

(herein called the Company)

CERTIFIES THAT Group Policy No. 038041 has been issued to

St. Helena Unified School District
(The Group Policyholder)

The Effective Date of the Policy is October 1, 1995.

The insurance is effective only if the Employee is eligible for insurance and becomes and remains insured as provided in the Group Policy.

ELIGIBLE CLASSES OF INSURED PERSONS. All Management, Certificated, and Classified Employees of the Policyholder working a minimum of 20 hours each week.

SCHEDULE OF INSURANCE

CLASSIFICATION	AMOUNT OF PERSONAL LIFE INSURANCE SUM*	AD&D INSURANCE PRINCIPAL SUM*
Class 1 - 000: Management and Classified Employees	\$35,000	\$35,000
Class 2 - 001: Certificated Employees	\$35,000	\$35,000

WAITING PERIOD. The first of the month with or next following the date of employment.

Common Carrier benefit is included.

SUPPLEMENTAL LIFE INSURANCE*

Class 1 and 2 \$50,000 or \$25,000

*On the policy anniversary the amounts of Life Insurance and AD&D Insurance will be reduced 35% when you attain age 65, will reduce an additional 50% of the original amount at age 70. Benefits will terminate when you retire; however, early retirees may continue coverage until age 65 with Board approval.

See next page for Dependent Life Insurance.

You are entitled to the benefits described in this Certificate if you are eligible for insurance under the provisions of the Policy. This Certificate replaces any other certificates for the benefits described inside. As a Certificate of Insurance, it is not a contract of insurance; it only summarizes the provisions of the Policy and is subject to the Policy's terms.



Duncan Ross
President and CEO

Printed: 8/04

CERTIFICATE OF GROUP INSURANCE

DEPENDENT LIFE INSURANCE

DEPENDENT	AMOUNT OF LIFE INSURANCE
Spouse	\$1,500
Dependent Child (from live birth to 6 months)	100
Dependent Child (age 6 months to 21 years, 23 years if full-time student)	1,500

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AMOUNT OF INSURANCE

The amount of your insurance is determined by the Schedule of Insurance in the Policy. The initial amount of coverage is the amount which applies to your classification on the day your coverage becomes effective. You may become eligible for increases in the amount of insurance in accordance with the Schedule of Insurance. Any such increase will be effective on latest of:

1. the first of the Insurance Month which coincides with or follows the date on which you become eligible for the increase, provided you are Actively at Work on that day;
2. the day you resume Active Work if not Actively at Work on the day the increase otherwise would have been effective; or
3. the day any required evidence of insurability is approved by the Company.

Any decrease will be effective on the day of the change, whether or not you are Actively at Work.

DEFINITIONS

ACTIVE WORK OR ACTIVELY AT WORK mean the full-time/permanent part-time performance of all customary duties of an employee's occupation at the EMPLOYER'S place of business (or other business location to which the EMPLOYER requires the employee to travel).

DAY or DATE means 12:01 A.M., Standard Time, at the Group Policyholder's place of business (when used with regard to eligibility dates, effective dates or termination of insurance).

EMPLOYER means the Group Policyholder or the Participating Employer named on the Face Page.

FULL-TIME/PERMANENTE PART-TIME EMPLOYEE means an employee of the EMPLOYER:

1. whose employment with the EMPLOYER is the employee's principal occupation; and
2. who is regularly scheduled to work at such occupation at least the minimum number of hours shown in the Schedule of Insurance.

INSURANCE MONTH means:

1. that period beginning on the Issue Date of the Policy and extending for one month; and
2. each subsequent month beginning on the same day after that.

PHYSICIAN means a licensed practitioner of the healing arts other than you or your relative.

POLICY means the Group Insurance Policy issued by the Company to the Group Policyholder. A copy of the Policy may be examined upon request at the Home Office of the Group Policyholder.

