

# **Group Insurance Benefits**

*Employee Benefit Booklet*



*Underwritten By:*  
**FORT DEARBORN LIFE INSURANCE COMPANY**  
Richardson, Texas

**Regents of New Mexico State University**

**Group Number: GFZ02001**

**Class I**



**FORT DEARBORN LIFE INSURANCE COMPANY**  
(A stock life insurance company herein called "We", "Us", "Our")  
**1020 31st Street, Downers Grove, Illinois 60515-5591**  
**Administrative Office:**  
**2400 Lakeside Blvd., Richardson, Texas 75082-7399**

**CERTIFICATE**

We agree to pay benefits subject to the provisions, definitions, limitations, and conditions of the master policy. The master policy (herein called the Policy) is a contract issued by Fort Dearborn Life Insurance Company to your Employer (herein called the Policyholder). The Policy may be changed at any time by a written agreement between Fort Dearborn Life Insurance Company and the Policyholder.

This is your certificate of coverage as long as you are eligible for insurance. It is not a contract or a part of one. Your benefits are described in plain English, but a few terms and provisions are written as required by insurance law.

**PLEASE READ CAREFULLY**

If you have any questions, please contact the Benefits Administrator at your place of employment or write to us. We will assist you in any way we can to help you understand your benefits.

President

Secretary

<p><b>Group Insurance Certificate</b> Non-Participating Term Life and AD&amp;D Insurance</p>
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<b>SCHEDULE OF BENEFITS</b>
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*Amended on July 1, 2007*

**POLICYHOLDER:** Regents of New Mexico State University

**POLICY NUMBER:** GFZ02001

**CLASS OF INSUREDS**

**DEFINITION**

I All active full-time employees working at least 20 hours per week who have elected coverage

**Amount of Insurance** – The amount of insurance for an Employee will be determined in accordance with the following schedule and by the election of coverage(s) by the Employee.

**Subsection A**

**Employee Group Term Life and Accidental Death & Dismemberment (AD&D) Insurance**

<b>Class Description</b>	<b>Term Life Insurance Amount</b>	<b>AD&amp;D Insurance Amount</b>
All active full-time employees working at least 20 hours per week who have elected coverage	Basic Annual Earnings rounded to the next higher \$1,000 if not a multiple thereof, multiply by two	Basic Annual Earnings rounded to the next higher \$1,000 if not a multiple thereof, multiply by two
Maximum Benefit Amount	\$75,000	\$75,000
Eligibility Waiting Period	None	None
Employer Contribution (Based on Employee Annual Salary)	80% if Salary is \$0 to \$26,249 70% if Salary is \$26,250 to \$31,499 60% if Salary is \$31,500 or greater	80% if Salary is \$0 to \$26,249 70% if Salary is \$26,250 to \$31,499 60% if Salary is \$31,500 or greater

## DEFINITIONS

**This section tells You the meaning of special words and phrases used in this Certificate. To help You recognize these special words and phrases, the first letter of each word, or each word in the phrase, is capitalized wherever it appears.**

**Accident** or **Accidental** means a sudden, unexpected event that was not reasonably foreseeable.

**Actively at Work** or **Active Work** means that You are:

1. performing the normal duties of Your occupation; and
2. working 20 hours per week on a regularly scheduled basis.

**Application** means the document which sets forth the eligible classes, the amounts of insurance, and other relevant information pertaining to the plan of insurance for which the Policyholder applied.

**Base Annual Earnings** means the gross annual compensation prior to before-tax payroll deductions, if any,

1. which You earn from Your occupation with the Policyholder; and
2. which was used in the calculation and remittance of premium.

It does not include Earnings from overtime, bonuses or any other form of extra pay. Your deferred contributions to a 401K plan or earnings reduction contributions to a cafeteria plan which are maintained by the Policyholder will not be deducted when calculating gross annual compensation.

**Contributory** means You pay a portion of the premium for this insurance coverage.

**Employee** means an Actively at Work full-time employee whose principal employment is with the Employer, at the Employer's usual place of business or such place(s) that the Employer's normal course of business may require, who is Actively at Work for the minimum hours per week as stated in the Application and is reported on the Employer's records for Social Security and withholding tax purposes.

**Injury** means bodily injury resulting directly from an Accident and independently of all other causes.

**Insured** means an Employee covered under the Policy.

**Male Pronoun** whenever used includes the female.

**Medical Provider** means a person who is legally qualified as a medical practitioner and required to be recognized under this Certificate for insurance purposes according to the insurance statutes/regulations of the governing jurisdiction. Medical Provider shall include the following practitioners:

- Medical Doctor, M.D.
- Osteopath, D.O.
- Doctor of Dentistry, D.D.S., D.M.D.
- Chiropractor
- Podiatrist, D.P.M.
- Optometrist
- Clinical Psychologist, Ph.D.

