date custody is assumed by the adoptive parents);
- (c) Anyone eligible for insurance under the policy as an employee or member; or
- (d) A child less than **14 days**, or who has attained the **limiting age**. The limiting age is:
 - (1) the child's **19th birthday**; or
 - (2) the **23rd birthday** if the child is a full-time student in any accredited high school, trade school, college or university.

When Dependents Insurance Begins

If you want to insure your eligible dependents, you must make a written request for dependents insurance. If the request is made before you are eligible for insurance, dependents insurance will begin the same day you are insured. If the request is made within 31 days after you are eligible for insurance, dependents insurance will begin the day we receive the request.

If you do not have a dependent until after you are insured, you must make your written request no later than 31 days from the date you acquire the dependent. Insurance for that dependent will begin the later of:

- (a) the date we receive your request; or
- (b) the date you acquired the dependent.

Once you have a dependent insured, any newly acquired eligible dependent will be insured automatically if no additional premium is required. If additional premium is required, insurance for the newly acquired dependent will not begin until we receive written request in accord with the above paragraph and the premium is paid.

If you make a written request to insure a dependent after the 31-day limit, you must furnish evidence acceptable to us that each dependent you wish to insure is in good health. If the evidence is acceptable to us, we will determine the date dependents insurance begins.

If you want to reinstate any dependents insurance after you have let it lapse, you must furnish evidence acceptable to us that each dependent you wish to insure is in good health. We will determine the date dependents insurance begins.

Confinement Rule

Insurance for a dependent who:

- (a) is hospital confined;
- (b) is confined in any institution or facility (other than a hospital) or at home or elsewhere due to an injury or sickness; or
- (c) is disabled, either physically or mentally, to the extent of being unable to perform all of the usual and customary duties and activities (the "normal activities") of a person of the same age and sex who is in good health;

will not take effect in the case of paragraphs (a) or (b) above, until such confinement ends and is no longer medically necessary, as determined by our medical staff and/or an independent medical review, and in the case of paragraph (c) above, until the full resumption of all normal activities.

Change in the Amount of Dependents Insurance

Any change in the insurance of a dependent confined in a hospital will not take effect until confinement ends.

When Dependents Insurance Ends

A dependent's insurance will end at midnight on the earliest of:

- (a) the last day of the policy month the dependent is no longer eligible;
- (b) the day any dependents premium is due and unpaid;
- (c) the day the policy ends;
- (d) the day before a dependent enters the Armed Forces on active duty (except for temporary active duty of two weeks or less);
- (e) the day dependents insurance under the policy ends because of lack of participation;
- (f) the day your insurance is continued without payment of premium (see the Continuance of Life Insurance If You Become Totally Disabled provision of your Life Insurance Benefits); or
- (g) the day your insurance ends.

THE DEFINITIONS, GENERAL EXCLUSIONS AND LIMITATIONS AND RIDERS ARE VERY IMPORTANT PARTS OF YOUR POLICY. PLEASE READ THOSE PAGES CAREFULLY.

SCHEDULE

The amount of insurance for you and your dependents will be in accord with your classification in this Schedule.

Classification(s)

All eligible employees

For You LIFE INSURANCE

Life Insurance Benefits

Amount of Life Insurance..... An amount equal to one times your Annual Salary, but in no event more than \$150,000, or less than \$10,000. Any Amount of Life Insurance not a multiple of \$1,000 will be changed to the next higher multiple of \$1,000.

Annual Salary means your basic annual salary or rate of pay as verified by the Policyholder's pay records and premium we have received. It does not include commissions, bonuses, overtime, contributions to deferred compensation plans or other additional pay.

Life Insurance Benefits will be reduced as follows:

If you are age:	The Amount of Life Insurance shown above will reduce to:
65	65%
70	45%
75	30%
80	20%
85	15%
90	10%

The reduction will be made on the day you attain the specified age.

If you are age 65 or older on the day you become insured under the policy, the reduction will be made in accord with your attained age.

Life Insurance benefits terminate at retirement.

NOTE: The Amount of Life Insurance outlined above will be reduced by the Amount of Living Benefits paid under the Living Benefits Option. In the event of your death, the life insurance benefit will equal the original Amount of Life Insurance multiplied by the life reduction percentage, reduced by any Living Benefits paid under this policy.

Life Insurance Benefits

Living Benefits Option

Amount of Living Benefits 50% of the amount of life insurance in force on your life, but not to exceed \$100,000.

HEALTH INSURANCE

(For You)

Accidental Death and Dismemberment Benefits

Principal Sum..... An amount equal to the Amount of Life Insurance in force on your life; however, if your Life Insurance Benefit has been reduced by the Living Benefits Option, such reduction will not apply to this Accidental Death and Dismemberment Principal Sum.

