



Blue Shield of California Life & Health Insurance Company  
601 12<sup>th</sup> Street  
Oakland, CA 94607

## **Policy of Insurance**

### **BASIC GROUP TERM LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)**

Blue Shield of California Life & Health Insurance Company, (Blue Shield Life), certifies that a Group Term Life and AD&D Insurance Contract has been issued to the Policyholder to insure certain Covered Employees who are eligible for the insurance provided by this Policy.

The Policy is issued in consideration of the application of the Policyholder and the payment of the Premiums in advance to Blue Shield Life.

Policyholder: James Perse Enterprises, Inc.

Associated Companies: James McBride N2129, LLC

Basic Life and AD&D Policy Number: L0001045

Policy Effective Date: August 1, 2024

Signed for BLUE SHIELD LIFE AND HEALTH INSURANCE COMPANY at its home office in San Francisco, California. The Policy takes effect at 12:01 am pacific time on the Effective Date.

Blue Shield of California Life and Health Insurance Company

A handwritten signature in black ink, appearing to read "Hope H. Scott".

Hope H. Scott  
Secretary  
Blue Shield of California Life & Health  
Insurance Company

A handwritten signature in black ink, appearing to read "Lina Saadzo".

Lina Saadzo  
President  
Blue Shield of California Life & Health  
Insurance Company

An independent licensee of the Blue Shield Association A49921



## POLICY NOTICE

The Policyholder, on behalf of itself and its Covered Employees hereby expressly acknowledges its understanding that this agreement constitutes a Policy solely between the Policyholder and Blue Shield Life, which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association ("Association"), an association of independent Blue Cross and Blue Shield plans, permitting Blue Shield Life to use the Blue Shield Service Mark in the State of California, and that Blue Shield Life is not contracting as the agent of the Association. The Policyholder further acknowledges and agrees that it has not entered into this agreement based upon representations by any person other than Blue Shield Life and that neither the Association nor any person, entity or organization affiliated with the Association, shall be held accountable or liable to the Policyholder or its Covered Employees for any of Blue Shield Life's obligations to the Policyholder holder created under this agreement. This paragraph shall not create any additional obligations whatsoever on the part of Blue Shield Life, other than those obligations created under other provisions of this agreement.

## POLICY INQUIRIES

Please contact Us directly if you have any questions or Inquiries about this Policy. You may contact Us in writing, or by phone at:

Blue Shield of California Life and Health Insurance Company  
601 12<sup>th</sup> Street  
Oakland, CA 94607  
Customer Service Phone Number – 1-888-256-3650

If We are not able to resolve an inquiry to your satisfaction, the Policyholder may request a formal review by the California Department of Insurance by contacting through the following options:

Consumer Affairs Office  
California Department of Insurance  
300 South Spring Street, South Tower  
Los Angeles, CA 90013  
Telephone: 1-800-927-4357

Website: <http://www.insurance.ca.gov/01-consumers/101-help/index.cfm>

## GENERAL POLICY PROVISIONS

### **Entire Contract; Changes**

This Policy and any supplemental documents, including the Group Policyholder's application, if attached, constitute the entire contract between the parties, and no statement made by the Policyholder or by any Insured Person whose eligibility has been accepted by Blue Shield Life shall (avoid the insurance or reduce the benefits under this Policy or) be used in defense to a claim hereunder.

No change in this Policy shall be valid unless approved by an executive officer of Blue Shield Life unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions.

### **Incontestable**

We will not contest the Policy after it has been in force for two years from its date of issue, and may only be contested based on a statement made in the Policyholder application or in the case of an individual insured, the Evidence of Insurability form, if the statement is attached to the Policy. The statement upon which the contest is made shall be material to the risk accepted or the hazard assumed by the insurer.

### **Misstatement of Age**

If the age of any Insured Person has been misstated, the amount payable shall be such as the premium paid for the coverage of such individual would have purchased using the correct age.

### **Policyholder Not Our Agent**

The Policyholder is not Our agent or Our representative.

### **Legal Actions**

No action at law or in equity shall be brought to recover on this Policy prior to the expiration of 60 days after written Proof of Loss has been furnished in accordance with the requirements of this Policy. No such action shall be brought after the expiration of three years after the time written Proof of Loss is required to be furnished.

### **Payment of Benefits**

All benefits provided in this Policy shall be paid to the named beneficiary or Insured Person as stated in the claims section of the Certificate. Upon receipt and approval of the written proof covering the character and extent of the event for which a claim is made.

### **Assignments**

The insurance and benefits under the Policy may not be assigned by the Policyholder.

### **Not in Lieu of Workers' Compensation**

The Policy is not in lieu of, and does not affect any requirement for coverage by Workers' Compensation Insurance.

### **Waiver of Rights**

If We fail to enforce any provision of the Policy, such failure will not affect Our right to do so at a later date, nor will it affect Our right to enforce any other provision of the Policy.

### **Records Required**

The Policyholder will promptly give Us, at Our administrative office, any facts that We may need to administer the insurance under the Policy and to determine the Premiums. All of the Policyholder's records having a bearing on this insurance will be ready for Us to inspect when and as often as We may, within reason, require. All communication may be done by mail, in person or telephonically. Clerical error by the Policyholder or by Us will not make the insurance of an ineligible person valid nor continue insurance which was ended by valid means. The Policyholder will be considered our administrator.

Neither the passage of time nor the payment of Premiums for a person who is not eligible for insurance under the terms of the Policy will make this insurance valid for such person. If it is found that such a person was included when the premium was set for the Policy, the only liability We will have is the proper refund of premiums. We can request such information while the Policy is in force and for one year after the Policy terminates.

### **Recovery Right Due to Clerical Error**

When payments made under the Policy are due to clerical error, We will have the right to recover any such payment We made in error. We have a right to recover from the person an amount equal to the amount We paid.

### **Monies Payable**

All monies paid by Us will be paid, subject to the laws which govern such payment, at Our administrative office. All monies payable to Us or by Us will be in lawful currency of the United States.

### **Conformity to State and Federal Law**

Any provision of the Policy which, on the Policy Effective Date, is in conflict with the laws of the state of issue or with federal law, is hereby amended to meet the minimum requirements of law.

## **Premiums**

Premiums are payable on a monthly basis, unless We agree to some other mode of payment. Premiums must be paid to Us at Our Administrative Office or to Our authorized administrator.

The payment of any Premium will keep the insurance in force to the next premium due date, subject to the Grace Period.

We may change the Premium by giving the Policyholder a written notice at least 30 days prior to any change. We will not change Premiums during the first year following the Policy effective date.

## **Grace Period**

A grace period of 31 days will be granted for each payment of Premiums after the first Premium. The coverage under the Policy will continue in force during such grace period. A lapse notice will be sent 31 days before the Policy terminates. There will be liability for the Premium for any period coverage continues in force, unless written notice to end the Policy is given Us before the grace period.

