

HCC LIFE INSURANCE COMPANY

225 TownPark Drive, Suite 145
Kennesaw, GA 30144-5509



GROUP TERM LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT POLICY

Non-Participating

This is a legal contract between the Policyholder and HCC Life Insurance Company

Policyholder: Board of Supervisors of Louisiana State University and Agricultural and Mechanical College

Policy Number: HCL80740

Policy Effective Date: 07/01/2010

Policy Issued In: Louisiana and governed by the laws of that jurisdiction

HCC Life Insurance Company will pay benefits according to the terms of this Policy after receiving satisfactory proof of loss.

This Policy is issued in consideration of statements made in the application of the Policyholder and the payment of premiums by the Policyholder. A copy of the signed application is attached and made a part of the Policy.

This Policy includes an Accelerated Death Benefit provision. Accelerated Death Benefits may be taxable and may affect a Covered Person's eligibility for Medicaid or other government benefits and entitlements. Covered Persons should consult a personal tax advisor or legal advisor before applying for an Accelerated Death Benefit.

This Policy is issued by Us as of the Policy Effective Date, but it is not valid unless countersigned by Our duly authorized representative.

Handwritten signature of Craig J. Kelbel in black ink.

President

Handwritten signature of the Corporate Secretary in black ink.

Corporate Secretary

Signature of Licensed Registered Agent (where required): _____

READ YOUR POLICY CAREFULLY

FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL: 1-800-447-0460

If you need information about your insurance, or should any dispute arise about your premium or about a claim that you have filed, call the Company at the toll-free number listed above.

RIGHT TO RETURN

You may cancel this Policy at any time during the 20-day period after you receive it. Mail this Policy with your written request for cancellation to HCC Life Insurance Company. HCC Life will promptly refund the premium paid.

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POLICY DATA

Initial Limited Rate

Guarantee Period: 12 months

Anniversary Date: 07/01/2010

Renewal Date: Each July 1 following the Effective Date

Premium Due Date: 07/01/2010, and the first day of each calendar month thereafter

Subject to the termination and incontestability provisions, this Policy is issued at the Initial Premium Rates for the Initial Limited Rate Guarantee Period. The Initial Limited Rate Guarantee Period ends on the Anniversary Date shown above. This Policy may be renewed by payment of premiums as set by HCC Life on each Renewal Date. Each renewal period will begin and end at 12:01 A.M. Standard Time at the Policyholder's address.

Minimum Number of Insured Employees: 15 Eligible Employees

Minimum Participation Requirements:

Non-Contributory Basic Employee Life and Accidental Death and Dismemberment Insurance 100% of Eligible Employees

Non-Contributory Basic Employee Life and Accidental Death and Dismemberment Insurance 75% of Eligible Employees

COVERAGE OUTLINE

ELIGIBILITY - See Eligibility and Coverage Amendment

CONTRIBUTION BASIS

Basic Employee Life and Accidental
Death and Dismemberment

Classes: All

100% Employer Paid

SCHEDULE OF BENEFITS

Amounts of insurance are determined by employee classification and are subject to the provisions and terms of this Policy.

Basic Employee Life Insurance Classes

1	\$25,000
2	\$25,000

Basic Employee Accidental Death and Dismemberment Insurance Classes

1	\$25,000
2	\$25,000

Additional Basic Employee Accidental Death & Dismemberment Benefits

Seat Belt Benefit	\$10,000 or the amount of Basic Employee Accidental Death & Dismemberment Insurance, whichever is less
Air Bag Benefit	\$10,000 or the amount of Basic Employee Accidental Death & Dismemberment Insurance, whichever is less

Age Reduction Schedule

The Basic Employee Life and Basic Employee Accidental Death and Dismemberment Insurance will be reduced according to the following schedule. All reductions are based on the amount of insurance in force immediately prior to the first reduction.

Classes	Benefits Reduce To	At Age
All	65%	65
	50%	70
	35%	75
	15%	80
	5%	85

All insurance benefits terminate on the date of the employee's retirement unless a retiree classification is included in this Policy. If a retiree classification is included, age reductions will not apply to the retiree benefit amount.

Guaranteed Issue Amount

Classes

All Employees and Retirees \$25,000 for Basic

Proof of Good Health must be submitted for any insurance amounts that exceed the Guaranteed Issue Amount.

DEFINITIONS

Accelerated Death Benefit means a benefit that allows a terminally ill employee to receive a portion of the group term Life Insurance prior to death. Accelerated Death Benefits do not apply to any insurance under this Policy other than group employee term Life Insurance.

Accidental Death and Dismemberment Insurance means a benefit that provides an additional amount of insurance if a loss is caused by an accident.

Active Work and Actively at Work means an employee is either:

1. Performing the material duties of his/her own occupation at the Employer's usual place of business on a scheduled workday; or
2. Capable of performing the material duties of his/her own occupation if the employee is not at work due to a non-scheduled workday, a holiday, or a vacation day and the employee was Actively at Work on the last scheduled workday.