For Your Dependents

LIFE INSURANCE

Life Insurance Benefits

Life Insurance for dependents shall be the lesser of:

(a) 50% of the amount of Life Insurance in force on your life; or

(b) in accord with the following table based on a dependent's age at the time of death:

Spouse, any age.....	\$1,000
Child, six months to age 19 (age 23 if in school)	\$1,000
Child, 14 days but less than six months	\$100
Child, less than 14 days.....	None

LIFE INSURANCE BENEFITS

For You

Benefits

If you die while insured under this provision, we will pay the **Amount of Life Insurance** shown in the **Schedule**. Benefits will be paid to:

- (a) the beneficiary you name; or
- (b) your estate, if you do not name a beneficiary or if no beneficiary survives you.

Benefits will be paid equally among surviving beneficiaries unless you have requested otherwise in writing.

Mode of Payment

We will pay benefits:

- (a) in a lump sum; or
- (b) in other than a lump sum if:
 - (1) another mode of payment is requested as described below; and
 - (2) we agree to it in writing.

Beneficiary or Mode of Payment Change

The beneficiary and mode of payment may be changed unless this right has been given up. To make a change, written request should be sent to the office where the beneficiary records are kept. If you do not know where the records are kept, send the request to us. When recorded and acknowledged, the change will take effect as of the date the request is signed. However, the change will not apply to any payments or other action taken by us before the request was acknowledged.

Facility of Payment

We may pay up to the Facility of Payment Amount to any person who has incurred expenses for your fatal illness or burial. The **Facility of Payment Amount** is \$250 , and if paid, will be deducted from the Amount of Life Insurance shown in the **Schedule**.

We may also make monthly payments of not more than \$50.00 to someone other than a beneficiary if:

- (a) the beneficiary is a minor or, in our opinion, does not have the legal capacity to sign a receipt for payment; and
- (b) there is no court-appointed guardian or conservator.

We will make these payments to the person or institution who cares for or supports the beneficiary until claim is made for the remainder of the proceeds by a court-appointed guardian or conservator.

Conversion Privilege

If any of your life insurance ends because your employment or membership in a class ends, you may apply for an individual policy of life insurance (called a conversion policy) without giving information about your health. Issuance of a conversion policy is subject to the following conditions:

- (a) You may apply for any of our individual life insurance policies except term insurance. You may not apply for any supplemental coverage.
- (b) You may apply for an amount which is not more than the amount of your terminated group life insurance.
- (c) The premium for your conversion policy will be at our standard rate for that type of policy according to:
 - (1) your class of risk; and
 - (2) your age on the date the policy takes effect.
- (d) You must submit your written application and your first conversion premium to us within 31 days after your group life insurance ends or reduces.

If your group life insurance ends because of termination of the policy or termination of a class, and you have been insured under the policy at least five years, you may apply within 31 days for a conversion policy. Issuance of the conversion policy is subject to conditions (a), (c) and (d) above. Your converted life insurance may not exceed the lesser of:

- (a) \$3,000.00; or
- (b) the amount of your terminated group life insurance less the amount of any other group life insurance for which you become eligible within 31 days.

If you die within the 31-day period after insurance ends, we will pay the amount of group life insurance you were entitled to convert.

If we issue a conversion policy and you again become eligible for group life insurance under the policy, coverage will become effective only if:

- (a) you terminate the conversion policy; or
- (b) you submit, at your own expense, evidence of good health acceptable to us.

Continuance of Life Insurance If You Become Totally Disabled

If you become totally disabled, your life insurance will not end in accord with the When Your Insurance Ends provision, but will be continued without payment of premium provided:

- (a) the disability began while you were insured under this provision;
- (b) the disability began before you reach age 60; and
- (c) proof of the disability is given to us as described in the following paragraph.

You should send us notice of your total disability not later than the ninth through the twelfth month of disability. We will then send you the initial proof form for you and your physician to complete. Upon receipt and acceptance of initial proof by us we will continue your insurance for a period of one year. Thereafter you and your physician must submit yearly proof that you are totally disabled. The proof

must be submitted during the three-month period before each anniversary of receipt of initial proof. If proof is acceptable to us, insurance will be continued for further terms of one year. However, insurance will not be continued beyond the date you are no longer totally disabled.

If you die before proof of total disability is submitted to us, benefits will still be payable provided:

- (a) your death was within 12 months from the day insurance would have otherwise ended in accord with the When Your Insurance Ends provision; and
- (b) we receive proof that total disability was uninterrupted from the date insurance would otherwise have ended until your death.