ELIGIBILITY

If you:

1. are a full-time/permanent part-time Employee of the Employer; and
2. are a member of one of the employee classes shown in the Schedule of Insurance;

you will become eligible for the coverage provided by the Policy on the later of:

1. the date of issue of the Policy; or
2. completion of the Waiting Period shown in the Schedule of Insurance.

EFFECTIVE DATES OF COVERAGES

Your insurance is effective on the later of:

1. the date you become eligible;
2. if you are not Actively at Work on the day you become eligible, then the day you resume Active Work;
3. if you pay any part of the premium, then the day you sign your payroll deduction form and apply for coverage; or
4. if evidence of insurability is required, the day your coverage is approved by the Company.

Evidence of insurability is required if:

1. you do not apply for coverage within 31 days after you become eligible; or
2. you apply for coverage after:
 - (a) you have requested cancellation of your coverage; or
 - (b) you have requested cancellation of your payroll deduction.

EXCEPTION. If your coverage terminates due to an approved leave of absence or a military leave, evidence of insurability requirement will be waived upon your return; provided you apply or are re-enrolled within 31 days after resuming Active Work.

TERMINATION OF COVERAGE

Your coverage terminates on the earliest of:

1. the day the Policy terminates;
2. the last day of the Insurance Month in which you request termination of your coverage;
3. the last day of the period for which the premium for your insurance has been paid;
4. the day you cease to be a member of an employee class shown in the Schedule of Insurance;
5. the last day of the month your employment with the Group Policyholder terminates; and
6. the day you enter the armed services for any state or country on active duty; except for duty of 30 days or less for training in the Reserves or National Guard.

Ceasing Active Work is deemed termination of employment and results in termination of coverage. It may be possible to continue all or part of your insurance during a temporary lay off or leave of absence or when you are not able to work due to sickness or injury. The conditions concerning such a continuance may be found in the Policy. See your Employer for this information.

CONTINUATION OF INSURANCE DURING A LABOR DISPUTE

You may continue coverage for as long as six months when:

1. your Employer's premium contributions are required by a collective bargaining agreement; and
2. your eligibility ends because your employment ceases due to a labor dispute.

Insurance may be continued on a monthly basis until the earliest of:

1. the date insurance has been continued for six months;
2. the date you begin Full-Time employment with another employer;
3. the date fewer than 75% of the employees whose eligibility ended due to the labor dispute are continuing their insurance;
4. the end of the period for which the last premium has been paid;
5. the date the Conversion Privilege is exercised; or
6. the date insurance would otherwise terminate, had you remained an active Full Time Employee.

MONTHLY PREMIUM. You must continue to pay the Group Policyholder the required monthly premium (including the part normally paid by your Employer). The monthly premium will be at the same rate the Company would have charged for such coverage, had you remained an active Full Time Employee. The Company retains the right to adjust the rates during the continuation period.

ELECTION. To continue insurance, you must send the Group Policyholder:

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

This must be done within 31 days after your Active Work ceases due to a labor dispute. You may exercise the Conversion Privilege at any time during the period of continued coverage.

DEATH BENEFIT

The amount of your Personal Life Insurance which is in effect on the date of your death will be paid as a death benefit to your Beneficiary. Arrangements may be made to have this death benefit paid in installments.

BENEFICIARY

Your Beneficiary is the person or persons so named on you enrollment card. The Beneficiary may be changed in accordance with the terms of the Policy.

If no named Beneficiary is living when you die, the death benefit will be paid in accordance with the terms of the Policy.

EXTENSION OF DEATH BENEFIT IF YOU BECOME TOTALLY DISABLED

Your life insurance will be continued without payments of premiums if you, while insured,

1. become Totally Disabled before you reach age 60;
2. submit proof of your disability which is received by the Company within 12 months of the day your total Disability began and no longer than 6 months after the Policy terminates; and
3. remain Totally Disabled.

In the event you are over age 60 at the time Total Disability begins, coverage may continue with payment of premiums.

The life insurance continued will be subject to the reductions and terminations shown in the Policy.