**Policy** means this contract between the Policyholder and Us including the attached Application, which provides group insurance benefits.

**Policyholder** means Regents of New Mexico State University.

**Proof** under the Accelerated Death Benefit means evidence satisfactory to Us that you are Terminally Ill. We reserve the right to determine, at our sole discretion, if Proof is acceptable.

**Renewal Date or Renewal** means July 1 of each year.

**Sickness** means illness, disease, pregnancy or complications of pregnancy.

**Terminally Ill** under the Accelerated Death Benefit means you have a life expectancy of 12 months or less, due to a medical condition.

**Total Disability or Totally Disabled** means that, as a result of Injury or Sickness, you are unable to engage in any occupation for which you are or become reasonably qualified by education, training or experience.

**You or Your** means the Employee to whom this Certificate has been delivered.

## ELIGIBILITY AND EFFECTIVE DATE PROVISIONS

### Eligibility

All Employees who belong to an eligible class and work at least 20 hours per week on a regularly scheduled basis are eligible for group insurance. An Employee must be **Actively at Work** for his insurance coverage to become effective.

### Employee Effective Date of Coverage (Contributory Benefits)

You may apply for Contributory insurance coverage at any time. Your coverage will become effective as follows, provided You are Actively at Work on that date:

1. If You sign the enrollment form within 31 days from Your eligibility date, Your coverage will become effective on the first day of the month following Your eligibility date.
2. If the enrollment form is signed following this 31 day period, You are considered a late applicant and must furnish evidence of insurability satisfactory to Us before coverage can become effective. Coverage will become effective on the first day of the month following the date We determine that the evidence is satisfactory and We provide written notice of approval.

### Deferred Effective Date

You must be Actively at Work on the date your initial coverage or any increases in coverage are scheduled to begin. If:

1. You are absent from Active Work on the date such coverage would otherwise become effective; and
2. Your absence is caused by an injury, illness or layoff,

the effective date of any initial coverage or increased coverage will be deferred until the first day of the month following the date You return to Active Work. You will be considered Actively at Work if You were actually at work on the day immediately preceding:

1. a weekend (except for one or both of these days if they are scheduled work days);
2. a holiday (except when such holiday is a scheduled work day);
3. a paid vacation;
4. any nonscheduled work day.

**Effective Date if We Require  
Evidence of Insurability**

If you are required to submit evidence of insurability satisfactory to Fort Dearborn Life Insurance Company, insurance in the amount for which We require such evidence will become effective on the first day of the month following the date We determine that the evidence is satisfactory and We provide written notice of approval.

**Effective Date of Changes in Amount of Benefit**

Any change in the amount of your benefits caused by a change in class, change in salary, age reduction or amendment to the Policy will become effective on the effective date of the change. If the change results in an increase in the amount of insurance, you must be Actively at Work on that date. If You are not Actively at Work, the increase will take effect on the day You are again Actively at Work.

**Eligibility after Termination of Employment and Reinstatement**

If insurance ends due to termination of employment as defined in this Certificate, coverage may be reinstated. No additional waiting period will apply if, within 31 days after Your termination date, You become a member of an eligible class.

If insurance ends because You cease to be eligible for coverage as defined in this Certificate, coverage may be reinstated. No additional waiting period will apply if, within 31 days after the date the insurance ends, You become a member of an eligible class.

**GROUP TERM LIFE INSURANCE BENEFIT**

**Benefit**

We will pay your beneficiary the amount of life insurance in force as of the date of your death provided:

1. You are insured under the Policy on the date of death, and
2. We receive proof of death within two (2) years after the date of death.

The amount of insurance payable is based upon the Policyholder's Application, and it is set forth on the Schedule of Benefits.

**Beneficiary**

Your beneficiary designation must be made on a form which We provide or on a form accepted by Us. If it is not, We may make all payments to the last person named by You as a beneficiary under a certificate that ended before becoming insured this Certificate.

We may use information from the prior carrier's records to determine any payment made such as:

1. information about the last beneficiary named by you under this Certificate, or any other group certificate; or
2. information that You named no beneficiary under this Certificate, or any other group certificate.

If two or more beneficiaries are named, payment of proceeds will be apportioned equally unless You had specified otherwise. The Policyholder may not be named as beneficiary.

Unless You provided otherwise, if a beneficiary dies before You, We will divide that beneficiary's share equally between any remaining named beneficiaries.