## **Cancellation**

We may cancel this Policy at any time by written notice delivered to the Policyholder or mailed to the Policyholder's last address as shown on Our records, stating when, not less than 31 days thereafter, such cancellation shall be effective; and after the Policy has been continued beyond its original term the Policyholder may cancel this Policy at any time by written notice delivered or mailed to Us, effective on receipt or on such later date as may be specified in the notice. In the event of such cancellation by either Us or the Policyholder, We shall promptly return any unearned Premium paid and the Policyholder shall promptly pay the earned Premium which has not been paid. Such cancellation shall be without prejudice to any claim originating prior to the effective date of such cancellation.

## **Non-Participating**

This Policy does not share in Our surplus earnings.

## **Renewal and Termination**

This Policy may be renewed by payment of Premiums as required under the terms of this Policy, except that:

- We have the right to end this Policy on any Premium due date by giving written notice to the Policyholder at least 31 days before such due date; and
- The Policyholder may end this Policy on any Premium due date by giving written notice to Us and to their Insured Persons at least 31 days before such due date. Insurance under this Policy will end with respect to each Insured Person as of the first of the month for which a Premium is in default if the required Premium is not paid by the last day of the grace period.

## **Policy and Certificate Delivery**

The Policy will be delivered electronically to the Policyholder, as Our administrator, in compliance with applicable law. It will be the Policyholder's responsibility to deliver the Certificates to the Certificateholders. In the event that a paper copy is requested, the Policyholder will provide the paper certificate to the Insured Person.

## **Certificate Provisions Made Part of the Policy**

The remainder of this Policy consists of provisions shown in the Certificate. All of the provisions in the Certificate are part of this Policy. Endorsements, Amendments, Riders, if any are also made part of the Policy.



## **PREMIUM RATE PAGE**

### **Composite Rate**

Covered Employees Monthly Life Rate/\$1,000 of Insurance	\$0.08
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Covered Employees Monthly AD&D Rate/\$1,000 of Insurance	\$0.02
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The above rates are guaranteed for 36 months from the Policy's effective date, unless any of the Policy's terms are changed.

# Blue Shield of California Life & Health Insurance Company

## NOTICE OF PROTECTION PROVIDED BY CALIFORNIA LIFE AND HEALTH INSURANCE GUARANTEE ASSOCIATION

This notice provides a brief summary regarding the protections provided to policyholders by the California Life and Health Insurance Guarantee Association ("the Association"). The purpose of the Association is to assure that policyholders will be protected, within certain limits, in the unlikely event that a member insurer of the Association becomes financially unable to meet its obligations. Insurance companies licensed in California to sell life insurance, health insurance, annuities and structured settlement annuities are members of the Association. The protection provided by the Association is not unlimited and is not a substitute for consumers' care in selecting insurers. This protection was created under California law, which determines who and what is covered and the amounts of coverage.

Below is a brief summary of the coverages, exclusions and limits provided by the Association. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations or the rights or obligations of the Association.

### **COVERAGE**

#### **• Persons Covered**

Generally, an individual is covered by the Association if the insurer was a member of the Association *and* the individual lives in California at the time the insurer is determined by a court to be insolvent. Coverage is also provided to policy beneficiaries, payees or assignees, whether or not they live in California.

#### **• Amounts of Coverage**

The basic coverage protections provided by the Association are as follows.

##### **• Life Insurance, Annuities and Structured Settlement Annuities**

For life insurance policies, annuities and structured settlement annuities, the Association will provide the following:

##### **• Life Insurance**

80% of death benefits but not to exceed \$300,000

80% of cash surrender or withdrawal values but not to exceed \$100,000

##### **• Annuities and Structured Settlement Annuities**

80% of the present value of annuity benefits, including net cash withdrawal and net cash surrender values but not to exceed \$250,000

The maximum amount of protection provided by the Association to an individual, for *all* life insurance, annuities and structured settlement annuities, is \$300,000, regardless of the number of policies or contracts covering the individual.

#### **• Health Insurance**

The maximum amount of protection provided by the Association to an individual, as of April 1, 2011, is \$470,125. This amount will increase or decrease based upon changes in the health care cost component of the consumer price index to the date on which an insurer becomes an insolvent insurer.



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## **COVERAGE LIMITATIONS AND EXCLUSIONS FROM COVERAGE**

The Association may not provide coverage for this policy. Coverage by the Association generally requires residency in California. You should not rely on coverage by the Association in selecting an insurance company or in selecting an insurance policy.

The following policies and persons are among those that are excluded from Association coverage:

- A policy or contract issued by an insurer that was not authorized to do business in California when it issued the policy or contract
- A policy issued by a health care service plan (HMO), a hospital or medical service organization, a charitable organization, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company, an insurance exchange, or a grants and annuities society
- If the person is provided coverage by the guaranty association of another state
- Unallocated annuity contracts; that is, contracts which are not issued to and owned by an individual and which do not guaranty annuity benefits to an individual
- Employer and association plans, to the extent they are self-funded or uninsured
- A policy or contract providing any health care benefits under Medicare Part C or Part D
- An annuity issued by an organization that is only licensed to issue charitable gift annuities
- Any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as certain investment elements of a variable life insurance policy or a variable annuity contract
- Any policy of reinsurance unless an assumption certificate was issued
- Interest rate yields (including implied yields) that exceed limits that are specified in Insurance Code Section 1607.02(b)(2)(C).

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## **NOTICES**

Insurance companies or their agents are required by law to give or send you this notice. Policyholders with additional questions should first contact their insurer or agent. To learn more about coverages provided by the Association, please visit the Association's website at [www.califega.org](http://www.califega.org), or contact either of the following:

California Life and Health Insurance  
Guarantee Association  
P.O. Box 16860,  
Beverly Hills, CA 90209-3319  
(323) 782-0182

California Department of Insurance  
Consumer Communications Bureau  
300 South Spring Street  
Los Angeles, CA 90013  
(800) 927-4357

**Insurance companies and agents are not allowed by California law to use the existence of the Association or its coverage to solicit, induce or encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and California law, then California law will control.**



Blue Shield of California Life & Health Insurance Company  
601 12<sup>th</sup> Street  
Oakland, CA 94607

## Certificate of Insurance

### **BASIC GROUP TERM LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)**

Blue Shield of California Life & Health Insurance Company, (Blue Shield Life) certifies that a Basic Group Life and AD&D Insurance Policy ("Policy") has been issued to the Policyholder named below. The Policy insures the Policyholder's Covered Employees who are eligible for the insurance, become insured and continue to be insured according to the terms of the Policy. This Certificate is part of the Policy. The Policy is a contract between Blue Shield Life and the Policyholder and may be changed or ended without your consent or notice to You.

Policyholder: James Perse Enterprises, Inc.

Associated Companies: James McBride N2129, LLC

Basic Life and AD&D Group Policy Number: L0001045

Effective Date: August 1, 2024

Blue Shield of California Life and Health Insurance Company

Hope H. Scott  
Secretary  
Blue Shield of California Life & Health  
Insurance Company

Lina Saadzo  
President  
Blue Shield of California Life & Health  
Insurance Company

THIS CERTIFICATE ONLY DESCRIBES GROUP TERM LIFE AND AD&D INSURANCE

The terms of the Policy which affect a Covered Employee's insurance are summarized in the following pages. This Certificate replaces any other which We may have issued to the Policyholder to give to You under the contract specified herein.