DEFINITION OF TOTAL DISABILITY. For this benefit, Total Disability:

1. means you are unable, due to sickness or injury, to engage in any employment or occupation for which you are or become qualified by reason of education, training, or experience; and
2. must continue for at least 6 months.

If you engage in employment for wage or profit, you are not Totally Disabled.

From time to time, you must submit proof that your disability is continuing.

Any life insurance which has been continued under this benefit will be terminated automatically on the day:

1. you cease to be Totally Disabled;
2. you fail to take a required medical examination;
3. you fail to submit any required proofs; or
4. you reach age 70.

CONVERSION PRIVILEGE

If your insurance or insurance on a Dependent terminates for any reason except:

1. termination or amendment of the Policy; or
2. your request for:
 - (a) termination of insurance; or
 - (b) cancellation of your payroll deduction,

an individual life policy, known as a conversion policy, may be purchased without evidence of insurability.

To purchase a conversion policy, application and payment of the first premium must be made within 31 days after the life insurance is terminated.

The conversion policy will:

1. be in an amount not to exceed the amount of life insurance which was terminated;
2. be on any form (except term) then issued by the Company at the age and amount for which application is made;
3. be issued at the person's age at nearest birthday;
4. be issued without disability or other supplemental benefits; and
5. require premiums based on the class of risk to which the person then belongs.

A conversion policy also may be purchased if:

1. all or part of your insurance or insurance on a Dependent terminates due to amendment or termination of the Policy; and
2. you have been covered continuously under the Policy for at least 5 years or you are Totally Disabled (as defined by the Policy).

The amount of the conversion policy may not exceed the lesser of:

1. \$2,000; or
2. the amount of life insurance which terminates, less the amount of any group life insurance for which the person becomes eligible within 31 days after the termination.

The conversion policy will take effect on the later of:

1. its date of issue; and
2. 31 days after the date the insurance terminated.

If death occurs during the 31 day conversion period, the Company will pay the life insurance which could have been converted even if no one applied for the conversion policy.

When your insurance terminates, written notice of your right to convert will be given to you.

If written notice is not given to you at least 15 days before the end of the 31 day conversion period, an additional period in which to convert will be granted. Any such extension of the conversion period will expire on the earliest of:

1. 25 days after you are given the written notice; and
2. 60 days after the end of the 31 day conversion period, even if you are never given such notice.

No death benefit will be payable under the Policy after the 31 day conversion period has expired even though the right to convert may be extended.

DEPENDENT LIFE INSURANCE

DEATH BENEFIT. The amount of Dependent Life Insurance, which is in effect on the date of your Dependent's death, will be paid as a death benefit to you. If you are not living when your Dependent dies, the death benefit will be paid in accordance with the terms of the Policy.

DEPENDENT. A Dependent means a person who meets the definition of a dependent under the provision of the U.S. Internal Revenue Code and is a Full-Time Employee's:

- (1) spouse who is not legally separated from the Full-Time Employee;
- (2) unmarried child from live birth to 21 years of age;
- (3) unmarried child less than 23 years of age and a Full-Time student at an accredited college or university; or
- (4) unmarried child who is totally and permanently disabled and who became so disabled prior to reaching 21 years of age.

A legally adopted child is considered your child from the date of placement in your home for an agency adoption; or from the date the adoption petition is filed, if later, for a private adoption.

In addition to naturally born and legally adopted children, the word "child" includes your stepchild, provided the child resides in your household and is dependent on you for principal support.

The term Dependent does not include:

- (1) anyone enrolled under the Policy as a Full-Time Employee; or
- (2) anyone serving in the armed forces of any state or country; except for duty of 30 days or less for training in the reserves or national guard.

ELIGIBILITY. You become eligible for Dependent Life Insurance on the later of:

1. the date you become eligible for other coverages provided by the Policy;
2. the effective date of this section; or
3. the date you first acquire a Dependent (as defined by the Policy).

EFFECTIVE DATE. Your Dependent Life Insurance will become effective on the later of:

1. the date you become eligible for Dependents Life Insurance;
2. the date you sign your payroll deduction order and apply for the coverage; and
3. the date the Company approves any required evidence of insurability on all your Dependents.