Your continued insurance is the amount in force on the day insurance would have otherwise ended. Continued insurance is subject to any **reductions** and **terminations** shown in the **Schedule**.

In order to confirm that you are totally disabled, we have the right to have you examined by a physician of our choice. We will pay for these examinations. We may have you examined any time during the first two years of disability and once a year from then on.

When your total disability ends, you have 31 days to convert your coverage to an individual policy of life insurance; but you may not convert if you again become insured under the policy. Conversion may be made only in accord with the Conversion Privilege provision.

If a conversion policy has been issued to you, we will pay benefits under this Continuance provision only if the conversion policy is returned to us without claim. We will refund all paid conversion premiums if your conversion policy is surrendered for this reason.

LIFE INSURANCE BENEFITS

For You LIVING BENEFITS OPTION (ACCELERATED BENEFITS)

Benefits

If you incur a Terminal Condition while insured under this provision, you or your legal representative, while you are living, may request Living Benefits. The **Amount of Living Benefits** is shown in the **Schedule**, and will be payable provided you are living at the time payment is made. Benefits will be paid in one lump sum.

Conditions

1. To be insured for Living Benefits, you must be insured for Life Insurance Benefits.
2. We may require your beneficiary's, and in community property states, your spouse's written consent before Living Benefits are paid.
3. Your Life Insurance Benefits and the amount you may convert in accordance with the life Conversion Privilege will be reduced by the Living Benefit amount paid under this provision.
4. An insured person may receive Living Benefits only once.

Definition

Terminal Condition means an injury or sickness:

- (a) expected to result in your death within 12 months; and
- (b) from which there is no reasonable prospect of recovery;

as determined by us, our medical staff, or a qualified party selected by us.

Exceptions

This Living Benefits provision will not apply:

- (a) when you have irrevocably assigned your Life Insurance Benefits;
- (b) when all or a portion of your Life Insurance Benefits are to be paid to your former spouse as part of a divorce agreement;
- (c) to any intentionally self-inflicted injury or suicide attempt;
- (d) if your Life Insurance ends;
- (e) if the required premium is due and unpaid;
- (f) to any supplemental life insurance benefits to which you may be entitled; or
- (g) if the Master Policy ends.

NOTE: Benefits paid under this provision may be taxable. If so, you or your beneficiary may incur a tax obligation. As with all tax matters, you should consult your personal tax advisor to assess the impact of this benefit.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS

For You

Definitions

Accident means a sudden, unexpected, unforeseeable and unintended event, independent of Sickness and all other causes.

Accident does not include Sickness, disease, bodily or mental infirmity or medical or surgical treatment thereof, bacterial or viral infection, regardless of how contracted. Accident does include bacterial infection that is the natural and foreseeable result of an accidental external bodily Injury or accidental food poisoning.

Automobile means a licensed private passenger motor vehicle for use on public highways.

Controlled Drug means any drug having the capacity to affect behavior and regulated by law with regard to possession and use.

Intoxicated means blood alcohol level at the time of death or dismemberment that equals or exceeds the legal limit for operating a motor vehicle in the jurisdiction in which the loss occurs.

Loss of a Hand or Foot means complete Severance of at least four whole fingers from one hand or Severance above the ankle joint.

Loss of Hearing means total and permanent loss of hearing in both ears which cannot be corrected by any means.

Loss of Sight means the total and permanent loss of sight of the eye. The loss of sight must be irrecoverable by natural, surgical or artificial means.

Loss of Speech means total, permanent and irrecoverable loss of audible communication. The loss of speech must be irrecoverable by natural, surgical or artificial means.

Loss of a Thumb and Index Finger means Severance through or above the metacarpophalangeal joints (the joints between the fingers and the hand).

Paralysis means loss of use of a limb without Severance. This loss must be determined by a Physician to be complete and irreversible.

Seat Belt means a factory-installed lap and shoulder seat belt or other restraint device approved by the National Highway Traffic Safety Administration.

Severance means the complete separation and dismemberment of the part from the body.

Traveling on Business of the Policyholder means any trip made by You on assignment by or with authorization of the Policyholder for the purpose of furthering the business of the Policyholder. If this trip is made on a private aircraft, then the aircraft must:

- (a) have a current and valid Federal Aviation Administration of the United States (FAA) standard air worthiness certificate; and
- (b) is operated by a person holding a current and valid FAA pilot's certificate of rating authorizing him or her to operate the aircraft. The pilot or crew could be an Insured Person under the Policy.