Air Bag System means an automatically inflatable restraint system that is designed to provide crash protection in Automobile accidents and meets the safety standards of the National Highway Traffic Safety Administration.

Annual Earnings means your annual rate of earnings in effect on your last full day of Active Work prior to incurring a loss under the Policy. Any change thereafter will not affect your Annual Earnings for determining benefits under the Policy.

1. Partners, Owners, Sole Proprietors, S-corporation Shareholders

Annual Earnings will be your annual compensation from your Employer during your Employer's prior tax year. Annual compensation is determined by adding the following amounts as reported on the Schedule K-1, Form W-2, Schedule C, or S-corporation federal income tax return:

- A. Ordinary income, including losses, from business activities.
- B. Guaranteed payments or draw, if the employee is a partner.
- C. Compensation, salary, or wages, if an S-Corporation shareholder.

If you did not work for your Employer during your Employer's entire prior tax year, the average monthly rate of earnings will be determined for the period of time you did work for your Employer during your Employer's prior tax year (or for the period of employment, if you did not work for your Employer during your Employer's prior tax year) and multiply the average monthly rate of earnings by 12. The amounts listed above will be used to determine the average monthly rate of earnings.

2. All Other Covered Persons

Annual Earnings will be based on your annual rate of earnings from your Employer.

Annual Earnings do not include commissions, bonuses, overtime pay, or any other extra, special or incentive compensation.

If you are paid on an hourly basis, Annual Earnings will be based on your hourly pay rate times the number of hours regularly scheduled to work per year, but not more than 2080 hours per year.

3. All Covered Persons

Annual Earnings include:

- A. Contributions made through a salary reduction agreement with your Employer to an IRC Section 401(k), 403(b), 408(k) or 457 plan, or to an executive non-qualified deferred compensation arrangement.
- B. Amounts contributed to fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Annual Earnings do not include your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.

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

Beneficiary means the person or persons named by the employee who will be paid insurance benefits under this Policy due to an employee's death.

Contributory means the employee pays all or part of the cost of insurance. The Employer determines the amount of employee contribution toward the cost of insurance.

Covered Person means an employee or dependent who is eligible for coverage, has met all the enrollment requirements and for whom all due premiums have been paid.

Dependent Life Insurance means insurance provided under this Policy for Eligible Dependents.

Eligible Class means a class of persons eligible for insurance under this Policy. An employee may not belong to more than one Eligible Class at the same time.

Eligible Dependent means an employee's spouse or child. Spouse means a person to whom the employee is legally married. Child means the employee's unmarried child from 14 days through age 18. Child includes a legally adopted child, a stepchild or foster child who is either living in the employee's home or chiefly dependent upon the employee for support and maintenance. Child also means the employee's unmarried child age 19 through age 24 who is a registered student attending an accredited educational institution full time or an employee's unmarried child who has turned age 19 but is handicapped or incapacitated.

Note: A Covered Person may not be an Eligible Employee and an Eligible Dependent at the same time.

Eligible Employee means an active employee of the Employer who:

1. Is regularly scheduled to work at least the number of hours each week specified in the Coverage Outline for the employee's class;
2. Is a member of an Eligible Class; and
3. Has completed the Eligibility Waiting Period, if any.

Eligibility Waiting Period means the length of time an employee must be employed before becoming eligible for coverage under this Policy.

Employer means the Policyholder and any subsidiary or affiliate of the Policyholder approved by Us.

Enrollment Period means the time period during which an employee may apply for coverage below the Guaranteed Issue Amount without providing Proof of Good Health.

Grace Period means the period of time allowed for the payment of each premium after the initial premium.

Guaranteed Issue Amount means the maximum amount of insurance that will be issued for an employee or dependent without requiring Proof of Good Health. This amount does not apply to Late Enrollees or Late Applicants.

Injury means accidental bodily Injury.

Late Enrollee or Late Applicant means an employee or dependent who did not enroll for coverage during the Enrollment Period.

Life Insurance means Life Insurance under this Policy.

Non-Contributory means the Employer pays the entire cost of insurance.

Physician means a licensed medical professional acting within the scope of his or her license. Physician does not include the employee or the employee's spouse, or the brother, sister, parent, or child of the employee or employee's spouse.

Policy means this group Policy issued by Us to the Policyholder that describes the benefits for which an employee or dependent may be eligible.

Policyholder means the entity to which this Policy is issued.

Policy Year means the 12-month period beginning on the Policy Effective Date and each 12-month period thereafter.

Pregnancy means Pregnancy, childbirth, and related medical conditions, including complications of Pregnancy. Pregnancy is treated as any other illness.

Prior Plan means the Employer's group life insurance plan in effect on the day before the effective date of coverage under this Policy.

Proof of Good Health means evidence satisfactory to Us of an employee's or a dependent's good health.

Public Transportation means a public passenger conveyance operated by a common carrier for the transportation of the general public for a fare and operating on regular passenger routes with a definite schedule of departures and arrivals.

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

Sickness means illness or disease.