If you acquire a new Dependent while insured for Dependents Life Insurance, his or her insurance will become effective on the date the Dependent is acquired.

If a Dependent is confined in a hospital on the date insurance would otherwise take effect, his or her insurance will become effective on the 10th day following final discharge from the hospital.

EVIDENCE OF INSURABILITY. Each of your Dependents must submit evidence of insurability to the Company if you:

1. make application for Dependent Life Insurance more than 31 days after the date you become eligible for Dependent Life Insurance;
2. elect to increase the amount of Dependent Life Insurance;
3. apply for an amount of Dependent life Insurance which requires evidence of insurability due to the Company's underwriting guidelines; or
4. elect to be insured for Dependent Life Insurance after you have requested:
 - (a) termination of the Dependent Life Insurance; or
 - (b) cancellation of your payroll deduction.

INDIVIDUAL TERMINATION OF DEPENDENT INSURANCE. Your Dependent Life Insurance will cease for all your Dependents when:

1. your Personal Insurance terminates;
2. Dependent Life Insurance is discontinued under the Policy;
3. you cease to be in a class of employees eligible for Dependent Life Insurance;
4. you request that the Dependent Life Insurance be terminated; or
5. the last day of the period for which you have made any required contribution for the cost of the Dependent Life Insurance.

Dependent Life Insurance on a particular Dependent will cease on:

1. the date such person ceases to be a Dependent (as defined by the Policy); or
2. the day the Dependent enters the armed forces of any state or country on active duty; except for duty of 30 days or less for training in the Reserves or National Guard.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

BENEFIT. If you sustain an accidental bodily injury, solely through accidental means, and the injury directly causes one of the following losses within 365 days of the date of such injury, the Company will pay the Benefit listed:

LOSS	BENEFIT
Loss of one hand by severance at or above the wrist;	One-half the Principal Sum
Loss of one foot by severance at or above the ankle;	One-half the Principal Sum
Irrecoverable loss of the sight in one eye;	One-half the Principal Sum
Any combination of two or more of the losses listed above;	Principal Sum
Loss of life;	Principal Sum

The total benefit for all losses resulting from the same accident may not exceed the Principal Sum. The Principal Sum for your class is shown in the Schedule of Insurance.

Benefits for loss of life will be paid to your named Beneficiary. All other benefits will be paid to you.

Additional Benefit

SEAT BELT BENEFIT. The Company will pay an additional 50% of the Principal Sum in the event you suffer loss of life or are dismembered as a result of a covered accident which occurs while you are driving or riding in an automobile, if:

1. the automobile is equipped with seat belts;
2. the seat belt was in actual use and properly fastened at the time of the accident;
3. the position of the seat belt is certified in the official report of the accident or by the investigating officer; and
4. you are driving or riding in an automobile driven by a licensed driver who was neither intoxicated, driving while impaired, nor under the influence of drugs, unless taken as prescribed by a licensed physicians, at the time of the accident. Intoxication, impaired, and being under the influence of drugs is as defined by the jurisdiction in which the accident occurs with or without a conviction.

“Automobile” means a four-wheel passenger car (including Policyholder-owned cars), station wagon, jeep, pick-up truck and van-type car.

“Seat Belt” means those belts that form an occupant restraint system and includes infant and child restraint systems when properly used with a seat belt.

LIMITATIONS. Benefits are not payable for any loss to which a contributing cause is:

1. intentionally self-inflicted injury or self-destruction;
2. disease, bodily or mental infirmity, or medical or surgical treatment of these;
3. ptomaines or any infection, other than a pyogenic infection occurring through, and at the time of, an accidental cut or wound;
4. participation in a riot;
5. duty as a member of any military, naval, or air force;
6. war or any act or war, declared or undeclared;
7. participation in the commission of a crime;
8. use of drugs, except where prescribed by a Physician; or
9. inhalation of gas, including carbon monoxide.