Benefits

If You are Injured or die as a result of an Accident, We will pay the Benefit shown in the Table below for any of the following losses:

TABLE

<u>Loss</u>	<u>Benefit</u>
Loss of Life	Principal Sum
Loss of Both Hands	Principal Sum
Loss of Both Feet	Principal Sum
Loss of Entire Sight of Both Eyes.....	Principal Sum
Loss of Entire Sight of One Eye	One-half Principal Sum
Loss of One Hand and One Foot.....	Principal Sum
Loss of One Hand and Entire Sight of One Eye	Principal Sum
Loss of One Foot and Entire Sight of One Eye.....	Principal Sum
Loss of Thumb and Index Finger of same Hand	One-fourth Principal Sum
Loss of Speech and Hearing (both ears)	Principal Sum
Loss of Speech or Hearing (both ears).....	One-half Principal Sum
Loss of One Hand or One Foot	One-half Principal Sum
Quadriplegia (total Paralysis of both upper and lower limbs)	Principal Sum
Triplesia (total Paralysis of three limbs)	Three-quarters Principal Sum
Paraplegia (total Paralysis of both lower limbs)	One-half Principal Sum
Hemiplegia (total Paralysis of an upper and a lower limb)	One-half Principal Sum
Uniplegia (total Paralysis of a limb).....	One-fourth Principal Sum

The **Principal Sum** is shown on the **SCHEDULE**.

If an Injury causes more than one loss shown in the Table above, We will pay only the **largest** Benefit. However, some benefits are paid in addition to the Principal Sum shown in the Table, as specifically provided in other provisions below.

Payment For Loss of Life

Beneficiary

Benefits payable under this provision because of Your death will be paid to the beneficiary You name. If You do not name a beneficiary or if no beneficiary survives You, benefits will be paid:

- (a) to Your surviving spouse; if none, then
- (b) to Your surviving natural and/or adopted children; if none, then
- (c) to Your surviving parent(s); if none, then
- (d) to Your estate.

Benefits will be paid equally among surviving children or surviving parents.

Mode of Payment

We will pay death benefits in a lump sum.

Beneficiary or Mode of Payment Change

The beneficiary and mode of payment may be changed, subject to any restrictions or limitations in this Policy. To make a change, written request should be sent to the office where the beneficiary records are kept. If You do not know where the records are kept, send the request to Us. When recorded and acknowledged by Us, the change will take effect as of the date the request is signed. However, the change will not apply to any payments or other action taken by Us before the request was acknowledged.

Payment For Other Than Loss of Life

Benefits payable under this provision for any loss other than loss of life will be paid to You in a lump sum.

Exposure and Disappearance

You will be presumed to have died, for the purposes of this coverage, if after the forced landing, stranding, sinking or wrecking of a vehicle:

- (a) You disappear;
- (b) Your body is not found; and
- (c) a valid death certificate is issued by a court of appropriate jurisdiction.

Airbag Benefit

Definition

Airbag means any factory-installed, inflatable, supplemental restraint device which meets published federal safety standards.

Benefits

If You are Injured in an Automobile Accident and that Injury results in Your death, We will pay 10% of the amount of the Principal Sum, up to a maximum of \$50,000. This benefit is paid in addition to the Principal Sum.

Exception

We will not pay Airbag Benefits if the Automobile Accident occurs when:

- (a) You are not seated directly behind an Airbag;
- (b) the Automobile is being used for racing, stunting, or exhibition work; or
- (c) You are breaking any traffic laws of the jurisdiction in which the Automobile is being operated.

Childcare Center Benefit

Definitions

Childcare Center means care provided for children on a regular basis for daily periods of less than 24 hours, whether the care is for daytime or nighttime hours. This care must be provided by an adult other than a person who is part of Your immediate family.

Dependent means:

- (a) Your child who is:
 - (1) natural-born;
 - (2) legally adopted;
 - (3) a stepchild living in Your home; or
- (b) a child:
 - (1) You are raising as Your own child;
 - (2) who is living in Your home and chiefly dependent on You for support; and
 - (3) for whom You have full parental responsibility and control;

all as indicated by evidence acceptable to Us.

The term Dependent does not include:

- (a) anyone insured under this Policy as an Employee;
- (b) anyone who enters the Armed Forces on active duty (except for temporary active duty of two weeks or less);
- (c) Your married child(ren);
- (d) Your child who has been legally adopted by another person;
- (e) any child who has attained age 25; or
- (f) a child:
 - (1) temporarily living in Your home;
 - (2) placed in Your home by a social service agency which retains control over the child; or
 - (3) who has a natural parent in a position to exercise or share parental responsibility and control.

Benefits

If You are Injured and that Injury results in Your death, an eligible Dependent may receive Childcare Center benefits equal to 2% of the Principal Sum, up to a maximum of \$5,000. The Childcare Center Benefit is payable for each Dependent. This benefit is paid in addition to the Principal Sum and will be paid to the eligible dependent spouse.