If no named beneficiary survives You or if You did not designate a beneficiary, We will pay the amount of insurance:

1. to Your spouse, if living; if not,
2. in equal shares to Your then living natural or adopted children, if any; if none,
3. in equal shares to Your father and mother, if living; if not,
4. in equal shares to Your brothers and sister, if any, if none,
5. to Your estate.

If a beneficiary is a minor, or is not able to give a valid release for any payment of benefits made, We will not make payment until a claim is made by the person or entity which, by court order, has been granted control of the estate of such beneficiary. This provision does not prevent Us from making payment to or for the benefit of a minor beneficiary in accordance with the applicable state law.

If any benefits under this provision are to be paid to your estate, We may pay an amount not greater than \$2,000 to any person We consider to be equitably entitled by reason of having incurred funeral or other expenses incident to Your death. Any and all payments made by Us shall fully discharge Us in the amount of such payment.

### **Change of Beneficiary**

You may change Your beneficiary at any time by completing a change request form, on a form accepted by Us, and sending it to the Policyholder. Your written request for change of beneficiary will not be effective until it is recorded by the Policyholder. After it has been so recorded, it will take effect on the later of the date You signed the change request form or the date you specifically requested. If You die before the change has been recorded, We will not alter any payment that We have already made. Any prior payment shall fully discharge Us from further liability in that amount.

**Important Note for Married Employees:** If You reside in a community property state in which life insurance is considered community property and You name someone other than Your spouse as primary beneficiary, Your spouse must sign the enrollment form. Payment of benefits may be delayed or disrupted unless Your spouse signs.

### **Conversion of Life Insurance**

#### **Conversion if Eligibility Terminates:**

You may convert to an individual policy of life insurance if Your life insurance, or a portion of it, ceases because:

1. You are no longer employed by the Policyholder; or
2. You are no longer in a class which is eligible for life insurance.

In either of these situations, You may convert all or any portion of your life insurance which was in force at the date of termination.

**Conversion if Policy is Terminated or Amended:**

You may also convert to an individual policy of life insurance if your life insurance ceases because:

- 1. life insurance benefits under the Policy cease; or
- 2. the Policy is amended making You ineligible for life insurance; however, in either of these situations,

You must have been insured under the Policy for at least five (5) years. The amount of insurance converted in either of these situations will be the lesser of:

- 1. the amount of life insurance in force, less any amount for which you become eligible under this or any other group policy within 31 days after the date your life insurance ceased; or
- 2. \$10,000.

**Conditions for Conversion:**

We must receive written application and the first premium for the individual life insurance policy within 31 days after insurance under the Policy ceases. No evidence of insurability will be required.

The individual policy will be a policy of whole life insurance. It will not contain disability benefits, accidental death and dismemberment benefits or any other supplemental benefits.

The premium for the individual policy will be based on:

- 1. Our current rates based upon Your attained age on your nearest birthday; and
- 2. on the amount of the individual policy.

If application is made for an individual policy, the coverage under the individual policy will be effective on the day following the 31 day period during which You could apply for conversion.

If You die during a period when You would have been entitled to have an individual policy issued to You and if You die before such an individual policy becomes effective, We will pay your beneficiary the greatest amount of group term life insurance for which an individual policy could have been issued, provided:

- 1. Your death occurred during the 31 day period within which You could have made application; and
- 2. We receive proof of death within two (2) years of the date of death.

If life insurance benefits are paid under the Policy, payment will not be made under the converted policy, and premiums paid for the converted policy will be refunded.

Notice. If the Policyholder fails to notify You at least 15 days prior to the date insurance under the Policy would cease, You shall have an additional period within which to elect conversion coverage; but nothing herein shall be construed to continue any insurance beyond the period provided for in the Policy. The additional election period shall expire 15 days immediately after the Policyholder gives You notice, but in no event shall it extend beyond 60 days immediately after the expiration of the 31day period explained above.

**Waiver of Premium**

We will continue your life insurance benefit under the Policy without the further payment of life insurance premium if You become Totally Disabled, provided:

- 1. You are insured under the Policy and are Actively at Work on or after the effective date of the Policy; and

2. You are under the age of 60; and
3. You provide Us with satisfactory written proof of Total Disability within 12 months after the date You became Totally Disabled; and
4. Your Total Disability has continued without interruption for at least 6 months; and
5. You are still Totally Disabled when you submit the proof of disability; and
6. all required premium has been paid.

The premium will be waived from the date We receive satisfactory written proof of Total Disability. Premium will continue to be waived provided You:

1. remain Totally Disabled; and
2. provide satisfactory written proof of continuing Total Disability upon request.