COMMON CARRIER BENEFIT
(applies to Insured Person AD&D if shown in the Schedule)

If an Insured Person is a fare paying passenger in or upon a public conveyance being operated by a licensed Common Carrier to transport passengers for hire, and if while entering into, exiting from, or riding in or upon such carrier, the Insured Person suffers loss of life which is otherwise covered under this provision, then the Company shall pay an additional benefit. This additional benefit shall be equal to the Benefit Amount which is payable under the Accidental Death and Dismemberment provision.

For the purpose of this provision:

- (1) a licensed "Common Carrier" shall mean a bus company, airline, or any other company licensed for the purpose of transporting passengers from one destination to another and
- (2) ascent and descent of any aircraft in flight, in accordance with (1) above, shall be deemed to be part of such flight.

No benefit shall be payable:

- (1) for an Insured Person who is acting in any capacity in the employment of the licensed Common Carrier or
- (2) for any loss which occurs as a result of travel in a licensed Common Carrier owned, leased or rented by or on the behalf of the Group Policyholder or the Employer of the Insured Person, unless specific written agreement has been obtained from the Company to provide such benefits.

CLAIMS PROCEDURES FOR HEALTH AND ACCIDENT INSURANCE

APPLICABILITY. This section applies to claims for benefits for Accidental Death or Dismemberment.

NOTICE OF CLAIM. Written notice of claim must be given within 90 days after the loss occurs. The notice must be sent to the Company's Home Office and should include:

1. your name;
2. your address; and
3. the number of the Policy.

CLAIM FORMS. When notice of claim is received, the Company will send forms for filing the required proof to you. If you do not receive these forms within 15 days, the proof of loss requirement may be met by giving the Company a written statement of the nature and extent of the loss within the time limit stated below.

PROOF OF LOSS. The Company must be given written proof of loss within 365 days after the date of such loss. If it was not reasonably possible to give written proof in the time required, the claim will not be reduced or denied solely for this reason; provided proof is filed as soon as reasonably possible. In any event, proof of loss must be given no later than one year from such time; unless the claimant lacked legal capacity.

TIME OF PAYMENT OF CLAIMS. Any benefits payable for Accidental Death or Dismemberment will be paid as soon as the Company receives proper written proof of loss.

LEGAL ACTIONS. No legal action to recover any benefits may be brought before sixty days after the required written proof of loss has been given. No legal action may be brought more than three years after written proof of loss is required to be given.

PHYSICAL EXAMINATIONS. The Company, at its expense, may:

1. have you examined, as often as reasonably necessary, while any claim is pending;
2. have an autopsy made, where allowed by law, if a claim for death benefits is made.

**CALIFORNIA LIFE AND HEALTH INSURANCE
GUARANTEE ASSOCIATION ACT
SUMMARY DOCUMENT AND DISCLAIMER**

Exhibit A

Residents of California who purchase life and health insurance and annuities should know that the insurance companies licensed in this state to write these type of insurance are members of the California Life and Health Insurance Guarantee Association (“CLHIGA”). The purpose of this Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guarantee Association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided through the Association is not unlimited, as noted in the box below, and is not a substitute for consumers’ care in selecting insurers.

The California Life and Health Insurance Guarantee Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residency in California. You should not rely on coverage by the Association in selecting an insurance company or in selecting an insurance policy.

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus.

Insurance companies or their agents are required by law to give or send you this notice. **However, insurance companies and their agents are prohibited by law from using the existence of the Guarantee Association to induce you to purchase any kind of insurance policy.**

Policyholders with additional questions should first contact their insurer or agent or may then contact:

California Life and Health Insurance
Guarantee Association
P.O. Box 17319
Beverly Hills, CA 90209-3319

or

Consumer Service Division
California Department of Insurance
300 South Spring Street
Los Angeles, CA 90013

The state law that provides for this safety-net coverage is called the California Life and Health Insurance Guarantee Association Act. Below is a brief summary of this law’s coverages, exclusions, and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone’s rights or obligations under the Act or the rights or obligations of the Association.