An independent licensee of the Blue Shield Association A49922



CERTIFICATE INQUIRIES and NOTIFICATIONS

Inquiries about this Certificate should be directed to:

Blue Shield of California Life and Health Insurance Company  
601 12<sup>th</sup> Street  
Oakland, CA 94607  
Customer Service Phone Number – 1-888-256-3650

Should you have any questions, please contact Us in writing or by phone  
at 1-888-256-3650

If We are not able to resolve an inquiry satisfactorily, the Certificateholder may  
request a review by the California Department of Insurance at:

Consumer Affairs Office  
California Department of Insurance  
300 South Spring Street  
Los Angeles, CA 90013  
Telephone: 1-800-927-4357

Website: <http://www.insurance.ca.gov/01-consumers/101-help/index.cfm>

Legal remedies may not begin unless and until the Certificateholder has  
attempted resolution with 1) Blue Shield of California Life and Health Insurance  
Company and 2) the California Department of Insurance.



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## SCHEDULE OF INSURANCE

Basic Life Insurance and Accidental Death and Dismemberment

### YOUR BASIC LIFE AND AD&D COVERAGE

CLASS	CLASS DESCRIPTION	BASIC LIFE INSURANCE	BASIC AD&D INSURANCE PRINCIPAL SUM
Class 1	All Full-Time Employees working at least 30 hours per week	1x Basic Annual Salary, rounded to the next higher \$1,000; subject to a maximum of \$200,000	1x Basic Annual Salary, rounded to the next higher \$1,000; subject to a maximum of \$200,000

Waiting Period – As established by the Policyholder

The Basic Life Insurance and AD&D insurance is Noncontributory. You are not required to make contributions for Basic Life and AD&D insurance.

The Policyholder shall not require You to contribute to the cost of Noncontributory insurance except where necessary for the Policyholder to comply with a collective bargaining agreement or strike or where required by applicable tax law.

## EFFECTIVE DATE OF COVERAGE

Your Effective Date of Coverage will be:

- 1) The Policyholder's Effective Date if You are a current, Full-Time, Actively-At-Work Covered Employee; or
- 2) As established by the Policyholder for a new Covered Employee who is Actively At Work.
- 3) The day You resume Active Work if You are not Actively at Work on the Effective Date.

See Eligibility section for more detailed information.



## REDUCTION IN INSURANCE

If You have reached the initial age shown below on your Effective Date, Your group Life and AD&D Insurance benefit will be limited to the percentage shown below. If You reach the initial age shown below after Your Effective Date, Your Life and AD&D Insurance will be reduced to the percentage shown below on the first day of the month following Your birthday.

<u><b>Your Age</b></u>	<u><b>Percentage of Life and AD&amp;D Insurance Benefit after Reduction</b></u>
65 through and 69	Your benefit will reduce to 65% of the original amount
70 and Up	Your benefit will reduce to 50% of the original amount
Terminates at Retirement	Your benefit will terminate when You retire

## DEFINITIONS

*To help you recognize these special words and phrases, the first letter of each word is capitalized.*

**Accident** means a sudden, unexpected, unusual, specific and abrupt event. Such event must occur at an identifiable time and place while coverage is in force. Any loss caused by, or resulting from, a sickness, disease, bodily or mental infirmity; or medical or surgical treatment; or infection not considered caused by the Accident unless the infection is secondary to and directly the result of the Injury.

**Actively at Work or Active Work** means that a Covered Employee is performing all of the usual and customary duties of his/her job on a Full-Time basis. This may be done at the Policyholder's place of business, an alternate place approved by the Policyholder, or a place to which the Policyholder requires the person to travel. A Covered Employee will be deemed to be Actively at Work on weekends or on approved vacations, holidays or business closures if the person was Actively at Work on the last scheduled work day preceding such time off.

**AD&D Insurance** means accidental death and dismemberment insurance.

**Base Annual Salary/Earnings** means only the salary or wage the Covered Employee receives for services rendered to the Policyholder. Overtime pay, commissions, bonuses and other extra pay are not included.



**Basic** means Life Insurance and/or AD&D Insurance provided to You under a sponsored plan paid by the Policyholder.

**Beneficiary** means the person(s) to whom We will pay the Life and AD&D benefit.

**Certificate** means the portion of the Policy that is applicable to all eligible persons and explains the benefits applicable and available to Covered Employee.

**Certificateholder** means the Covered Employee who is eligible for benefits provided by the Policyholder's Policy and who has received a Certificate.

**Covered Employee(s)** means the Policyholder's employee insured under the Policy.

**Covered Loss** with respect to:

- life, means loss of life due to Injury;
- hand or foot, means complete severance from the body at or above the wrist or ankle joint, as applicable;
- to eye, loss means complete and uncorrectable loss of sight, visual acuity must be 20/200 or worse in the eye or the field of vision must be less than 20 degrees;
- to hearing, loss means complete and irrevocable loss of hearing;
- to speech, loss means complete and irrevocable loss of speech;
- to thumb and index finger, loss means complete severance;
- Paralysis, means loss of use of one or more limbs without severance, (see definition of Paralysis).

**Effective Date** means month, day, and year at 12:01 AM Pacific time (when used with regard to eligibility dates, changes, or termination of insurance).

**Eligible Class** means a group of people defined by a common characteristic, including but not limited to a demographic or geographic group, employees of a certain job description or a certain level or dependent on number of hours worked.

**Evidence of Insurability** means a statement of Your medical history which We will use to determine if You are approved for coverage.

**Full-Time** means Actively at Work on the Policyholder's regular work schedule for the class to which the Covered Employee belongs.

**Injury** means bodily injury proximately caused by an Accident. The injury must occur while coverage is in effect.

**Insured Person** means any person insured under the group Policy.

**Intoxicated** means that the person's blood alcohol level meets or exceeds the level at which Intoxication is defined in the state where the Accident occurred. Whether or not someone is Intoxicated does not need to be established through any legal proceedings.



**Life Insurance** means group term Life Insurance that is offered through a Policyholder.

**Noncontributory** means insurance for which the Policyholder does not require You to pay any part of the Premium.

**Paralysis** means the complete loss of use of a limb, without severance. A Physician must certify the Paralysis to be complete and irreversible.

**Physician** means a licensed medical professional other than You or Your relative diagnosing and treating You within the scope of his/her license.

**Policy** means the agreement between Us and the Policyholder that covers the Policyholder's employees, members, subscribers or participants and consists of the Policy, Certificate, endorsements, amendments.

**Policyholder** means any one of these entities; employer group, trust, trustee, association, organization, school, college, school district newspaper, affiliated employers, government organization, or union that provides coverage to its employees or members through a contract with Blue Shield Life.

**Premium** means the amount the Policyholder shall pay to Us for the insurance provided under the group Policy.

**Principal Sum** means the total amount of Accident benefits payable for all Covered Losses resulting from any one Accident and will not be greater than the coverage amount set forth in the Schedule of Insurance.