Conditions

We will only pay the Childcare Center Benefit if:

- (a) the surviving spouse requires the services of a Childcare Center because of their employment or they are seeking education or training;

- (b) the Childcare Center Benefit shall be payable for a maximum of two years or until the Dependent's 10th birthday.
- (c) You have a surviving spouse at the time of Your death.

Child Education Benefits

Definitions

Accredited School means a state accredited college, university, trade school or vocational school.

Full Time Basis means full-time as defined by the Accredited School being attended by the Eligible Dependent Student.

Eligible Dependent Student means each of Your unmarried children who are less than 25 years of age and are:

- (a) enrolled on a Full Time Basis in an Accredited School at Your death; or
- (b) enrolled on a Full Time Basis in an Accredited School within one year after Your death; and
- (c) natural-born;
- (d) legally adopted;
- (e) a stepchild living in Your home; or
- (f) a child:
 - (1) You are raising as Your own;
 - (2) who is living in Your home and chiefly dependent on You for support; and
 - (3) for whom You have full parental responsibility and control;

all as indicated by evidence acceptable to Us.

The term Eligible Dependent Student does not include:

- (a) anyone insured under this Policy as an Employee;
- (b) anyone who enters the Armed Forces on active duty (except for temporary active duty of two weeks or less);
- (c) Your married child(ren);
- (d) Your child who has been legally adopted by another person;
- (e) a child:
 - (1) temporarily living in Your home;
 - (2) placed in Your home by a social service agency which retains control over the child; or
 - (3) who has a natural parent in a position to exercise or share parental responsibility and control.

Benefits

If You are Injured, and that Injury results in Your death, We will pay benefits equal to 5% of the amount of the Principal Sum, up to \$5,000. This Child Education Benefit will be payable at the end of each school year for a maximum of four consecutive years.

This benefit is paid in addition to the Principal Sum, and will be paid to the Eligible Dependent Student or, if a minor child, to the Eligible Dependent Student's legal guardian.

When the parents of an Eligible Dependent Student are both insured under the Policy as employees, benefits will be limited to payment under only one parent's certificate.

Conditions

We will only pay the Child Education Benefit if:

- (a) there is an Eligible Dependent Student who continues to be enrolled for each consecutive term;
and
- (b) a copy of the Eligible Dependent Student's most recent grade report is submitted with the claim.

Coma Benefit

Definition

Comatose means to be in a profound stupor or state of complete and total unconsciousness, as a result of an Injury.

Benefit

If You are Injured, and as a result, You become Comatose within 31 days of the Injury and remain Comatose for 31 days, We will pay monthly benefits equal to 3% per month of the amount of the Principal Sum, up to a maximum benefit of \$5,000 per month. This benefit is paid in addition to the Principal Sum.

Benefits will be payable until the earliest of:

- (a) the end of the month in which You die;
- (b) the end of the eleventh month of a benefit payment for someone who is Comatose; or
- (c) the end of the month in which You are no longer Comatose.

Common Carrier Benefits

If You are Injured while riding as a fare-paying passenger, and not as an operator or member of the crew, in any public air, land or water conveyance provided by a common carrier primarily for passenger service, and those injuries result in Your death, We will pay an amount equal to the Principal Sum (for loss of life under the ACCIDENTAL DEATH AND DISMEMBERMENT provision). This benefit is paid in addition to the Principal Sum.

In no event will this benefit exceed \$1,000,000.

Felonious Assault

Definitions

Felonious Assault means a physical assault by another person. The assault must involve the use of force or violence with intent to cause harm and must be a felony or a misdemeanor.

Family means Your spouse, children, parents, grandparents, grandchildren, brothers, sisters and the spouses of such individuals.

Benefits

If You are Injured as a result of a Felonious Assault and that Injury results in Your death, We will pay benefits equal to 10% of the amount of the Principal Sum, up to a maximum of \$20,000. This benefit is paid in addition to the Principal Sum.

Conditions

- (a) No benefit will be paid in the event the Felonious Assault is committed by a fellow coworker or Family member; and
- (b) A copy of the police report must be submitted with the claim.

Seat Belt Benefits

Benefits

If You are Injured in an Automobile Accident while You were wearing a Seat Belt, and that Injury results in Your death, We will pay 10% of the amount of the Principal Sum, up to \$50,000. We must receive satisfactory written proof that Your death resulted from an Automobile Accident and that You were wearing a Seat Belt at the time of the Accident. A copy of the police accident report must be submitted with the claim. This benefit is paid in addition to the Principal Sum.