You are responsible for obtaining initial and continuing proof of Total Disability.

You will be covered for the amount of life insurance in force as of the date Total Disability commenced. The amount of life insurance continued in force will be subject to any reduction in benefits as a result of age or amendment to the Policy. This life insurance coverage will continue without the payment of premium until You are no longer Totally Disabled or reach age 70, whichever occurs first.

We may have You examined at reasonable intervals during the period of claimed Total Disability. Continuation of life insurance under the Waiver of Premium provision shall end immediately and without notice if You refuse to be examined as and when required.

We will pay the amount of life insurance in force to your beneficiary if You die before furnishing satisfactory proof of Total Disability, provided:

1. You die within one year from the date you became Totally Disabled; and
2. We receive proof that You were continuously Totally Disabled until the date of death; and
3. We receive proof of death not more than two (2) years after Your death.

If continuation of life insurance under the Waiver of Premium provision ceases, and You are employed by the Policyholder, Your life insurance will continue provided premium payments begin on the next premium due date.

If continuation of life insurance under the Waiver of Premium provision ceases, and You are no longer employed by the Policyholder, You may apply for an individual life insurance policy in accordance with the Conversion of Life Insurance provision of this Certificate.

## **ACCELERATED DEATH - TERMINAL ILLNESS BENEFIT**

The benefit paid under this provision may be taxable. If so, You or Your beneficiary may incur a tax obligation. As with all tax matters, You or Your beneficiary should consult a personal tax advisor to assess the impact of the benefit. Receipt of this benefit may adversely affect your eligibility for Medicaid or other governmental benefits or entitlements.

### **Eligibility**

This benefit only applies to You if Your life insurance benefit equals \$10,000 or more.

Coverage under the Accelerated Death - Terminal Illness Benefit is subject to the Deferred Effective Date provision. You must be Actively at Work on the date your coverage under this benefit becomes effective. If You are not Actively at Work, the effective date of this coverage will be deferred until the first day You return to Active Work.

### **Benefit**

The benefit is \$37,500 or 50% of Your group term life insurance amount in force on the date that We receive Proof that You are Terminally Ill. This sum is limited to a maximum of \$75,000 and a minimum of \$5,000, and is payable only once to any one Insured.

If Your group term life insurance will reduce, due to age, within 12 months after the date We receive Proof, the benefit will be \$37,500 or 50% of the reduced group term life insurance benefit.

This benefit does not apply to Accidental Death and Dismemberment benefits.

### **Benefit Payment**

We will pay the benefit during Your lifetime if you are Terminally Ill if You or Your legal representative elect the Benefit and provide satisfactory Proof. The benefit will be paid in one sum to You.

### **Exceptions**

The benefit will not be payable:

1. for any amount of group term life insurance which is less than \$10,000; or
2. if You become Terminally Ill as a result of:
  - a. attempted suicide, while sane or insane; or
  - b. self-inflicted injury; or
3. if Your group term life insurance benefit has been assigned; or
4. if Your group term life insurance benefit is payable to an irrevocable beneficiary, including notification to Us that such benefit or a portion of such benefit is to be paid to a former spouse as part of a divorce or separation agreement; or
5. to retirees.

**Notice and Proof of Claim**

You must elect the benefit in writing on a form that is acceptable to Us. You must furnish Proof that You are Terminally Ill, including certification by a Medical Provider.

**Effect on Insurance**

The benefit is in lieu of the group term life insurance benefit that would have been paid upon your death.

When the benefit is paid:

1. the amount of group term life insurance otherwise payable upon Your death will be reduced by the benefit;
2. the amount of group term life insurance which could otherwise have been converted to an individual contract will be reduced by the benefit; and
3. the premium due for group term life insurance will be calculated on the amount of such insurance remaining in force after deducting the benefit.

**ACCIDENTAL DEATH, DISMEMBERMENT, AND LOSS OF SIGHT BENEFIT**

**This provision only applies to You if it is shown on the Schedule of Benefits, You have elected this coverage, and You have paid or agreed to pay the applicable premium.**

**Benefit**

If, while insured under the Policy, an Insured suffers an Injury in an Accident, We will pay for those Losses set forth in the subsection entitled "Table of Losses" below. The amount paid will be as stated in the Table of Losses but not more than the Principal Sum set forth in the Application. The Loss must:

1. occur within 365 days of the Accident; and
2. be the direct and sole result of the Accident; and
3. be independent of all other causes.