**Proof of Loss or Proof** means written evidence that a person has satisfied the conditions and requirements for any benefit described in the Certificate within the required time period of 90 days. The Proof of Loss shall establish:

- the nature and extent of the loss or condition;
- Our obligation to pay the claim; and
- the claimant's right to receive payment.

For claims other than death claims, You must provide written Proof of Loss to Us within 90 days after the occurrence or loss. Failure to furnish Proof within the time required shall not invalidate or reduce the claim if it was not reasonably possible to give Proof within the time, provided Proof is furnished to us as soon as reasonably possible and, except in the absence of legal capacity, no later than one year from the time Proof is otherwise required.

**Signed or Signature** means any symbol or written method executed or adopted by a person with the present intention to authenticate a record, and which is on or transmitted by paper or electronic or telephonic media, and which is consistent with applicable law.





**SSNRA** means the Social Security Normal Retirement Age as figured by the 1983 amendment or any later amendment to the Social Security Act.

**Total Disability/Totally Disabled** means (A) during the first 24 months You are unable to perform with reasonable continuity the substantial and material duties of Your job due to sickness or bodily injury; and (B) after the first 24 months You, due to sickness or Injury, are unable to engage with reasonable continuity in any other job in which You could be reasonably expected to perform satisfactorily in light of Your age, education, training, experience, station in life, or physical or mental capacity.

**Waiting Period** means the continuous length of time that You must be Actively at Work in an Eligible Class before becoming eligible for coverage. The Waiting Period is as stated in the Schedule of Insurance.

**We, Our, and Us** means BlueShield of California Life and Health Insurance Company (Blue Shield Life).

**You, Your and Yours** means the Covered Employee to whom this Certificate is issued to or applicable to and whose insurance is in force under the terms of the Policy.



## ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE BENEFITS FOR COVERED EMPLOYEE

### Benefit

If You sustain an Injury that causes a Covered Loss within 365 days of the date of that Injury, We will pay the benefit listed below:

<b>Loss</b>	<b>Benefit</b> (Percentage of Principal Sum)
<b>Loss of Life</b>	<b>100%</b>
<b>Loss of a hand or foot by severance at or above the wrist or ankle</b>	<b>50%</b>
<b>Loss of an arm or leg by severance</b>	<b>75%</b>
<b>Loss of sight in one eye or hearing in one ear (as defined)</b>	<b>50%</b>
<b>Loss of sight in both eyes or hearing in both ears (as defined)</b>	<b>100%</b>
<b>Loss of speech (as defined)</b>	<b>50%</b>
<b>Loss of speech and hearing</b>	<b>100%</b>
<b>Loss of a thumb and index finger or all 4 fingers on the same hand</b>	<b>25%</b>
<b>Loss of all toes on one foot</b>	<b>25%</b>
<b>Paralysis of both upper and lower limbs (Quadriplegia)</b>	<b>100%</b>
<b>Paralysis of both lower limbs or both upper limbs (Paraplegia)</b>	<b>75%</b>
<b>Paralysis of upper and lower limb one side (Hemiplegia)</b>	<b>50%</b>
<b>Paralysis of one arm or leg</b>	<b>25%</b>

Proof of Loss must be sent to Us. When We receive such Proof, We will review the AD&D claim and, if covered. We will pay the AD&D Insurance in effect on the date of the Injury.



We will deem a Covered Loss to be the direct result of an Injury if it results from unavoidable exposure to the elements and such exposure was a direct result of an Accident.

### **Presumption of Death**

You will be presumed to have died as a result of an Injury if:

- the aircraft or other vehicle in which You were travelling disappears, sinks, or is wrecked; and
- the body of the person who has disappeared is not found within 365 days of the date the aircraft or other vehicle was scheduled to have arrived at its destination, if travelling in an aircraft or other vehicle operated by a Common Carrier.

### **Benefit Payment**

If You sustain more than one Covered Loss due to an Injury, the amount We will pay You will not exceed the Principal Sum. Payment of additional benefits that are not part of the Covered Loss will be paid in excess of the Principal Sum.

We will pay AD&D Insurance benefits in one lump sum. Other modes of payment may be available upon request.

## ADDITIONAL AD&D BENEFITS FOR COVERED EMPLOYEE

ADDITIONAL BENEFITS	PERCENTAGE OF PRINCIPAL SUM	MINIMUM/MAXIMUM
<b>Seat Belt/Airbag Use Benefit</b>	10%	Up to \$25,000
<b>Coma</b>	50%	60-day Minimum
<b>Common Carrier</b>	100%	1X Principal Sum
<b>Child(ren) Education</b>	\$2,500 for up to 4 consecutive years	Maximum Annual Charges up to \$10,000 for 4 years
<b>Spouse/Domestic Partner Education</b>	\$5,000 for enrollment within one year	Maximum charge up to \$5,000 for one academic year
<b>Felonious Assault</b>	10%	Robbery, holdup or attempt threat or Kidnapping while attempting a hold up Maximum Benefit \$25,000
<b>Repatriation</b>	\$2,000	Must be 100 miles from principal residence
<b>Surgical Reattachment</b>	10%	An additional benefit percentage of the amount that otherwise would be payable without reattachment; Balance paid if reattachment is not successful within 365 days

### Seat Belt/Air Bag Use Benefit

We will pay an additional amount, shown in the chart, if a benefit is payable under the AD&D benefit for Your Covered Loss of life as the result of an Accident which occurs while You were driving or riding in an Automobile if:

- the Automobile is equipped with Seat Belts and Airbags;
- the Seat Belt and Air bag was in actual Use and properly fastened and deployed at the time of the Accident;
- the position of the Seat Belt and Air Bag is certified in the official report of the Accident or by the investigating officer. A copy of the police Accident report must be submitted with the claim;
- You died as a result of injuries sustained in the Accident;
- You were driving or riding in an Automobile driven by a licensed driver who was neither;
  - Intoxicated or driving while impaired. Intoxication and impairment shall be determined without conviction, by the law of the jurisdiction in which the Accident occurred. Whether or not someone is Intoxicated does not need to be established through any legal proceedings; nor
  - Under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title 11 of the Comprehensive Drug Abuse and Control Act of 1970 as now or hereafter amended, unless as prescribed by a licensed physician and used in the manner prescribed.
- **Automobile** means a four-wheel passenger car (including Policyholder owned cars), station wagon, jeep, pick-up truck and van-type car licensed for use on the highways.

**Seat Belt** means those belts that form an occupant restraint system in an Automobile.

**Air Bag** means an inflatable passive restraint system, installed by the manufacturer of the Automobile, or proper replacement parts as required by automobile manufacturer's specifications that inflates upon collision to protect an individual from injury or death. A Seat Belt is not an Air Bag.

### **Coma Benefit**

We will pay an additional amount as set forth in the Schedule of Insurance, if You as a result of an Injury fall into a Comatose state, if:

- the Comatose state begins within 31 days of the Accident; and
- the Insured Person remains continuously comatose for at least 60 days

**Comatose state** means a profound state of unconsciousness which resulted directly or independently from all other causes from a covered accident, and from which You are not likely to be aroused through powerful stimulation. Coma does not mean any state of unconsciousness intentionally induced during the course of treatment of a covered injury unless the state of unconsciousness results from the administration of anesthesia in preparation for surgical treatment of the covered accident.