Exceptions

We will not pay Seat Belt benefits if the Automobile Accident occurs when:

- (a) the Automobile is being used for racing, stunting, or exhibition work; or
- (b) You are breaking any traffic laws of the jurisdiction in which the Automobile is being operated.

Spouse Retraining Benefit

Definitions

Accredited School means a state accredited college, university, trade school or vocational school.

Full Time Basis means full-time as defined by the Accredited School being attended by the Spouse.

Spouse means Your lawful spouse, not a divorced or separated spouse.

Benefits

If You are Injured and that Injury results in Your death, Your surviving Spouse will receive the Spouse Retraining Benefit equal to the cost incurred by enrolling on a Full Time Basis in an Accredited School, up to a maximum of \$3,000. This benefit will be payable at the end of each school year for a maximum of four consecutive years if Your Spouse continues to be enrolled on a full time basis for each consecutive term. A copy of Your Spouse's most recent grade report must be submitted with the claim. This benefit is paid in addition to the Principal Sum, and will be paid to the eligible dependent Spouse.

Conditions

We will only pay the Spouse Retraining Benefit if:

- (a) Your Spouse enrolls in any Accredited School for the purpose of retraining or refreshing skills needed for employment within one year after Your death;
- (b) Your Spouse incurs expenses payable directly to, or approved and certified by such school; and
- (c) receipts from the Accredited School are submitted to Us for approval prior to receipt of the benefit.

Exclusions

We will not pay for any loss which:

- (a) results, whether the Insured Person is sane or insane, from:
 - (1) An intentionally self-inflicted Injury or Sickness; or
 - (2) Suicide or attempted suicide;
- (b) results from the Insured Person's participation in a riot or in the commission of a felony;
- (c) results from an act of declared or undeclared war or armed aggression;
- (d) is incurred while the Insured Person is on active duty or training in the Armed Forces, National Guard or Reserves of any state or country and for which any governmental body or its agencies are liable;
- (e) is not permanent, unless specifically provided;
- (f) occurs more than 365 days after the Injury;
- (g) does not result from an Accident;
- (h) is caused by intentional, self-infliction of carbon monoxide poisoning emanating from a motor vehicle;
- (i) results from Injuries You receive in any aircraft while operating, riding as a passenger, boarding or leaving. This exception does not apply while You are riding as a passenger in a commercial aircraft on a regularly scheduled flight or while Traveling on Business of the Policyholder;
- (j) results in Injuries You receive while riding in any aircraft engaged in:
 - (1) racing;
 - (2) endurance tests; or
 - (3) acrobatic or stunt flying;
- (k) is caused by You, and is a result of Injuries You receive, while under the influence of any Controlled Drug, unless administered on the advice of a Physician; or
- (l) is caused by You, and is a result of Injuries You receive, while Intoxicated.

PREFERENTIAL BENEFICIARY RIDER

Life Insurance and Accidental Death and Dismemberment Benefits

This rider is made a part of Group Policy GLUG-5N76.

This rider is effective the later of July 1, 2001, or the day You become insured under the Policy.

1. The **Benefits** paragraph of the **LIFE INSURANCE BENEFITS** provision is changed to read:

Benefits

If you die while insured under this provision, we will pay the **Amount of Life Insurance** shown in the **Schedule**. Benefits will be paid to the beneficiary you name. If you do not name a beneficiary or if no beneficiary survives you, benefits will be paid:

- (a) to your surviving spouse; if none, then
- (b) to your surviving natural and/or adopted children; if none, then
- (c) to your surviving parent(s); if none, then
- (d) to your estate.

Benefits will be paid equally among surviving children or surviving parents.

2. The **Beneficiary** paragraph in the **Payment for Loss of Life** section of the **ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS** provision is changed to read:

Beneficiary

Benefits payable under this provision because of your death will be paid to the beneficiary you name. If you do not name a beneficiary or if no beneficiary survives you, benefits will be paid:

- (a) to your surviving spouse; if none, then
- (b) to your surviving natural and/or adopted children; if none, then
- (c) to your surviving parent(s); if none, then
- (d) to your estate.

Benefits will be paid equally among surviving children or surviving parents.

LIFE INSURANCE BENEFITS

For Your Dependents

Benefits

If a dependent dies while insured under this provision, we will pay the **Amount of Life Insurance** shown in the **Schedule**. Benefits will be payable to you, if you are living. If you are not living, the following will apply.

1. If your spouse dies, benefits will be paid to your spouse's estate.
2. If a child dies, benefits will be paid to your spouse, if your spouse is living. If your spouse is not living, benefits will be paid in equal shares to the child's surviving brothers and sisters. If none survive, benefits will be paid to the estate of the deceased child.