**TABLE OF LOSSES**

<b>Principal Sum for Loss of:</b>	<b>One-half of the Principal Sum for Loss of:</b>	<b>One-Quarter the Principal Sum for Loss of:</b>
Life	Sight of One Eye	Thumb and Index Finger of Same Hand
Both Hands	One Hand	Hearing in One Ear
Both Feet	One Foot	
One Hand and One Foot	Speech or Hearing	
Speech and Hearing		
Sight of Both Eyes		
One Hand and the Sight of One Eye		
One Foot and the Sight of One Eye		

With respect to hand or foot, loss means actual and permanent severance from the body at or above the wrist or ankle joint, as applicable. With respect to eyes, speech and hearing, loss means entire and irrecoverable loss of sight, speech or hearing. With respect to thumb and index finger, loss means complete severance of entire digit at or above joints.

The total amount of AD&D benefits payable for all Losses for any Insured resulting from any one Accident will not be greater than the Principal Sum set forth in the Application.

Except as provided in a particular benefit, We will pay benefits for Loss of life to the same beneficiary(ies) named to receive life insurance benefits. Benefits for all other Losses will be paid to the Insured.

#### Seat Belt Benefit

We will pay an additional benefit, the Seat Belt Benefit, of the lesser of the Insured's Principal Sum or \$25,000 if the Principal Sum under the AD&D Benefit is payable for Loss of the Insured's life as the result of an Accident which occurs while the Insured is 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. A copy of the police Accident report must be submitted with the claim; and
4. the Insured was driving or riding in an automobile driven by a licensed driver who was neither:
  - a. intoxicated or driving while impaired. Intoxication and impairment shall be determined by the law of the jurisdiction in which the Accident occurs, with or without conviction; nor
  - b. under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title II of the Comprehensive Drug Abuse prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by a licensed Medical Provider and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence.

If such certification is not available and if it is unclear whether the Insured was properly wearing a Seat Belt, then We will pay an additional benefit of \$1,000.

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

#### Air Bag Benefit

We will pay an additional benefit, the Air Bag Benefit, equal to the lesser of \$25,000 or 15% of the Principal Sum of the AD&D Benefit if the Principal Sum under the AD&D Benefit is payable for Loss of the Insured's life as the result of an Accident which occurs while the Insured is driving or riding in an automobile provided that:

1. the Insured was positioned in a seat that was equipped with a factory-installed Air Bag;
2. the Insured was properly strapped in the Seat Belt when the Air Bag inflated; and
3. the police report establishes that the Air Bag inflated properly upon impact.

The maximum Air Bag Benefit payable is the lesser of \$25,000 or 15% of the Principal Sum of the AD&D Benefit. If it is unclear whether the Insured was properly wearing Seat Belt(s) or if it is unclear whether the Air Bag inflated properly, then the Air Bag Benefit will be \$1,000.

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

### **Repatriation Benefit**

If an Insured suffers loss of life due to Injury while outside a 100 mile radius from his current place of primary residence, We will pay a maximum benefit of \$5,000 for covered expenses reasonably incurred to return his body to his current place of primary residence.

Covered expenses included, but are not limited to, expenses for: (1) embalming or cremation; (2) the most economical coffins or receptacles adequate for transportation of the remains; and (3) transportation of the remains by the most direct and economical conveyance and route possible.

FDL must make all arrangements and must authorize all expenses in advance for this benefit to be payable. We reserve the right to determine the benefit payable, including any reductions if it was not reasonably possible to contact FDL in advance.

### **Education Benefit**

We will pay an additional benefit, the Education Benefit, to the Insured Employee's Dependent Student if the Principal Sum under the AD&D Benefit is payable for Loss of the Insured Employee's life.

#### **Definitions which apply to the Education Benefit:**

Student means a Dependent Child who, on the date of the Insured Employee's death, is:

1. A full-time post-high school student in a school of higher education; or
2. A student in the 12<sup>th</sup> grade but who becomes a full-time post-high school student in a school of higher education within 365 days after the Insured Employee's death.

School of higher education means an institution which:

1. is legally authorized by the State in which it is located; and
2. provides either a program for:
  - a. Bachelor's degrees or not less than a two year program with full credit towards a Bachelor's degree; or
  - b. Gainful employment as long as such program is at least one year of training; and
3. is accredited by an Agency or association recognized by the U.S. Department of Education under the Higher Education Assistance Act as may be amended from time to time.

Eligible Dependent Child means any unmarried child of the Insured (whether natural, step, foster or adopted) who is:

1. up to 25 years of age and dependent on the Insured for support and maintenance; and
2. not in active military service.

Eligibility will continue to age 25 for Dependent Children who are not employed full-time and are enrolled as a full-time student in a recognized school and dependent on the Insured Employee for support and maintenance.