### **Common Carrier Benefit**

We will pay an additional amount as set forth in the Schedule of Insurance, if You die as a result of an Accident which occurs while You are a fare-paying passenger of a Public Conveyance that;

- is run by a common carrier regulated by the government; and
- transports passengers for hire; and
- is not a chartered or other privately arranged conveyance.

**Public Conveyance or Common Carrier** means:

- any land or water carrier licensed for the transportation of passengers for hire, or;
- any aircraft operated by a business organized to operate an aircraft service and licensed for the transportation of passengers for hire.

### **Child(ren) Education Benefit**

We will pay an additional amount as set forth in the Schedule of Insurance for an Education Benefit for Your Child(ren) if You die as a result of an Injury and We receive proof that on the date of Your death a Child(ren):

- was enrolled as a full-time student in an accredited college, university or vocational school; and
- incurs expenses for tuition, fees, books, room and board, transportation and any other costs payable directly to, or approved and certified by such school.

We will pay this amount for each Child(ren) who qualifies for this benefit before the age of 26.

We may require Proof of the Child(ren)'s continued enrollment as a full-time student during the period for which a benefit is claimed.



We will pay this benefit semi-annually when We receive Proof that tuition charges have been paid.

### **Spouse/Domestic Partner Education Benefit**

We will pay an additional amount as set forth in the Schedule of Insurance to Your Surviving Spouse/Domestic Partner for an Education Benefit if You die as a result of an Injury; and

- on the date of Your death, Your Spouse/Domestic Partner was enrolled as a full-time student in a school; or
- within 12 months after the date of Your death, Your Spouse/Domestic Partner enrolls as a full-time student in a school.

We will pay this benefit semi-annually when We receive Proof that tuition charges have been paid. Payment will be made to the Spouse/Domestic Partner.

### **Felonious Assault Benefit**

We will pay an additional percentage as set forth in the Schedule of Insurance of the amount of benefit payable if You incur a Covered Loss as the result of a violent criminal act or felonious assault. The felonious assault must be inflicted by someone other than fellow employees or members of Your family or household and must occur while You are working for or on Your employer's premises. A report of the criminal activity is required to have been filed with the appropriate law enforcement authority as soon as reasonably possible after the incident. The criminal and civil codes where the felonious assault or attempt was perpetrated will be the basis for interpretation of the terms used in this paragraph.

Coverage does not apply to any Injury sustained from You or Your Dependent's own criminal act or any attempted criminal act.

### **Repatriation Benefit**

We will pay an additional amount, as set forth in the Schedule of Insurance, for the preparation and transportation of Your mortal remains to a mortuary for burial or cremation, if;

- the Loss of Life benefit is payable under the AD&D benefit; and
- the death occurs at least 100 miles away from Your place of permanent residence.

This benefit does not pay for any funeral services or costs.

### **Surgical Reattachment**

In the event of a loss of a body member that would normally be eligible for a Covered Loss amount from the AD&D benefit chart, except that it is surgically reattached, We will pay the percentage in the additional benefit chart for surgical reattachment at the time of the surgery. If for any reason the surgical reattachment is not successful within 365 days of the Injury, then the balance of



the amount payable for total Covered Loss on the AD&D benefit chart for that specific body member will be paid. The Principal Sum will be reduced by each amount payable under this benefit.

## LIMITATIONS AND EXCLUSIONS

We will not pay AD&D insurance benefits for any of the following:

- for any condition or loss caused or substantially contributed to by war or act of war, declared or not declared including service in the armed forces of any country or international authority; or
- for any condition or loss caused or substantially contributed to by any attempted suicide, suicide, or any Intentionally self-inflicted injury, while sane or insane; or
- for any condition or loss caused or substantially contributed to by any participation in a riot, insurrection or terrorist activity; or
- for any condition or loss caused or substantially contributed to by committing or attempt to commit a felony; or
- for any condition or loss caused or substantially contributed to by voluntary intake of either:
  - any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions; or
  - poison, gas or fumes, unless they are the direct result of an occupational accident; or
- for any condition or loss in consequence of the Insured being Intoxicated, as defined by the jurisdiction where the condition or loss occurred. Whether or not someone is Intoxicated does not need to be established through any legal proceedings; or
- for any condition or loss caused or substantially contributed to by engaging in an illegal occupation; or
- for any condition or loss caused or substantially contributed to by engaging in any aviation or aviation-related sports other than as a fare-paying customer.

## ELIGIBILITY

### Eligible Class(es)

All Full-Time Actively at Work Covered Employees in an employer group, trust, association, school or other organization who are eligible for the Policy Benefits elected by the Policyholder.

Further, to be considered eligible for participation, You must be:

- in a covered classification as defined by the Policyholder, if applicable; and
- have completed the eligibility Waiting Period if any, for the Policyholder.





The Policyholder is responsible for notifying Us should Your eligibility status change.

## CHANGES IN COVERAGE

### **Enrollment during Any Subsequent Annual Enrollment Period**

An annual enrollment period means a period of time during which eligible persons may apply for coverage or request changes to their existing coverage amounts. You must complete the Evidence of Insurability and receive approval from the Company to enroll. This provision does not apply to Noncontributory insurance.

### **Changes to Your Coverage due to a Qualifying Event**

Under the rules of the Policy, You may apply for insurance for which You are eligible or change the amount of Your insurance between annual enrollment periods only if You have a Qualifying Event. If You are not Actively at Work on the date insurance would otherwise take effect, insurance will take effect on the first of the month following the day You resume Active Work.

**Qualifying Event** means the following changes in family status:

- marriage;
- the birth, adoption or placement for adoption of a Dependent Child(ren);
- divorce or annulment;
- court-appointed legal guardianship;
- the death of a Spouse/Domestic Partner or Child(ren); or
- a Child(ren) ceases to qualify as a Child(ren) under the terms of the Policy.

If You have a Qualifying Event, You will have 31 days from the date of that event to make a request for enrollment. The insurance enrolled for or changes to Your insurance made as a result of a Qualifying Event will take effect as follows:

- on the first day of the month following the date of Your request, if You are Actively at Work on that date; or
- if you are not Actively at Work, Your insurance coverage will take effect on the first day of the month following the date you resume Active Work.

### **Evidence of Insurability ("E of I")**

Evidence of Insurability will be provided at our expense.

Evidence of Insurability is required if:

- You are a late applicant which means you enroll for Contributory or Voluntary insurance more than 31 days after Your eligibility date; or
- You voluntarily cancelled Your insurance and choose to reapply.

Receipt of premium before we have approved Evidence of Insurability will not constitute acceptance and does not guarantee issuance of any benefit amount prior to approval.



You may obtain an Evidence of Insurability form from the Policyholder.

**Exception to Evidence of Insurability**

If Your coverage terminates due to an approved leave of absence or a military leave, We will waive any Waiting Period or Evidence of Insurability requirement upon the Insured Person's return; provided:

- the person returns within 6 months after the leave begins;
- the person applies or is enrolled within 31 days after resuming Active Work; and
- the reinstated amount of insurance does not exceed the amount which terminated.