Totally Disabled and **Total Disability** mean, that as a result of Injury, Sickness or Pregnancy, an employee is unable to perform the material and essential duties of any gainful occupation for which the employee is reasonably fitted by education, training, and experience.

We, Us, and Our mean HCC Life Insurance Company.

LIFE INSURANCE PROVISIONS FOR EMPLOYEES

Insuring Clause

If an employee dies while insured for Life Insurance, We will pay benefits according to the terms of this Policy after We receive satisfactory proof of loss.

Eligibility Waiting Period and Enrollment Period

The employee is eligible for coverage under this Policy on the 30th day following the date of employment. Eligible Employees are active, full-time employees who have Medical Coverage and are members of an Eligible Class as defined in the Coverage Outline. An employee must enroll for Life Insurance within 31 days after becoming eligible for insurance (the Enrollment Period).

If an employee is eligible for coverage under more than one separate, but similar policies with HCC Life, coverage as an employee will be allowed under only one of the policies.

Effective Date of an Employee's Insurance

1. Non-Contributory Insurance

Subject to the Active Work and Proof of Good Health requirements, Non-Contributory insurance becomes effective on the date an employee becomes eligible for the insurance.

2. Contributory Insurance

An employee must apply in writing for Contributory insurance and agree to pay the required cost of the insurance. Subject to the Active Work requirement, Contributory insurance becomes effective on:

- A. The date the employee becomes eligible if application is made on or before that date.
- B. The date the employee applies if application is made within 31 days after becoming eligible.

Note: Proof of Good Health must be provided if application is made more than 31 days after becoming an Eligible Employee.

3. Insurance Requiring Proof of Good Health

Subject to the Active Work requirement, insurance for which Proof of Good Health is required becomes effective on the first day of the calendar month coinciding with or next following the date We approve the Proof of Good Health.

An Eligible Employee enrolling during the Enrollment Period is required to provide Proof of Good Health satisfactory to Us for any amount of insurance that exceeds the Guaranteed Issue Amount as shown in the Schedule of Benefits. If the Proof of Good Health is not approved, the employee will only have coverage up to the Guaranteed Issue Amount for employees. If there is no Guaranteed Issue Amount, Proof of Good Health is required for all amounts of coverage.

Late Enrollees must provide Proof of Good Health for any amount of insurance. If an employee is a Late Applicant and We do not approve the Proof of Good Health, the applicant will not have any coverage under this Policy.

We have the right to require Proof of Good Health for any increase in Life Insurance due to a change in classification, Annual Earnings or an amendment increasing the maximum of this Policy if the increase results in an insurance amount that exceeds the Guaranteed Issue Amount.

If an employee was eligible prior to the date of the current application and Proof of Good Health would have been required for that application, Proof of Good Health is required for the current application.

If an employee is eligible for insurance under this Policy but refuses to be insured because of religious or personal reasons then later wants to be insured, Proof of Good Health must be furnished and approved before any coverage will be in effect.

If Proof of Good Health is required, it will be at the applicant's expense and the effective date will be delayed until We approve the Proof of Good Health. If approved, the effective date will be stated in Our letter of approval.

4. Active Work Requirement

If an employee is not Actively at Work because of Sickness, Injury, or Pregnancy on the day insurance is scheduled to be effective or an increase in insurance is scheduled to be effective, the insurance or the increase in insurance will not become effective until the day after the employee is Actively at Work for a full day as an Eligible Employee.

5. Takeover from a Prior Plan

If an employee was insured under a Prior Plan on the day before the effective date of coverage under this Policy, the Eligibility Waiting Period is waived on the effective date of coverage under this Policy. Proof of Good Health must be provided if an employee was eligible for coverage under a Prior Plan for more than 31 days but was not covered.

6. Continuation of Prior Plan Insurance

If an employee is not Actively at Work on the date insurance would otherwise start, the Actively at Work requirement will be waived if all of the following conditions are met:

- A. The employee is eligible for insurance except for meeting the Actively at Work requirement on this Policy's effective date.
- B. The employee was covered under the Prior Plan on the day before this Policy's effective date.
- C. The employee is disclosed on the group's Actively at Work statement and premiums are paid for the employee's coverage.

Before the employee returns to Active Work, the benefit amounts and limitations will be the same as the benefits under the Prior Plan. The amount payable by Us will be reduced by any benefits still payable under the Prior Plan. The employee's insurance will stop on the date coverage would have ended under the Prior Plan had it remained in force.

Once the employee returns to Active Work, benefits will be paid according to the Schedule of Benefits and other provisions in this Policy.

Changes in Amount of Insurance

Changes in the amount of Life Insurance due to a change in Eligible Class, Annual Earnings, or age will become effective on the first day of the calendar month coinciding with or next following the date of such change. Any increase in Life Insurance is subject to the Active Work requirement. Proof of Good Health must be furnished for any amount of Life Insurance that exceeds the Guaranteed Issue Amount.