Eligibility will continue past the age limit for Dependent Children who are primarily dependent upon the Insured for support and who cannot work to support themselves due to a physical or mental incapacity which began before the age limit was reached. Proof of such incapacity must be provided to Us upon request.

Note: No eligible person may be covered more than once under the Policy. If a person is covered as an Employee, he cannot be covered as a Spouse or Dependent Child of another Employee.

**Amount of Benefit:** The maximum Dependent Education Benefit for each dependent Student shall equal the lesser of the Insured Employee's Principal Sum or \$12,000.

**Payment of Benefit:** We will pay the Dependent Education Benefit in four equal annual installments. We will only pay one Dependent Education Benefit to any one dependent Student during any one school year. If the dependent Student is a minor, We will pay the benefit to the legal representative of the minor.

**When Benefit Ends:** A dependent Student will no longer be eligible to receive the Dependent Education Benefit upon the earlier of the following:

1. Our payment of the fourth installment of the Dependent Education Benefit on behalf of or to the dependent Student; or
2. At the end of the period during which Due Proof must be submitted if no Due Proof is submitted.

**Special Child Education Benefit:** If the Insured Employee's Eligible Dependent Child does not qualify as a Student, but is enrolled in an elementary or high school, We will pay a Child Education Benefit in the amount of \$1,000. This benefit is payable once upon proof that the Insured Employee has died as a result of an accident for which the Accidental Death & Dismemberment benefit is payable and that, within 12 months after the Insured Employee's death, the Insured Employee's Eligible Dependent Child is a full-time student in an elementary or high school.

**Exposure and Disappearance Benefit**

If by reason of an Accident occurring while an Insured's coverage is in force under the Policy, the Insured is unavoidably exposed to the elements and as a result of such exposure suffers a loss for which a benefit is otherwise payable under the Policy, the loss will be covered under the terms of the Policy.

If the body of an Insured has not been found within one year of the disappearance, forced landing, stranding, sinking or wrecking of a conveyance in which the person was an occupant while covered under the Policy, then it will be deemed, subject to all other terms and provisions of the Policy, that the Insured has suffered Accidental death within the meaning of the Policy.

**Coma Benefit**

If Injury renders an Insured Comatose within 90 days of the date of the Accident that caused the Injury, and if the Coma continues for a period of 30 consecutive days, We will pay a monthly benefit of 1% of the Insured's Principal Sum. No benefit is provided for the first 30 days of Coma. The benefit is payable monthly as long as the Insured remains Comatose due to that Injury, but ceases on the earliest of: (1) the date the Insured ceases to be Comatose due to that Injury; (2) the date the Insured dies; or (3) the date the total amount of monthly Coma Benefits paid for all Injuries caused by the same Accident equals 100% of the Insured's Principal Sum. We will pay benefits calculated at a rate of 1/30<sup>th</sup> of the monthly benefit for each day for which We are liable when the Insured is Comatose for less than a full month. Only one benefit is provided for any one month of Coma, regardless of the number of Injuries causing the Coma.

We reserve the right, at the end of the first 30 consecutive days of Coma and as often as it may reasonably require thereafter, to determine, on the basis of all the facts and circumstances, that the Insured is Comatose, including, but not limited to, requiring an independent medical examination provided at Our expense.

**Coma/Comatose** means a profound state of unconsciousness from which the Insured cannot be aroused to consciousness, even by powerful stimulation, as determined by a Medical Provider.

**Emergency Evacuation Benefit**

If the Insured suffers an Injury or Emergency Sickness that warrants his Emergency Evacuation while he is outside a 100 mile radius from his current place of primary residence, We will pay for Covered Emergency Evacuation Expenses reasonably incurred.

The Medical Provider ordering the Emergency Evacuation must certify that the severity of the Insured's Injury or Emergency Sickness warrants his Emergency Evacuation. All Transportation arrangements made for the Emergency Evacuation must be by the most direct and economical conveyance and route possible.

FDL must make all arrangements and must authorize all expenses in advance for any such benefits to be payable. We reserve the right to determine the benefit payable, including reductions, if it is not reasonably possible to contact FDL in advance.

The Exclusions section of this AD&D Benefit provision does not apply with respect to this benefit(s).

**Covered Emergency Evacuation Expense(s)** means an expense that: (1) is charged for a Medically Necessary Emergency Evacuation Service; (2) does not exceed the usual level of charges for similar Transportation, treatment, services or supplies in the locality where the expense is incurred; and (3) does not include charges that would not have been made if no insurance existed.