## DATE YOUR INSURANCE ENDS

Your insurance will end on the earliest of:

- the date the Policy terminates; or
- the date insurance eligibility ends for Your Eligible Class; or
- the end of the period for which the last Premium has been paid for You; or
- the last day of the month in which Your employment ends. Your eligibility will end if You cease to be Actively at Work in any Eligible Class for Your Policyholder; or
- the date You retire; or
- the date You enter the armed services of any state or country on active duty, except for duty of 30 days or less for training in the reserves or national guard.

### **Family Care Leave**

If the Policyholder is subject to the California Family Rights Act of 1991 and/or the Federal Family & Medical Leave Act of 1993, and the Insured Person's approved leave of absence is for family care pursuant to such Act, payment of Premiums for such Insured Person shall keep coverage in effect for the duration(s) prescribed by the Acts. The employer is solely responsible for notifying Insured Persons of the availability and duration of family leaves.

## EXTENSION OF COVERAGE AND WAIVER OF PREMIUM

This provision applies to Life Insurance. AD&D Insurance does not include extension of coverage and waiver of premium.

### **Benefit**

We will waive the payment of premium for Your Life Insurance when You become Totally Disabled for a minimum of 6 continuous months and the waiver shall continue until the end of Your disability or the attainment of an age as established by the Policy, but it shall not be less favorable to You than the following:

If Your Total Disability begins before You attain 60 years of age, We shall waive all Premiums due for the period that You are Totally Disabled.

You must submit Proof of Total Disability. Proof of Total Disability must be received by the Company within 12 months of the day such Total Disability began and no later than 6 months after the Policy terminates.

### **Amount of Insurance to be Continued**

The Life Insurance amount that will be continued will be the amount of Life Insurance in effect on the day the Insured Person becomes Totally Disabled. Any insurance amount continued will, however, be reduced in accordance with the reductions listed in the Schedule of Insurance. The insurance continued will also



be reduced by any amount of insurance for which You have become insured under any replacement coverage. (Conversion). If You receive an Accelerated Death Benefit, this amount will be reduced by that provision.

### **Further Written Proof**

From time to time, the Company may require further Proof that You remain Totally Disabled. When You die after giving proof of Total Disability to the Company, We must receive Proof showing that You remained Totally Disabled until Your death. After You have been Totally Disabled for two years, Proof will not be required more than once a year.

### **Policyholder Duty to Provide Notice**

The Policyholder is responsible for notifying You of the availability of the extension of coverage and waiver of premium. Payment of Premium for ineligible individuals may result in refund of Premium, but will not result in coverage for the ineligible individuals.

### **Examination by Physician**

The Company, at its expense, may have You examined by a Physician after You file Your Total Disability claim. After You have been totally disabled for two years, the Company will not have You examined more than once a year.

### **Termination of Benefit**

Any Life Insurance which has been continued under this benefit will be terminated automatically on the earliest of the day:

- that You cease to be Totally Disabled; or
- You fail to take a required examination by a Physician; or
- You fail to submit any required proofs;
- You engage in any employment for wage or profit;
- You reach age 65

### **Rights After Termination**

If this benefit ends and You return to an Eligible Class of employees eligible for insurance under the Policy, coverage for You will resume when Premium payments are resumed.

If this benefit ends but You do not return to such an Eligible Class; then You become eligible only for those benefits (see Conversion Option for Life Insurance).

### **Conversion Policies**

If You have obtained a conversion policy (see Conversion Option for Life Insurance), no benefits will be payable under the Policy unless:

- the conversion policy is surrendered to the Company; and



- the only claim made under the conversion policy is for the return of Premiums paid on it.



## ACCELERATED DEATH BENEFIT

**The accelerated death benefit will terminate when the term life policy terminates. This benefit is tax qualified.**

If You become Terminally Ill, You or Your legal representative have the option to request Us to pay a partial amount of Your Life Insurance benefit before Your death. This is called an accelerated death benefit. There are no restrictions on the use of these funds. The funds you receive will be tax qualified. The request must be made while the Life Insurance is in effect. You must have been Actively at Work on or after the effective date of the Policy to be eligible for an accelerated death benefits. This benefit does not apply to Accidental Death and Dismemberment benefits.

**Terminally Ill or Terminal Illness** means that due to injury or sickness, You have a medical condition which is expected to result in death within 12 months in the absence of treatment.

### **Requirements for Payment of an Accelerated Death Benefit**

Subject to the conditions and requirements of this section, We will pay an accelerated death benefit to You or Your legal representative if:

- the amount of each eligible Life Insurance benefit to be accelerated equals or exceeds \$15,000; and
- have been insured under the Policy for at least 30 days; and
- have satisfied the Actively at Work requirement under this certificate.

You may accelerate more than once, if your requested amount does not meet the maximum amount available. You may receive the benefit in a lump sum or in periodic payments, if requested.

### **Proof of Your Terminal Illness**

We will require the following Proof of Your Terminal Illness:

- a completed accelerated death benefit claim form;
- a signed Physician's certification that You are Terminally Ill; and
- an examination by a Physician of Our choice, at Our expense, if We request it.

You or Your legal representative should contact the Policyholder to obtain a claim form and information regarding the accelerated death benefit. Once we approve your request, the amount will be fixed and will be paid within 30 days.

### **Accelerated Death Benefit Amount**

We will pay an accelerated death benefit up to 50% for each eligible Life Insurance benefit in effect for You, subject to the following:

- a minimum of \$5,000 of Your eligible Life Insurance; and



- a maximum of \$250,000 or 50% of Your eligible Life Insurance, whichever is less.
- if an eligible Life Insurance benefit is scheduled to reduce within the 12 month period after the date You or Your legal representative request an accelerated death benefit, We will calculate the accelerated death benefit using the amount that will be in effect immediately after the reduction(s) scheduled for such period.
- if an eligible Life Insurance benefit is scheduled to end within 12 months after the date You or Your legal representative request an accelerated death benefit, We will not pay an accelerated death benefit for such eligible Life Insurance benefit.

There will be no adjustments or fees attached to the amount of insurance requested. The face amount of insurance will be reduced by the amount received.

We will not pay an accelerated death benefit for any amount of eligible Life Insurance which You previously converted under the conversion section or any amount that has previously been assigned, unless We receive written consent.

#### **Effect of Payment of an Accelerated Death Benefit**

After We pay the accelerated death benefit, any premium You are required to pay will be based upon the amount of Your Life Insurance remaining after the accelerated death benefit is paid.

The amount of Life Insurance that We will pay at Your death will be decreased by the amount of the accelerated death benefit paid by Us.

The amount to which You are entitled to convert under the section entitled Conversion Option for You will be decreased by the amount of the accelerated death benefit paid by Us.

#### **Date Your Option to Accelerate Benefits Ends**

The accelerated death benefit will end on the earliest of:

- the date the eligible Life Insurance ends;
- the date You or Your legal representative assign all eligible Life Insurance;  
or
- the date You or Your legal representative have accelerated all eligible Life Insurance benefits.