Termination of Employee's Insurance

An employee's insurance will end automatically on the last day of the month of the earliest of the following dates:

1. The date this Policy terminates.
2. For Contributory insurance, the last day of the last period for which the employee made the required contribution toward the cost of insurance.
3. For Non-Contributory insurance, the last day of the last period for which the Employer made the required premium payment on behalf of the employee.
4. For Accidental Death and Dismemberment Insurance, the date the employee is approved for Waiver of Premium, if applicable.
5. The date the employee ceases to be an Eligible Employee or a member of an Eligible Class.
However, if the employee ceases to be an Eligible Employee because of not working the required

minimum number of hours but is still employed in an Eligible Class, insurance may be continued during the following periods provided the applicable premium payment is made:

- A. The first 180 days of a temporary layoff.
 - B. The first 60 days of a strike or lockout caused by a dispute between the employee's union and the Employer.
 - C. The first 180 days of a leave of absence approved in advance and in writing by the Employer.
 - D. The period of time required for a continuation of insurance under this Policy during a leave of absence under a federal or state-mandated family or medical leave law.
 - E. The period an employee is unable to be Actively at Work due to Injury, Sickness, or Pregnancy, not to exceed 12 months.
6. The date the employee terminates employment.
 7. The date the employee requests in writing that the insurance be terminated.
 8. For Basic Employee Life Insurance, the date the employee is placed in a retiree status unless this Policy provides coverage for retired employees. Retired status begins the date of early, disability, or normal retirement.
 9. For Optional Employee Life Insurance, the date the employee retires.
 10. The date the employee enters active full-time service in any naval, military or air force.

Reinstatement of an Employee's Insurance

If an employee's insurance ends, the employee may become insured again as a new Eligible Employee. However, if insurance ends because the employee failed to make a required contribution toward the cost of insurance, Proof of Good Health must be provided. If insurance ended because the employee was on a federal or state-mandated family or medical leave of absence and the employee becomes an Eligible Employee again immediately following such leave, insurance will be reinstated in accordance with the federal or state-mandated family or medical leave law.

Right to Convert to an Individual Life Insurance Policy

1. If an employee's Life Insurance ends or is reduced for any reason other than the employee's failure to make the required contributions toward the cost of Life Insurance or payment of an Accelerated Death Benefit, the employee may apply for an individual life insurance policy without providing Proof of Good Health. Application must be made in writing and the first premium paid within 31 days after the date the employee's Life Insurance ends or is reduced (the conversion period).
2. If an employee's Life Insurance ends or is reduced because of termination or amendment of this Policy, the employee will not have a right to convert any amount of Life Insurance that has not been in effect under this Policy for five years. Additionally, the maximum amount an employee will have a right to convert is \$10,000 or the amount of Life Insurance that ended or was reduced minus the amount of group Life Insurance for which the employee becomes eligible during the 31-day conversion period.
3. If an employee's Life Insurance ends or is reduced for any other reason that makes the employee eligible for a right to convert, the maximum amount the employee may have a right to convert is the amount of Life Insurance that ended or was reduced.
4. The individual policy issued will:
 - A. Be any form other than term then issued at the age and amount for which application is made;
 - B. Be issued at the employee's age at nearest birthday;
 - C. Require premium based on the class of risk to which the employee then belongs;
 - D. Be issued without disability, Waiver of Premium, or other supplemental benefits; and
 - E. Be for an amount not to exceed the amount that was terminated.

The individual life insurance policy will become effective on the day after the end of the 31-day conversion period.

5. If all or part of the employee's group Life Insurance has been assigned, the assignee is entitled to exercise the conversion privilege on the employee's group Life Insurance.
6. If an employee dies during the 31-day conversion period, We will pay a death benefit equal to the maximum amount of Life Insurance the employee had a right to convert, even if the employee did not apply for an individual life insurance policy. In no event will benefits be paid under both this group Policy and under the individual conversion policy.

Notice of Right to Convert

If notice of the right to convert is not given to the employee by the Policyholder at least 15 days before the end of the 31-day conversion period, an additional period of time will be made available to convert. The additional period will be the earlier of: 15 days after the notice of the right to convert is given by the Policyholder; or 60 days after the end of the 31 day conversion period even if the employee is never given notice.

Written notice hand-delivered to the employee or mailed to the employee's last known address will be considered proper notice.

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

Accelerated Death Benefit

Accelerated Death Benefits may be taxable and may affect an employee's eligibility for Medicaid or other government benefits or entitlements. Employees should consult their personal tax advisors or legal advisors before applying for an Accelerated Death Benefit.

1. Qualifying Medical Condition

If an employee is diagnosed with a qualifying medical condition while insured under this Policy, We will pay an Accelerated Death Benefit to the employee after We receive satisfactory proof of the employee incurring a qualifying medical condition, subject to the terms of this Policy.

Qualifying medical condition means a Physician has certified that an employee is terminally ill with a life expectancy of less than 12 months from the date of the Accelerated Death Benefit application.

2. Application for an Accelerated Death Benefit

An employee must have at least \$20,000 of Life Insurance in effect to be eligible for an Accelerated Death Benefit.