COVERAGE

Generally, individuals will be protected by the California Life and Health Insurance Guarantee Association if they live in this state and hold a life or health insurance contract, or an annuity, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees, or assignees of insured persons are protected as well, even if they live in another state.

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EXCLUSIONS FROM COVERAGE

However, persons holding such policies are not protected by this Guarantee Association if:

- Their insurer was not authorized to do business in this state when it issued the policy or contract;
- Their policy was issued by a health care service plan (HMO, Blue Cross, Blue Shield), 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;
- They are eligible for protection under the laws of another state. This may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state.

The Guarantee Association also does not provide coverage for:

- Unallocated annuity contracts; that is, contracts which are not issued to and owned by an individual and which guarantee rights to group contract holders, not individuals;
- Employer and association plans, to the extent they are self-funded or uninsured;
- Synthetic guaranteed interest contracts;
- 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 a variable contract sold by prospectus;
- Any policy of reinsurance unless an assumption certificate was issued;
- Interest rate yields that exceed an average rate;
- Any portion of a contract that provides dividends or experience rating credits.

LIMITS ON AMOUNT OF COVERAGE

The Act limits the Association to pay as follows:

LIFE AND ANNUITY BENEFITS

- 80% of what the life insurance company would owe under a life policy or annuity contract up to
- \$100,000 in cash surrender values,
- \$100,000 in present value of annuities; or
- \$250,000 in life insurance death benefits.
- A maximum of \$250,000 for any one insured life no matter how many policies and contracts there were with the same company, even if the policies provided different types of coverages.

HEALTH BENEFITS

- A maximum of \$200,000 of the contractual obligations that the health insurance company would owe were it not insolvent. The maximum may increase or decrease annually based upon changes in the health care cost component of the consumer price index.

PREMIUM SURCHARGE

Member insurers are required to recoup assessments paid to the Association by way of a surcharge on premiums charged for health insurance policies to which the Act applies.

Inquiries about this Certificate should be directed to:

**Blue Shield of California Life & Health Insurance Company
P.O. Box 3007
Lodi, CA 95241-1911
Telephone: 1 800 642-5599**

If an inquiry is not resolved satisfactorily, the Certificateholder may request a formal review by the California Department of Insurance by writing to the following address.

**Consumer Affairs Office
California Department of Insurance
300 South Spring Street
Los Angeles, CA 90013**

Telephone: 1-800-927-4357

**Legal remedies may not begin unless and until the Certificateholder has attempted resolution with
1) the Company; and 2) the California Department of Insurance.**

ACCELERATED DEATH BENEFIT RIDER
(Applies only to Insured Person's Personal Life Insurance)

BENEFIT. The Accelerated Death Benefit is an advance payment of part of your Personal Life Insurance. It may be paid to a Terminally Ill person, in a lump sum, once during a lifetime. To qualify, you must:

- (1) have satisfied the Active Work requirement under this Policy;
- (2) have been insured under this Policy for at least 30 days; and
- (3) have at least \$25,000 of Personal Life Insurance under this Policy on the day before the Accelerated Death Benefit is paid.

Receiving the Accelerated Death Benefit will reduce the Remaining Life Insurance and the Death Benefit payable at your death.

"Terminally Ill" means you have a medical condition which is expected to result in death within 6 months, despite appropriate medical treatment.

APPLYING FOR THE ACCELERATED DEATH BENEFIT. To receive the Accelerated Death Benefit, you (or your legal representative) must send to the Company:

- (1) written election of the Accelerated Death Benefit, on forms supplied by the Company; and
- (2) satisfactory proof that you are Terminally Ill, including a Physician's written statement.

The Company reserves the right to decide whether such proof is satisfactory. The Company may have you examined, at its own expense, by one or more Physicians of its choice.

Before paying an Accelerated Death Benefit, the Company must also receive the written consent of any irrevocable beneficiary, assignee or bankruptcy court with an interest in the benefit. (See Limitations 4, 5 and 6.)