**Emergency Evacuation** means, if warranted by the severity of the Insured's Injury or Emergency Sickness: (1) the Insured's immediate Transportation from the place where he suffers an Injury or Emergency Sickness to the nearest hospital or other medical facility where appropriate treatment can be obtained; (2) the Insured's Transportation to his current place of primary residence to obtain further medical treatment in a hospital or other medical facility or to recover after suffering an Injury or Emergency Sickness and being treated at a local hospital or other medical facility; or (3) both (1) and (2) above. An Emergency Evacuation also includes medical treatment, medical services and medical supplies necessarily received in connection with such Transportation.

**Emergency Sickness** means an illness or disease, diagnosed by a Medical Provider, which meets all of the following criteria: (1) there is present a severe or acute symptom requiring immediate care and the failure to obtain such care could reasonably result in serious deterioration of the Insured's condition or place their life in jeopardy; (2) the severe or acute symptom occurs suddenly and unexpectedly; and (3) the severe or acute symptom occurs while the Policy is in force as to the person suffering the symptom.

**Medically Necessary Emergency Evacuation Service** means any Transportation, medical treatment, medical service or medical supply that: (1) is an essential part of an Emergency Evacuation due to the Injury or Emergency Sickness for which it is prescribed or performed; (2) meets generally accepted standards of medical practice; and (3) either is ordered by a Medical Provider and performed under his care or supervision or order, or is required by the standard regulations of the conveyance transporting the Insured.

**Transportation** means moving the Insured during an Emergency Evacuation by land, water or air conveyance. Conveyances include, but are not limited to, air ambulances, land ambulances and private motor vehicles.

<b>Paralysis Benefit</b>
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If Injury to the Insured results, within 365 days of the date of the Accident that caused the Injury, in any one of the types of paralysis specified below, We will pay the percentage of the Insured's Principal Sum shown below for that type of paralysis:

Type of Paralysis	Percentage of Insured's Principal Sum
Quadriplegia	100%
Paraplegia	75%
Hemiplegia	50%
Uniplegia	25%

**Quadriplegia** means the complete and irreversible paralysis of both upper and lower limbs. **Paraplegia** means the complete and irreversible paralysis of both lower limbs. **Hemiplegia** means the complete and irreversible paralysis of the upper and lower limbs of the same side of the body. **Uniplegia** means the complete and irreversible paralysis of one limb. **Limb** means entire arm or entire leg.

If the Insured suffers more than one type of paralysis as a result of the same Accident, only one amount, the largest, will be paid.

**Waiver of AD&D Premium**

Subject to the Policy remaining in force, We will waive all AD&D premiums due under the Policy on behalf of an Insured who is Totally Disabled and whose application for Waiver of Life Insurance Premium has been approved. The Insured will be covered for the Principal Sum in force as of the date Total Disability commenced. The Waiver of AD&D Premium is subject to all the terms and conditions of the Waiver of Life Insurance Premium provision and will begin and end on the same date that the waiver of life insurance premium begins and ends.

**Exclusions**

We will not pay any benefit for any Loss that, directly or indirectly, results in any way from or is contributed to by:

1. any disease or infirmity of mind or body, and any medical or surgical treatment thereof; or
2. any infection, except a pus-forming infection of an accidental cut or wound; or
3. suicide or attempted suicide, while sane or insane; or
4. any intentionally self-inflicted Accident; or
5. war, declared or undeclared, whether or not the Insured is a member of any armed forces; or
6. travel or flight in an aircraft while a member of the crew, or while engaged in the operation of the aircraft, or giving or receiving training or instruction in such aircraft; or
7. commission of, participation in, or an attempt to commit an assault or felony; or
8. being under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title II of the comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by the Insured's licensed Medical Provider and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence; or
9. intoxication as defined by the laws of the jurisdiction in which the accident occurred. Conviction is not necessary for a determination of being intoxicated; or
10. active participation in a riot. "Riot" means all forms of public violence, disorder, or disturbance of the public peace, by three or more persons assembled together, whether with or without a common intent and whether or not damage to person or property or unlawful act is the intent or the consequence of such disorder; or
11. full-time active duty in the armed forces of any country or international authority, except the National Guard or organized reserve corps duty (earned premium will be returned if the Insured enters military service).

**Notice of Claim**

If You incur a loss that may result in a claim for benefits under the Policy, written notice must be given to Us at Our home office. This must be done within 20 days after the covered loss occurs. If notice cannot be given within that time, it must be given as soon as reasonably possible. This notice must contain enough information to identify the claimant.