An employee must apply for an Accelerated Death Benefit by providing Us with satisfactory proof of incurring a qualifying medical condition while insured under this Policy. Proof must include a statement from a Physician that the employee has a qualifying medical condition. We may have the employee examined by one or more Physicians of Our choice, at Our expense, in connection with a claim for an Accelerated Death Benefit.

If an employee's Life Insurance is scheduled to end within 6 months following the date the employee applies for an Accelerated Death Benefit, the employee will not be eligible for an Accelerated Death Benefit.

3. Amount of Accelerated Death Benefit

An employee may apply for an Accelerated Death Benefit of up to 50% of the employee's Life Insurance, subject to a maximum Accelerated Death Benefit of \$100,000. The minimum Accelerated Death Benefit is \$10,000.

If the amount of employee Life Insurance is scheduled to reduce within 6 months following the date the employee applies for an Accelerated Death Benefit, the amount of Accelerated Death Benefit will be based on that reduced amount.

Accelerated Death Benefits may be paid only once during an employee's lifetime. The Accelerated Death Benefit will be paid in a lump sum. If the employee dies before the Accelerated Death Benefit is paid, then the Life Insurance benefits will be paid in accordance with the Benefit Payment And Beneficiary Provisions.

4. Effect on Remaining Insurance

The amount of employee Life Insurance after payment of an Accelerated Death Benefit equals:

- A. The amount of employee Life Insurance according to the Schedule of Benefits, as if an Accelerated Death Benefit had not been paid; minus
- B. The amount of the Accelerated Death Benefit paid.

Accelerated Death Benefits are available only to Eligible Employees and are not offered to dependents. Dependent Life Insurance (if any) and Accidental Death and Dismemberment Insurance (if any) are not affected by payment of an Accelerated Death Benefit and no advance payments will be made on these benefits.

Payment of this benefit does not guarantee that the full death benefit will eventually be paid. You must still be insured under the Policy at the time of death for the remainder of the Life Insurance benefit to be paid.

5. Exclusions

An Accelerated Death Benefit is not payable if:

- A. The employee has been covered under this Policy for less than one year.
- B. An employee has assigned all or part of the employee Life Insurance, unless We are provided with written consent from the assignee.
- C. All or part of an employee's Life Insurance is payable to the employee's children, or spouse or former spouse under a court approved divorce decree, separate maintenance agreement, or property settlement agreement.
- D. An employee has named an irrevocable Beneficiary, unless We are provided with written consent from the Beneficiary.
- E. The employee is married and lives in a community property state, unless We are provided with written consent from the employee's spouse.
- F. The employee has previously received an Accelerated Death Benefit.
- G. The qualifying medical condition is caused by an intentional self-Injury, while sane or insane; or attempted suicide.
- H. An employee is required by law or court order to use the Life Insurance to meet the claims of creditors, whether through bankruptcy or otherwise. We must have proof of the requirement on file with Us at the time of the request.
- I. An employee is required by a government agency to use the Life Insurance to apply for, receive, or keep a governmental benefit or entitlement. Proof of such requirement must be on file with Us at the time of the request.

6. Termination of the Accelerated Death Benefit

This benefit will terminate on the date the employee's Life Insurance terminates under this Policy.

EMPLOYEE ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE PROVISIONS

Insuring Clause

If an employee has an accident while insured for Basic Employee Accidental Death and Dismemberment Insurance and the accident results in a loss, We will pay benefits according to the terms of this Policy after We receive satisfactory proof of loss. The loss must occur within 180 days of the accident. However, the 180-day requirement will not apply if the employee is in a coma or being kept alive by an artificial life support system at the end of the 180-day period.

Amount Payable

The amount payable is a percentage of the Basic Employee Accidental Death and Dismemberment Insurance in effect on the date of the accident, depending upon the loss, as follows:

Loss	Percentage
Life	100%
One hand, one foot, or sight of one eye	50%
Speech or Hearing	50%
Hemiplegia	50%
Paraplegia	50%
Quadriplegia	100%
Any two or more of the above	100%

No more than 100% of an employee's Basic Accidental Death and Dismemberment Insurance will be payable for all losses resulting from one accident.

A loss must be caused solely by an accident and occur independently of all other causes. Loss is defined as:

1. Loss of a hand or foot means actual, complete and permanent severance at or above the wrist or ankle joint.
2. Loss of sight means irrecoverable loss of the entire sight of an eye.
3. Loss of speech means total and irrecoverable loss of audible communication.
4. Loss of hearing means total and irrecoverable deafness in both ears that cannot be corrected by aid or device.
5. Hemiplegia means total and irreversible paralysis of the arm and leg on the same side of the body.
6. Paraplegia means total and irreversible paralysis of both legs.
7. Quadriplegia means total and irreversible paralysis of both arms and both legs.