Facility of Payment

Any benefits payable to a minor in accord with the above paragraph may be paid to the legally appointed guardian of the minor. If there is no legally appointed guardian, payment may be made up to \$50.00 a month to the adult or adults who, in our opinion, have assumed custody and principal support of the minor.

Conversion Privilege

If your dependent's Life Insurance ends:

- (a) because of your death;
- (b) under circumstances where you have the right of conversion;
- (c) because your life insurance is being continued under the Continuance of Life Insurance If You Become Totally Disabled provision; or
- (d) because the policy or class is discontinued (and your dependent is insured under the policy for at least five years before insurance ends);

your dependent may apply for an individual policy of life insurance (called a conversion policy) without giving health information.

Issuance of a conversion policy to your dependent is subject to the following.

1. Your dependent may apply for any of our individual life insurance policies except term insurance. Your dependent may not apply for supplemental coverage.
2. Your dependent may apply for an amount which is not more than the amount of terminated life insurance. When life insurance ends because the policy or class is discontinued, your dependent may apply for an amount which is not more than the lesser of:
 - (a) the amount of the terminated life insurance, less the amount of any group life insurance for which your dependent becomes eligible within 31 days after termination; or
 - (b) \$3,000.00.

3. The premium for the conversion policy will be at our standard rate for that type of policy, according to:
 - (a) your dependent's class of risk; and
 - (b) your dependent's age on the date the conversion policy takes effect.
4. Your dependent must submit a written application and the first conversion premium to us within 31 days after his or her life insurance ends.

If we issue your dependent a conversion policy and your dependent again becomes eligible for group life insurance under the policy, coverage will become effective only if:

- (a) your dependent terminates the conversion policy; or
- (b) your dependent submits at his or her own expense, evidence of good health acceptable to us.

Extended Insurance

If a dependent dies within 31 days from the day dependents life insurance is terminated, we will still pay benefits. Upon receipt of proof within one year after death, we will pay the amount for which the dependent was last insured.

If a conversion policy has been issued to the deceased dependent, we will pay benefits under this Extended Insurance provision only if the conversion policy is returned to us without claim. We will refund all paid conversion premiums if the conversion policy is surrendered for this reason.

PAYMENT OF CLAIMS

How to File Claims

Before benefits are paid, we must be given a written proof of loss, as described below. In the event of your death or incapacity, your beneficiary or someone else may give us the proof.

Proof of Loss Requirements

1. First, request a claim form from the Plan Administrator or from us.

This request should be made:

- (a) within 20 days after a loss occurs; or
- (b) as soon as reasonably possible.

When we receive the request, we will send a claim form for filing proof of loss. If we do not send it within 15 days, you can meet the proof of loss requirement by giving us a written statement of what happened. We must receive a written statement within the time shown in 3 below.

2. Next, complete and sign the claim form. If a physician must complete part of the claim form, have the physician complete and sign that part.
3. Finally, return the claim form to the Plan Administrator or to us. The claim form is due:
 - (a) within 90 days after the loss occurs; or
 - (b) as soon as reasonably possible, but not later than one year after (a) above, unless the claimant is not legally capable.

When Claims are Paid

Policy benefits will be paid as soon as we receive acceptable proof of loss.

Direct Payments

Any loss of life benefit will be paid in accord with the Life Insurance Benefits and/or Accidental Death and Dismemberment Benefits provision(s).

Any other benefits will be paid to you except that benefits unpaid at your death may be paid, at our option to:

- (a) your beneficiary; or
- (b) your estate.

If your beneficiary is unable to give a valid release or if benefits unpaid at your death are not more than \$1,000, we may pay up to \$1,000 to any relative of yours who we find is entitled to the benefit.

Any payment made in good faith will fully discharge us to the extent of the payment.

Examination and Autopsy

We sometimes require that a claimant be examined by a physician of our choice. We will pay for these examinations. We will not require more than a reasonable number of examinations. Where not prohibited by law, we may also require an autopsy. We will pay for this autopsy.

CLAIM REVIEW AND APPEAL PROCEDURES

(As Federally Mandated)

For Group Policy GLUG-5N76, this provision is effective the later of:

- (a) the effective date of the Policy; or
- (b) the date required by Federal law.

Definitions

Capitalized terms have the same meaning as shown in the Policy.

For the purposes of this provision the following term has the following meaning:

Adverse Benefit Determination means a denial, reduction or termination of, or a failure to provide or to make payment (in whole or in part) for a benefit, including any such denial, reduction, termination of, or failure to provide or make payment (in whole or in part) that is based upon the Insured Person's ineligibility for insurance under the Policy.

Claim Review Procedures

Once We receive information necessary to evaluate the claim, We will make a decision within the time periods set forth below. Please refer to the Payment of Claims provision of the Policy.