**Limitations: No Accelerated Death Benefit will be paid:**

- if any required Premium is due and unpaid; or
- without written approval of the bankruptcy court, if You have filed for bankruptcy; or
- without written consent of an irrevocable Beneficiary, if there is one; or
- without the written consent of the assignee, if You have assigned your benefits; or
- if any part of the Life Insurance must be paid to Your child, spouse/domestic partner or former spouse/domestic partner, pursuant to a legal separation agreement, divorce decree, child support order or other court order; or
- if You are terminally ill due to a condition or loss caused or substantially contributed to by any attempt at suicide or intentionally self-inflicted injury, while sane or insane; or
- if You are terminally ill due to a condition or loss caused or substantially contributed to by war or an act of war; or
- if You are terminally ill due to a condition or loss caused or substantially contributed to by active participation in a riot, insurrection, or terrorist activity.
- if You are terminally ill due to a condition or loss caused or substantially contributed to by committing or attempting to commit a felony.
- if a government agency requires You to use the accelerated death benefit to apply for, or receive or continue a government benefit or entitlement.

**"IMPORTANT NOTICE TO APPLICANT REGARDING ACCELERATED DEATH BENEFITS"**

"The benefits provided by this accelerated death benefit are not intended to provide, and will never provide, long-term care insurance, nursing home insurance, or home care insurance. If You are interested in long-term care or nursing home or home care insurance, You should consult with an insurance agent licensed to sell that insurance, inquire with the insurance company offering the accelerated death benefits, or visit the California Department of Insurance Internet Web site ([www.insurance.ca.gov](http://www.insurance.ca.gov)) section regarding long-term care insurance.

If You choose to accelerate a portion of your death benefit, doing so will reduce the amount that Your Beneficiary will receive upon your death.

Receipt of accelerated death benefits are not taxable. Prior to claiming the accelerated death benefit, You should seek assistance from a qualified tax adviser.

Receipt of accelerated death benefits may affect eligibility for public assistance programs, such as Medi-Cal or Medicaid. Prior to claiming the accelerated death benefit, You should consult with the appropriate social services agency concerning how receipt of accelerated death benefits may affect that eligibility."



## CONVERSION OPTION FOR LIFE INSURANCE

If Your Life Insurance ends or is reduced for any of the reasons stated below, You have the option to buy an individual policy of Life Insurance ("new policy") from Us during the application period in accordance with the conditions and requirements of this section. This is referred to as the "option to convert". Evidence of Your insurability will not be required.

You will have the option to convert when Your Life Insurance ends because:

- You cease to be in an eligible class;
- Your employment ends; or
- the Policy is amended to end all Life Insurance for an eligible class of which You are a member; or
- the Policy terminates, provided You have been insured for Life Insurance for at least 5 continuous years; or

Your Life Insurance is reduced:

- on or after the date You attain age 65; or
- because You change from one eligible class to another; or
- due to an amendment of this Group Policy.

A reduction in the amount of Your Life Insurance as a result of the payment of an accelerated death benefit will not give rise to a right to convert.

### **Application Period**

If You opt to convert Your Life Insurance for any of the reasons stated above, We must receive a completed conversion application form from You within 31 days after the date Your Life Insurance terminates or is reduced. If You opt not to convert within the 31-day period, You will not have the option to convert at a later date.

### **Option Conditions**

The option to convert is subject to the following:

- Our receipt within the application period of:
  - Your Written application; and
  - the Premium due
- the Premium rates for the new policy will be based on:
  - Our rates then in use;
  - the form and amount of insurance for which You apply;
  - Your class of risk; and
  - Your age
- the new policy will be a whole-life insurance policy;
- the new policy will be issued without an accidental death and dismemberment benefit;



- a waiver of premium benefit or any other rider or additional benefit; and
- the new policy will take effect after the date Your Life Insurance ends or is reduced. This will be the case regardless of the duration of the application period.

### **Maximum Amount of the New Policy**

If Your Life Insurance ends due to the termination of the Policy or the Policy is amended to terminate all Life Insurance for an eligible class of which You are a member, the maximum amount of insurance that You may elect for the new policy is the lesser of:

- the amount of Your Life Insurance that terminates under the Policy less the amount of Life Insurance for which You become eligible under any group policy within 31 days after the date insurance terminates under the Policy; or
- \$2,000

If Your Life Insurance ends or is reduced for any other reason, the maximum amount of insurance that You may elect for the new policy is the amount of Your Life Insurance which ends under the Policy.

### **If You Die Within 31 Days After Your Life Insurance Ends or Is Reduced**

If You die within 31 days after Your Life Insurance ends or is reduced by an amount You are entitled to convert, Proof of Your death must be sent to Us. When We receive such Proof, we will pay a death benefit under the Policy equal to the amount of the Life Insurance which could have been converted, if the person:

- was entitled to purchase a conversion policy; and
- dies within the 31 day conversion period.

This death benefit will be paid even if no one applied for the conversion policy. If the first Premium was paid for the conversion policy, the amount of the Premium paid will be refunded and the conversion policy will be void.

### **Notice of Your Conversion Privileges**

When Your Life Insurance terminates, written notice of the right to convert will be:

- given to You by the Policyholder; or
- mailed by the Policyholder to Your last known address.

An additional period in which to convert will be granted if this written notice is not provided to You at least 15 days before the end of the 31 day conversion period. Any such extension of the conversion period will expire on the earliest of:

- 25 days after You are given written notice; and
- 60 days after the end of the 31 day conversion period even if You are never given such notice.

**Payment of Premium**

Timely payment of Premium must be made directly to the Company, throughout the period of continued insurance. The required Premium will equal:

- the Premium rate which would apply if the You remained insured with the Policyholder; plus
- the administrative processing fees, if any.



## BENEFICIARY AND FACILITY OF PAYMENT

For Your loss of life, We will pay benefits to Your Beneficiary. For any other loss (except for loss of life) sustained by You, We will pay benefits to You.

You may designate a Beneficiary during Your enrollment process. You may change Your Beneficiary at any time. To do so, You must provide a Signed and dated request to Your group benefit administrator using the beneficiary change form. Your Signed request to change the Beneficiary must be provided to the Employer within 30 days of the date You Sign such request.

You do not need the Beneficiary's consent to make a change unless you are married or in a domestic partnership and are naming someone other than Your Spouse/Domestic Partner. Your Spouse/Domestic Partner will need to sign the Beneficiary Change Request form. When Your Policyholder receives and records the change, it will take effect as of the date You Signed the Beneficiary Change Request form. The change will not apply to any claim payment made in good faith by Us before the change request was received and recorded.

Unless You make an irrevocable designation of Beneficiary, You have the right to change Your Beneficiary and the consent (except as noted in the above paragraph) of the Beneficiary or Beneficiaries shall not be requisite to surrender or assignment of the Policy or to any change of Beneficiary or Beneficiaries, or to any other changes in the Policy.

If two or more Beneficiaries are designated and their shares are not specified, they will share the benefit payment equally.