Exclusions

Accidental Death and Dismemberment Insurance benefits under this provision are not payable if the loss is caused or contributed to by:

1. War or act of war, whether declared or undeclared.
2. The employee's participation in a riot, insurrection or violent disorder.
3. The employee's service in the armed forces of any country.
4. Suicide or attempted suicide or self-inflicted Injury, while sane or insane.
5. The voluntary use of any chemical compound, poison or drug, unless used according to the directions of a Physician.
6. Committing or attempting to commit a felony.
7. Sickness, mental disease, or Pregnancy.
8. Intoxication of the employee as defined by the laws of the jurisdiction in which the accident occurred.
9. Heart attack or stroke.
10. With respect to the Seat Belt Benefit and Air Bag Benefit, Automobile use for racing, stunting, exhibition, or sport.
11. Infection, except infection through a wound caused solely by an accident.
12. Injury while riding, boarding, or alighting from an aircraft if the employee was operating the aircraft, learning to operate the aircraft, serving as a member of the aircraft crew, or if the aircraft was being used for any purpose other than passenger transportation.
13. Medical or surgical treatment for any of the above.

Termination of Employee Accidental Death and Dismemberment

An employee's insurance under this provision will terminate on the last day of the month of the earliest of the following:

1. The date this group Policy terminates.
2. The date the employee's Life Insurance under this Policy terminates.
3. The date the employee is placed in a retiree status. Retired status begins the date of early, disability, or normal retirement.
4. The date the employee is approved for Waiver of Premium, if applicable.
5. For Contributory insurance, the last day of the last period for which the employee made the required contribution toward the cost of insurance.
6. For Non-Contributory insurance, the last day of the last period for which the Employer made the required premium payment on behalf of the employee.
7. The date the employee ceases to be an Eligible Employee or a member of an Eligible Class. However, if the employee ceases to be an Eligible Employee because of not working the required minimum number of hours but is still employed in an Eligible Class, insurance may be continued during the following periods provided the applicable premium payment is made:
 - A. The first 180 days of a temporary layoff.
 - B. The first 60 days of a strike or lockout caused by a dispute between the employee's union and the Employer.
 - C. The first 180 days of a leave of absence approved in advance and in writing by the Employer.
 - D. The period of time required for a continuation of insurance under this Policy during a leave of absence under a federal or state-mandated family or medical leave law.
 - E. The period an employee is unable to be Actively at Work due to Injury, Sickness, or Pregnancy, not to exceed 12 months.
8. The date the employee terminates employment.
9. The date the employee requests in writing that the insurance be terminated.
10. The date the employee enters active full-time service in any naval, military or air force.

CLAIMS PROVISIONS

Filing a Claim

Claims should be filed on Our forms as soon as reasonably possible. If We do not provide Our forms within 15 days after they are requested, the claim may be submitted to Us, within the time limit for filing proof of loss, in a letter telling Us the extent and nature of the loss.

Proof of loss must be in writing and show that a loss has occurred for which benefits are payable under this Policy. We may request additional information for proof of loss We believe is reasonable in support of the claim. Proof of loss is provided at the claimant's expense. No benefits will be provided until We receive satisfactory proof of loss.

Time Limits for Filing Proof of Loss

Proof of loss must be provided to Us within 90 days after the date of the loss. If it is not possible to provide Us with proof of loss within that 90-day time period, it must be provided to Us as soon as reasonably possible, but not later than one year after the end of that 90-day time period. If proof of loss is filed outside of these time limits, the claim will be denied. These time limits will not apply while the employee or the employee's Beneficiary lacks legal capacity.

Examination

We may request that specialists of Our choice examine an employee at Our expense as often as reasonably necessary. We may have an autopsy performed at Our expense, unless prohibited by law.

Time of Payment

We will pay insurance benefits within 60 days or as soon as reasonably possible after receipt and approval of satisfactory proof of loss.

Notice of Claim Decision and Review Procedures

A written notice of decision on a claim will be made within a reasonable time after We receive the claim. If We deny any part of a claim, the person who submitted the claim will receive:

1. A written notice of denial containing the reason for Our decision;
2. Reference to the parts of this Policy on which Our decision is based;
3. A description of any additional information needed to support the claim; and
4. Information concerning the right to a review of Our decision.

If all or part of a claim is denied, the claimant may request a review in writing within 60 days after receiving notice of denial. The claimant may send Us written comments or other items to support the claim and review any non-privileged information that relates to the request for review.

We will review the claim promptly after We receive the request. We will send the claimant a notice of Our decision within 60 days after We receive the request or within 120 days if special circumstances require an extension. We will state the reasons for Our decision and reference the relevant parts of this Policy.

Time Limits on Legal Actions

No action at law or in equity may be brought until 60 days after the date We have been provided with proof of loss. No such action may be brought more than five years after the earlier of:

1. The date We receive proof of loss, or
2. The end of the period within which proof of loss is required.

Suicide Exclusion

No Life Insurance benefits are payable for any original or increased amount of Optional Employee or Optional Dependent Life that has not been in force under this policy for at least two years prior to the date of death if the death is caused by suicide.

Benefit Payment

Benefit payments will be made in a lump sum.

Any benefits payable because of an employee's death will be paid to the employee's designated Beneficiary.