In the event an extension is necessary due to matters beyond Our control, We will notify the person submitting the claim of the extension and the circumstances requiring the extension. Extensions are limited as set forth below.

If an extension is necessary due to failure to submit complete information, We will notify the person submitting the claim of the additional information required. Such notice of incomplete information will be sent within the time periods set forth below.

In order for Us to continue processing the claim, the missing information must be provided to Us within the time periods set forth below.

We may contact the person submitting the claim at any time for additional details about the processing of the claim.

Claim Review Decisions

- (a) Initial review: We will notify the person submitting the claim of Our claim decision within 45 days after Our receipt of the claim, unless additional information is requested as set forth below;
- (b) Extension period: 30 days; and
- (c) Maximum number of extensions: two.

If additional information is needed, We will notify the person submitting the claim within 30 days of Our receipt of the claim. Once Our request for additional information is received, the person submitting the claim will have 45 days to submit the additional information to Us. We will have a total of 105 days

(which includes an additional 30-day extension, if necessary, due to circumstances beyond Our control) to process the claim. If We do not receive the additional information within the specified time period, We will make Our determination based on the available information.

Claim Denials

If a claim is denied or partially denied, the person submitting the claim will receive a written or electronic notice of the denial which will include:

- (a) the specific reason(s) for the denial;
- (b) reference to the specific Policy provisions on which the denial is based;
- (c) if applicable, a description of any additional material or information necessary to complete the claim and the reason We need the material or information;
- (d) a description of the appeal procedures; including the right to request an appeal within 180 days and the right to bring a civil action following the appeal process; and
- (e) any other information which may be required under state or federal laws and regulations.

Opportunity To Request An Appeal

The person submitting the claim may appeal Our claim review decision in accordance with this Claim Review and Appeal Procedures provision. As part of the appeal, We will perform a full and fair review of the decision.

The request for an appeal can be written, electronically or orally submitted to Us and should include any additional information that the person submitting the claim believes may have been omitted from Our review that should be considered by Us.

The request for an appeal should include:

- (a) the name of the person for whom the claim has been submitted;
- (b) the name of the person filing the appeal;
- (c) the policy number; and
- (d) the nature of the appeal.

We will establish and maintain procedures for hearing, researching, recording and resolving any appeal. The notification of Our claim review decision will include instructions on how and where to submit an appeal.

The person submitting the claim will:

- (a) have 180 days from receipt of notification to submit a request for an appeal;
- (b) be provided the opportunity to submit written comments, documents, records and other information relating to the claim; and
- (c) be provided, upon request and free of charge, reasonable access to and copies of documents, records and other information relevant to the claim.

In reviewing the appeal We will consider all comments, documents, records and other information submitted by the person submitting the claim relating to the claim, without regard to whether such information was submitted or considered in the claim decision.

Request for an appeal authorizes Us, or anyone designated by Us, to review records relevant to the claim.

Our Response To An Appeal

Once We receive a request for an appeal, We will respond within 45 days, unless additional information is requested. If additional information is requested, the following extensions apply:

- (a) extension period: 45 days; and
- (b) maximum number of extensions: one.

We will have a total of 90 days to process the appeal.

When We make Our decision, the person submitting the claim will be provided with:

- (a) information regarding Our decision; and
- (b) information regarding other internal or external appeal or dispute resolution alternatives, if available, including any required state mandated appeal rights.

STANDARD PROVISIONS

Insurance Contract

The insurance contract consists of:

- (a) the policy;
- (b) the Policyholder's application attached to the policy; and
- (c) any application for you or your dependents.

Changes in the Insurance Contract

The insurance contract may be changed (including reducing or terminating benefits or increasing premium costs) any time we and the Policyholder both agree to a change. No one else has the authority to change the insurance contract. A change in the insurance contract:

- (a) does not require the consent of any insured person or beneficiary; and
- (b) must be:
 - (1) in writing;
 - (2) made a part of the policy; and
 - (3) signed by one of our officers.

A change may affect any class of insured persons, including retirees if retired coverage is included in the policy.

Applications

We may use misstatements or omissions in the application of an insured person to contest the validity of insurance, reduce coverage or deny a claim; but we must first furnish you or your beneficiary with a copy of that application. We will not use a person's application to contest or reduce insurance which has been in force for two years or more during that person's lifetime. However, if you or your dependent is not eligible for insurance, there is no time limit on our right to contest insurance or deny a claim.

Statements in an application are treated as representations, not as warranties.

Legal Actions

No legal action can be brought until at least 60 days after we have been given written proof of loss. No legal action can be brought more than three years after the date written proof of loss is required.

Group Policy Number GLUG-5N76



Mutual *of* Omaha