If there is no Beneficiary designated or no surviving designated Beneficiary at the time of Your death, We may determine the Beneficiary to be one or more of the following who survive You and in the following order and:

- Your Spouse/Domestic Partner; or
- Your Child(ren); or
- Your parent(s); or
- Your sibling(s); or
- Your estate

Instead of making payment to any of the above, We may pay a good faith payment to Your estate. Any payment made in good faith will discharge Our liability to the extent of such payment.

If a Beneficiary is a minor or incompetent to receive payment, We will pay that person's court appointed property and estate guardianship or We will hold funds until the minor is of legal age.

The benefits under the Policy are not subject to the claim of, or legal process by any creditor of Your Beneficiary.



## CONTINUATION OF INSURANCE DURING A LABOR DISPUTE

The Certificate, including all coverages for Life and AD&D insurance, may be continued by You, upon timely payment of premium, for the period of cessation of work when:

- The employer's Premium contributions are required by a collective bargaining agreement; and
- Your eligibility ends because Your employment ceases due to a labor dispute.

Continued insurance will end on the earliest of:

- the date You begin full-time employment with another employer;
- the date fewer than 75% of the Insureds eligible for this continuation are continuing their insurance;
- the end of the period for which the last Premium has been paid;
- the date that You exercise Your conversion privilege; or
- the date insurance would otherwise terminate, had You remained an active Full-Time employee.

### Monthly Premium

You must continue to pay the Policyholder the required monthly premium (including the part normally paid by the Policyholder). The monthly premium will be at the same rate We would have charged for such coverage, if You had remained an active Full-Time Employee. We retain the right to adjust the rates during the continuation period.

### Election

To continue insurance, the You must send the Policyholder:

- 1) a written request to continue insurance; and
- 2) the first monthly premium payment.

This must be done within 31 days after such Insured Person's Active Work ceases due to a labor dispute. You may exercise the conversion privilege at any time during the period of continued coverage.



## CLAIMS AND APPEALS

Your group benefit administrator is responsible for reporting all Covered Losses directly to Us.

When Blue Shield Life receives the Proof of Loss with all required supporting documentation, We will pay benefits subject to the terms and provisions of this Certificate and the Policy.

### **Notice of Claim**

Written notice of claim must be given to Us within 20 days after the occurrence or commencement of any loss covered by the Policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of You or the Beneficiary to Us at Our address as contained in this Certificate, or to any authorized agent of Ours, with information sufficient to identify the insured, shall be deemed notice to Us.

### **Claim Form**

Upon receipt of a notice of claim, We will furnish the claimant with the forms needed to file a Proof of Loss. If We do not furnish Proof of Loss forms within 15 days of receipt of the notice of claim, then the claimant shall be deemed to have filed a timely Proof of Loss if, within the time requirements under this Certificate, the claimant has submitted written proof covering the character and the extent of the occurrence or loss.

Proof should be sent to Us as soon as is reasonably possible after the death of an Insured.

### **Time Limit on Legal Actions**

A legal action on a claim may only be brought against Blue Shield Life during a certain period. This period begins 60 days after the date Proof is filed and ends 3 years after the date such Proof is received in full. All statutory appeals must be exhausted with Us and the California Department of Insurance.

### **Proof or Proof of Loss**

If You, Your Spouse/Domestic Partner, or Your Child(ren) die, Proof of death must be sent to Blue Shield Life. When We receive all requested information, We will review the claim and, if approved, Blue Shield Life will pay the Beneficiary the Life and AD&D Insurance in effect on the date of Your Loss.

For claims other than death claims, You must provide written Proof of Loss to Us within 90 days after the occurrence or loss. Failure to furnish Proof within the time required shall not invalidate or reduce the claim if it was not reasonably possible to give Proof within the time, provided Proof is furnished to us as soon as reasonably possible and, except in the absence of legal capacity, no later than one year from the time Proof is otherwise required.



### **Physical Exams**

We shall have the right and opportunity to examine the person of the Insured when and as often as We may reasonably require during the pendency of a claim other than a claim for loss of life. We will pay the cost of such exams.

### **Autopsy**

In case of death and where it is not forbidden by law, We shall have the right and opportunity to make an autopsy at our own expense.

### **Payment Options**

We will pay the Life and AD&D Insurance in one sum. Benefits payable under this Certificate, for any loss will be paid immediately upon receipt of Proof of such loss. Installment payments may be available upon request and would include interest earned.

### **Denial and Appeal Rights**

If You have questions or do not agree with a benefit determination, You may request a review of this decision by contacting our office in writing within thirty (30) days and submitting any additional information that You would like Us to consider.

Blue Shield Life Appeals

Blue Shield Life  
4203 Town Center Blvd.  
El Dorado Hills, CA 95762  
1-888-800-2742

Blue Shield Life reserves the right to assert any additional valid reasons for the benefit determination. After completion of Our appeal process, if You still do not agree with Our decision, You may contact the Department of Insurance at:

California Department of Insurance  
300 South Spring Street  
Los Angeles, CA 90013  
Phone: 1-800-927-4357

Website: <http://www.insurance.ca.gov/01-consumers/101-help/index.cfm>



## GENERAL PROVISIONS

### **Entire Contract; Changes**

This Policy and any supplemental documents, including the Group Policyholder's application, if attached, constitute the entire contract between the parties, and no statement made by the Policyholder or by any Insured Person whose eligibility has been accepted by Blue Shield Life shall (avoid the insurance or reduce the benefits under this Policy or) be used in defense to a claim hereunder.

No change in this Policy shall be valid unless approved by an executive officer of Blue Shield Life unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions.

### **Incontestable**

We will not contest the Policy after it has been in force for two years from its date of issue, and may only be contested based on a statement made in the Policyholder application or in the case of an individual insured, the Evidence of Insurability form, if the statement is attached to the Policy. The statement upon which the contest is made shall be material to the risk accepted or the hazard assumed by the insurer.

### **Misstatement of Age**

If the age of any Insured Person has been misstated, the amount payable shall be such as the premium paid for the coverage of such individual would have purchased using the correct age.

### **Conformity to State or Federal Law**

If any provision of the Policy is in conflict with the statutes of the state in which the Policy was delivered or issued for delivery, or Federal statutes, it is hereby amended to meet the minimum requirements of the law.

### **Assignment of Benefits**

The rights and benefits under the Policy are assignable prior to a claim for benefits, except as required by law. We are not responsible for the validity of an assignment.

### **Clerical Error**

An error in keeping records will not cancel insurance that should otherwise continue in force. Such error will not continue insurance that should otherwise end. Your insurance coverage will not be prejudiced by the failure on the part of the Policyholder to transmit reports, pay Premium or comply with any of the provisions of the Policy when such failure is due to an inadvertent error or clerical mistake.





We have the right to examine the Policyholder's records for the Policy at any reasonable time. This right will extend until 2 years after the expiration of the Policy or until final adjustment and settlement of all claims hereunder, whichever is later.

**The Policy does affect Workers' Compensation**

The Policy is not in lieu of and does not affect any requirements for coverage by Workers' Compensation Insurance.