The following benefits will be paid to the employee, if living:

1. Accidental Dismemberment insurance benefits.
2. Dependent Life Insurance benefits.
3. Accelerated Death Benefits.

Any Dependent Life Insurance benefits remaining unpaid at an employee's death will be paid to the employee's designated Beneficiary.

BENEFICIARY PROVISIONS

An employee may name one or more beneficiaries. The Beneficiary for Accidental Death and Dismemberment Insurance must be the same as for Life Insurance. Two or more surviving beneficiaries will share benefits equally, unless specified otherwise. An employee may name or change a Beneficiary at any time without the Beneficiary's consent, unless subject to legal restrictions or the employee has assigned benefits to another party. The designation or change of Beneficiary must be in writing, dated and signed by the employee and delivered to the designated administrator. The designation or change of Beneficiary will be effective on the date of the employee's signature. We will not be liable and We will be held harmless for any payment We make to a person before We receive notice of a Beneficiary change.

If an employee's Beneficiary dies within two weeks of the employee's death, benefits will be paid as if that Beneficiary had died before the employee, unless We receive satisfactory proof of the employee's death before the date of the Beneficiary's death.

If an employee does not name a Beneficiary or is not survived by any named Beneficiary, benefits will be paid in equal shares to the first surviving class below:

1. The employee's spouse.
2. The employee's children.
3. The employee's parents.
4. The employee's brothers and sisters.
5. The employee's estate.

If We make payment before We receive notice of a claim by some other person, We will not be liable for any additional payments.

ASSIGNMENT

An employee may assign his/her rights and benefits under this Policy to another person. Such assignment may include the right to name and change the Beneficiary and the right to convert to an individual policy.

We are not responsible for the validity of any assignment. An assignment will not be effective until We receive written notice at Our Office.

GENERAL PROVISIONS

Entire Contract

This Policy, any attached endorsements, amendments or riders, the Policyholder's application, the enrollment applications and Proofs of Good Health of the Covered Persons make up the entire contract among the parties. A copy of the Policyholder's application is attached to this Policy when issued. In the event that any policyholder or producer signature is delivered by electronic means or facsimile transmission, such signature shall create a valid and binding obligation on the party executing the same with the same force and effect as if such electronic or facsimile signature page were an original thereof.

Policy Changes

This Policy may be changed; however, no change in this Policy will be valid unless it is approved in writing by one of Our executive officers and provided to the Policyholder for attachment to this Policy. One of Our executive officers and an appropriate representative of the Policyholder must sign any change by amendment. No agent has authority to change this Policy or waive any of its provisions.

Subsidiary and Affiliated Companies

The Policyholder may act for and on behalf of the companies shown in the Application for Group Insurance in all matters pertaining to this Policy. Employees of the companies shown in the Application will also be considered employees of the Policyholder.

Incontestability

No representation will be used to deny the validity of this Policy or of a Policy change after it has been in effect for two years, except for non-payment of premiums by the Policyholder and for eligibility, which may be contested at any time. No statement made by any person insured under this Policy relating to an insured's insurability will be used to deny, reduce or contest insurance that has been in force for a period of two years during such person's lifetime, and in no event unless it is in a written instrument signed by the insured, a copy of which is or has been furnished to such person or to the person's Beneficiary. Any statement made to obtain this Policy, insurance under this Policy, or a change of this Policy, is a representation and not a warranty.

Misstatement

If any fact bearing on the risk assumed, including a person's age or gender, has been incorrectly stated, We will make a fair adjustment of the premiums, benefits or both. The adjustment will be based on the premiums and benefits that would have been payable had We known the correct information.

Certificates

We will provide certificates to the Policyholder or Employer showing the coverage under this Policy for distribution to insured Eligible Employees. In any instance where the certificate and this Policy disagree, this Policy's provisions will control.

Authority

Except for those functions specifically given to the Policyholder under this Policy, We have full and sole authority to interpret this Policy and its provisions, administer claims, and resolve all questions arising in the course of this Policy's interpretation and administration. This authority includes, but is not limited to, the right to determine eligibility for insurance, payment of benefits, sufficiency of claim information, and administrative procedures for this Policy and any claim hereunder.

Conformity with State Laws and Regulations

This Policy is hereby amended to conform to the minimum requirements of the laws and regulations effective in the state of jurisdiction on the date this Policy was delivered or issued for delivery.

POLICY ADMINISTRATION

Records, Reports, And Errors

Unless We agree otherwise, this Policy is self-administered which means that the Policyholder or Employer will hold all documents and notices that would otherwise be deposited with Us at Our Office except the following:

1. Proofs of Good Health required by this Policy.
2. Applications for Optional Life Insurance.
3. Applications for conversion to an individual policy.
4. Notices required by Us to process any claims.
5. Notices of Policy assignment.