AMOUNT OF THE ACCELERATED DEATH BENEFIT. You may elect to withdraw an Accelerated Death Benefit in any \$1,000 increment; subject to:

- (1) a minimum of 10% of your amount of Personal Life Insurance; and
- (2) a maximum of \$100,000 or 50% of your amount of Personal Life Insurance (whichever is less).

To determine the Accelerated Death Benefit, the Company will use the lesser of A or B below:

- A. your amount of Personal Life Insurance which is in force on the day before the Accelerated Death Benefit is paid; or
- B. your amount of Personal Life Insurance which would be in force 12 months after that date, if the coverage is scheduled to reduce, due to age, within 12 months after the Accelerated Death Benefit is paid.

ACCELERATED DEATH BENEFIT RIDER
(continued)

Before making payment to you, the Company will reduce the Accelerated Death Benefit by an early withdrawal fee. This early withdrawal fee will be 4% of the Accelerated Death Benefit.

EFFECT ON AMOUNT OF LIFE INSURANCE. "Remaining Life Insurance" means the amount of Personal Life Insurance which remains in force on your life after an Accelerated Death Benefit is paid. The Remaining Life Insurance will equal:

- (1) your amount of Personal Life Insurance which was used to determine the Accelerated Death Benefit (A or B above); minus
- (2) any percentage by which your coverage is scheduled to reduce, due to age; if the reduction occurs more than 12 months after the Accelerated Death Benefit is paid, and while you are still living; minus
- (3) the amount of the Accelerated Death Benefit withdrawn (including the early withdrawal fee retained by the Company).

CONDITIONS. If you exercise the Conversion Privilege after an Accelerated Death Benefit is paid, the amount of the conversion policy will not exceed the amount of your Remaining Life Insurance. If you have Accidental Death and Dismemberment benefits under this Policy, the Principal Sum will not be affected by the payment of an Accelerated Death Benefit.

EFFECT ON DEATH BENEFIT. When you die after receiving an Accelerated Death Benefit, the amount of Remaining Life Insurance in force on the date of death will be paid as a Death Benefit. Payment will be made in accordance with the Beneficiary section of this Policy.

If you die after applying for an Accelerated Death Benefit, but before the Company has made payment, then the request will be void and no Accelerated Death Benefit will be paid. The amount of Personal Life Insurance in force on the date of death will be paid in accordance with the Beneficiary section of this Policy.

EFFECT ON TAXES AND GOVERNMENT BENEFITS. Any Accelerated Death Benefit amount withdrawn may be taxable income to you. Receipt of the Accelerated Death Benefit may also effect your eligibility for Medicaid, Supplemental Security Income and other government benefits. You should consult a tax and legal advisor before applying for an Accelerated Death Benefit. The Company is not responsible for any tax owed or government benefit denied, as a result of the Accelerated Death Benefit payment.

LIMITATIONS. No Accelerated Death Benefit will be paid:

- (1) if any required premium is due and unpaid;
- (2) on any Dependent Life Insurance under this Policy;

ACCELERATED DEATH BENEFIT RIDER
(continued)

- (3) on any conversion policy purchased in accord with the Conversion Privilege;
- (4) without written approval of the bankruptcy court, if you have filed for bankruptcy;
- (5) without the written consent of the beneficiary, if you have named an irrevocable beneficiary;
- (6) without the written consent of the assignee, if you have assigned the rights under this Policy;
- (7) if any part of the Personal Life Insurance must be paid to your child, spouse or former spouse, pursuant to a legal separation agreement, divorce decree, child support order or other court order;
- (8) if you are Terminally Ill due to a suicide attempt, while sane or insane or due to an intentionally self-inflicted injury;
- (9) if you are Terminally Ill due to alcohol or drug abuse;
- (10) if a government agency requires you to use the Accelerated Death Benefit to apply for, receive or continue a government benefit or entitlement;
- (11) if you have previously received an Accelerated Death Benefit under this Policy; or
- (12) if you reside outside the United States of America.