**Claim Forms**

When We receive written notice of a claim, We will send You forms with which to file proof of loss. If these forms are not given to You within 15 days, You will be excused from filing the forms provided You send Us written proof of loss detailing the occurrence, the character and extent of the loss for which claim is made.

### **Proof of Loss**

We must receive written proof of loss within 90 days after the date of the loss for which claim was made. If it can be shown that it was not reasonably possible to furnish such proof and that such proof was furnished as soon as reasonably possible, failure to furnish proof of loss within 90 days will not invalidate or reduce any claim. However, except in the absence of legal capacity, proof of loss must be furnished no later than one (1) year from the date such proof is required.

For the Education Benefit, Proof of Loss must:

1. Include proof of dependent Student status; and
2. Be submitted no later than
  - a. Two months after completion of course work for that particular school year if the dependent Student is enrolled in a school of higher learning at the time of the Insured's death. School year shall be deemed to begin on September 1 and end on August 31<sup>st</sup>; or
  - b. Within six (6) months after enrollment in a school of higher learning if the dependent Student is in the 12<sup>th</sup> grade at the time of the Insured's death. After the first year in a school of higher learning, due proof must be submitted in accordance with paragraph (1) in the Notice of Claim section.

### **Physical Examination/Autopsy**

Upon receipt of a claim, We may examine You, at Our expense, at any reasonable time. We reserve the right to perform an autopsy, at Our expense, if it is not prohibited by any applicable local law(s).

### **Legal Action**

No action at law or in equity may begin prior to 60 days after We receive valid written proof of loss. No such action may begin after 3 years from the day written proof of loss was required.

## **TERMINATION PROVISIONS**

Termination of the Policy under any conditions will not prejudice any claim which is incurred while the Policy is in force.

### **Termination of Employee Coverage**

Your insurance coverage will end on the earliest of:

1. the date the Policy is cancelled; or
2. the date You are no longer in an eligible group; or
3. the date Your eligible group is no longer covered; or
4. the last day of the period for which You made any required premium contribution; or
5. midnight on the 15<sup>th</sup> day of the month if You terminate employment between the 1<sup>st</sup> and the 15<sup>th</sup> of the month and the applicable premium for the pay period will be charged; or,
6. midnight on the last day of the month if You terminate employment between the 16<sup>th</sup> and the last day of the month and the applicable premium for the pay period will be charged.

Cessation of active employment will be deemed termination of employment, except coverage will continue as follows, provided the Policyholder acts so as not to discriminate unfairly among employees in similar situations:

**Disability**            Until the end of the twelfth month following the month in which the disability began, provided all premiums are paid when due.

**Layoff**                Until the end of the month following the month during which the layoff began, provided all premiums are paid when due.

**Leave of Absence**    Up to 90 days following the month in which an approved Leave of Absence began, provided all premiums are paid when due.

**Teaching Sabbatical**    Until the end of the twelfth month following the month in which the Teaching Sabbatical began, provided all premiums are paid when due.

**GENERAL PROVISIONS**

**Entire Contract**

The Policy, the Application, and the enrollment forms of the Insureds are considered to be the entire contract.

**Statements**

We consider any statements made by You, in the absence of fraud, to be representations and not warranties. No such statement shall be used in defense to a claim under the Policy unless it is contained in a written application.

**Incontestability**

We will not contest the validity of the Policy, except for nonpayment of premium, after it has been in force for two (2) years from its effective date. We will not contest the validity of your insurance after Your insurance has been in force for two (2) years during Your lifetime.

**Misstatement of Age**

If You misstated Your age the true age will be used to determine:

1. the effective date or termination date of insurance; and
2. the amount of insurance; and
3. any other rights or benefits.

Premiums will be adjusted to reflect the premiums that would have been paid if the true age had been known.

**Conformity with State Law**

If any part of the Policy does not conform to a state statute in the state in which it is issued or delivered, it is amended to conform with the minimum requirements of the statutes of that state.

**Assignment**

You may assign the life insurance benefits under the Policy, and You may assign to anyone other than the Policyholder any incident of ownership you may possess. We are not responsible for the validity or legal effect of any assignment. Collateral assignments, by whatever name called, are not permitted.

**Retention of Discretion**

Fort Dearborn Life Insurance Company shall have the exclusive right to interpret the terms of the Certificate, Schedule of Benefits, Riders and Endorsements. The decision about whether to pay any claim, in whole or in part, is within the sole discretion of Fort Dearborn and such decisions shall be final and conclusive.



**FORT DEARBORN LIFE  
INSURANCE COMPANY**

**Administrative Office:  
2400 Lakeside Blvd. • Richardson, Texas 75082-7399**