The Policyholder and Employer will furnish at Our request any and all information reasonably necessary to administer this Policy, including but not limited to:

1. A census of all persons to be insured on this Policy's Effective Date including the following:
 - A. Name, gender and birth date of each Covered Person
 - B. Class or benefit amount for each Covered Person
 - C. Salary or earnings of each insured employee if the Schedule of Benefits is based on earnings
 - D. Effective date for each Covered Person
2. Names, birthdates, class or benefit amounts, salaries (if applicable), and effective dates of all persons who become eligible for insurance after this Policy's Effective Date.
3. Names of all persons whose eligibility for insurance ceases and their termination dates.
4. All data necessary to determine and verify the premium for this Policy.
5. A census of Covered Persons at least 90 days before the Renewal Date each year.
6. Enrollment forms, including Beneficiary designations.

We have the right to inspect the payroll and other records of the Policyholder and Employer that relate to insurance under this Policy.

An administrative error will not cause a person to become insured, end insurance that should be continued, or continue insurance that should have ended. In the instance of any error, an equitable adjustment of premium will be made. Any premium adjustments involving a return of unearned premium to the Policyholder or Employer due to error will be limited to 3 months before the date the error was found. If premium was overpaid, We will refund the difference. If the premium was underpaid, the difference must be paid to Us. Failure to do so may result in termination of this Policy.

Agency

The Policyholder, Employer, and plan administrator are agents for Covered Persons for transactions relating to insurance under this Policy. They are not agents of HCC Life Insurance Company and We are not liable for any of their acts or omissions.

PREMIUMS AND PREMIUM RATES

Premiums

The premium due on each Premium Due Date is the aggregate amount of the premiums for all Covered Persons insured on the Premium Due Date and is based on the insurance amount and premium rates then in force under this Policy.

Initial Premium Rates

Classes

1, 2	Basic Employee Life Insurance	\$0.190 per \$1,000 of Life Insurance
1, 2	Basic Employee Accidental Death and Dismemberment	\$0.040 per \$1,000 of Accidental Death and Dismemberment Insurance

Contributions From Covered Persons

The Policyholder and Employer determine the amount of each Covered Person's contribution toward the cost of insurance under this Policy, if any, based on the contribution percentage shown in the Coverage Outline.

Changes in Premium Rates

We may change premium rates on any Premium Due Date, even during a limited rate guarantee period, when:

1. The terms of this Policy change.
2. A division, subsidiary, affiliated company, or Eligible Class is added to or deleted from this Policy.
3. There is a change in the factors bearing on the risk assumed.
4. The number of covered employees changes by 25% or more from the original enrollment or the most recent Renewal Date.
5. A change or clarification in federal or state law or regulation affects the amount payable under this Policy.
6. We determine that the Policyholder or Employer has failed to promptly furnish any necessary information requested by Us relating to insurance under this Policy or has failed to perform any other obligations relating to this Policy.
7. We and the Policyholder or Employer mutually agree to a change in premium rates.

Except as provided above, premium rates will not be changed during the Initial Limited Rate Guarantee Period. Thereafter, except as provided above, We may change premium rates upon 31-day advance written notice to the Policyholder or Employer. Any such change may be made effective on any Premium Due Date, but no such change will be made more than once in any Policy Year. Policy Years are successive 12-month periods computed from the Anniversary Date of this Policy.

Payment of Premiums

All premiums are due on the Premium Due Dates shown on the Policy Data page.

Each premium is payable by the Policyholder on or before the Premium Due Date directly to Us at Our Office. The payment of each premium as it becomes due will maintain this Policy in force until the next Premium Due Date.

Premium Adjustments

Premium adjustments resulting in a return of unearned premium to the Policyholder will be limited to the 3-month period before the date We receive a request for such premium adjustment.

Grace Period

A Grace Period of 31 days from the Premium Due Date will be allowed for the payment of each premium after the initial premium. This Policy will remain in effect during the Grace Period unless the Policyholder gives Us advance written notice of termination. The Policyholder remains liable for payment of a pro-rata premium for the time this Policy remains in force during the Grace Period.

POLICY TERMINATION

Policy Termination for Nonpayment of Premium

If a premium is not paid by its Premium Due Date, it may be paid during the following Grace Period. If the premium remains unpaid, this Policy will automatically terminate at the end of the Grace Period.

Policy Termination for Other Reasons

The Policyholder may terminate this Policy by giving Us 31-day advance written notice. The effective date of such termination will be the later of the date stated in the notice or the date We receive the notice.

We may terminate this Policy with 31-day advance notice:

1. On any Premium Due Date if the number of Covered Persons is less than the minimum participation number or the minimum participation percentage shown in Policy Data.
2. On any Premium Due Date if We determine that the Policyholder has failed to promptly furnish any necessary information requested by Us relating to insurance under this Policy or has failed to perform any other obligations relating to this Policy.

Reinstatement of this Group Policy

If We terminate this Policy for non-payment of premium, application may be made for reinstatement based upon the following conditions:

1. All outstanding premiums including the current month must be remitted within ten (10) days of the end of the Grace Period.
2. Payment of premiums shall not guarantee reinstatement of this Policy. We reserve the right to re-underwrite this Policy as We deem necessary as part of the terms for reinstatement.
3. If this Policy is terminated for non-payment of premiums more than one time during a Policy Year, additional reinstatement offers will not be available.