



THE UNIVERSITY OF TENNESSEE
HEALTH SCIENCE CENTER

GRADUATE MEDICAL EDUCATION DISABILITY INSURANCE PLAN SUMMARY



Ohio National
Financial Services®

THE HILDRETH AGENCY
CREATIVE INSURANCE SOLUTIONS & ADMINISTRATION

Ohio National Life Assurance Corporation

We will pay benefits according to the terms of this policy. We issued this policy based on payment of the initial premium and the answers you gave us on the attached application. If your answers are not true and complete, this policy may be affected. Coverage starts at 12:01 a.m. on the Policy Date. Coverage stops at 11:59 p.m. on the day it ends.

20 Day Right to Examine the Policy. You have a right to cancel this policy within 20 days after you receive it. You may return it to us or to our Agent for any reason within those 20 days. The policy will then be treated as though it were never issued. We will then refund the premiums that were paid to us.

Noncancellable and Guaranteed Renewable to age 65. You can renew this policy each Policy Year until the Expiration Date. During this time, we cannot cancel or change the terms of this policy or change the premiums shown in the Policy Specifications, as long as you continue to pay premiums on time.

Conditions for Renewal after age 65. Each Policy Year after the Expiration Date, you may renew this policy with the attached endorsements, but with only those attached riders that are expressly renewable, so long as: (a) the policy was In Force for the prior Policy Year; (b) you are not receiving benefits or are not eligible to receive benefits for a claim under this policy; (c) you continue to be regularly employed at least 30 hours a week for which you are receiving wages, compensation or profit; (d) your completed application for renewal has been approved by us; and (e) you pay the premiums being charged for your Age and sex at the time of such renewal.

Disability Income Insurance Policy

Noncancellable and Guaranteed Renewable To Age 65

Premiums Waived for Total Disability

Benefit and Premium Amounts: Page 3

Serviced by:

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Policy Specifications

Description of Benefits

Base Monthly Benefit	Choice of \$1500, \$2500, \$4000, or \$5000
Elimination Period	90 Days
Benefit Period	To Age 65 Base Monthly Benefits will not be paid for more than two years for a Total Disability that starts within two years of the Expiration Date, or for more than one year for a Total Disability that starts on or after Age 75.
Waiver of Premium	After 90 Days of Disability – See Benefit Description

Additional Benefit Agreements

Own Occupation Rider	
Enhanced Residual Disability Rider	
Catastrophic Disability Benefit Rider	50% of the Base Monthly Benefit

Exiting Residents

Residents can continue this policy upon exiting the GME program and throughout their career. At exit, residents may increase coverage to up to \$15,000 per month of tax-free benefit at substantially discounted premiums without medical underwriting. The amount of coverage offered will be based upon the income provided at their new employment. The Hildreth Agency will meet with all residents at exit to discuss this opportunity.

Definitions

Age The age of the Insured on his or her nearest birthday on the first day of each Policy Year.

Base Monthly Benefit The monthly benefit amount to be paid under the terms of this policy for each month you are Totally Disabled after the Elimination Period. The Base Monthly Benefit is shown in the Policy Specifications. Unless otherwise expressly provided in a rider attached to this policy, the Base Monthly Benefit does not include and is not increased by any additional benefits paid under such riders.

Elimination Period The period of time you must be Totally Disabled before Base Monthly Benefits begin. The Elimination Period is shown in the Policy Specifications. But, for a Total Disability that results from normal pregnancy or childbirth, the Elimination Period is the longer of: (1) the number of days shown in the Policy Specifications; or (2) 90 days. If a period of Total Disability caused by the same or a related Injury or Sickness is broken by 365 days or less, all the days of Total Disability count toward the Elimination Period.

Expiration Date The date shown in the Policy Specifications. This date is an anniversary of the Policy Date, after which the policy is no longer In Force, except in circumstances of a renewal after the Expiration Date under the **Conditions for Renewal After the Expiration Date** provision. If the Insured dies before the Expiration Date, the date of the Insured's death is the Expiration Date.

In Force Premiums have been paid when due and you are insured under the terms of this policy.

Injury An accidental bodily injury caused by a singular and distinct event sustained while this policy is In Force.

Loss An Injury or Sickness that occurs while this policy is In Force upon which a claim for benefits is based.

Material and Substantial Duties The duties that: (1) you are normally required to perform in Your Regular Occupation; and (2) cannot be reasonably omitted or changed.

Maximum Benefit Period The longest period of time that Base Monthly Benefits or rider benefits will be paid for one Total Disability caused by the same or related Injury or Sickness. The Maximum Benefit Period is shown in the Policy Specifications.

Notice Any Notice required from you in this policy must be in a written form acceptable to us and received at our Home Office. Unless otherwise stated herein, the Notice becomes effective as of the date that all requirements are received and we act upon it, subject to any payment made or action taken by us prior to the acceptance of the Notice, and provided that the action requested or taken in the Notice is permitted under the terms or provisions of this policy.

Physician A person (other than you, any member of your household, any person related to you by blood or marriage, a business or professional partner, an employer or employee, or any person with whom you share a financial affiliation or business interest) who: (1) is medically qualified and licensed to practice medicine as a Doctor of Medicine or Osteopathy in the jurisdiction in which medical services are rendered to you; and (2) in treating the Injury or Sickness that caused your Total Disability, acts within the scope of his or her medical education, qualification, training, experience and professional license; and (3) treats patients on a regular basis for the Injury or Sickness that caused your Total Disability. If your Total Disability is due to a Mental Disorder, the Physician must be a licensed psychiatrist or licensed doctoral-level psychologist.

Policy Date and Policy Years The Policy Date is the date coverage under this policy becomes effective unless expressly stated otherwise, and is shown in the Policy Specifications. Policy Years are measured from the Policy Date. The first day of the Policy Year is the Policy Date and its anniversaries.

Premium Due Date The date your premium is due each annual anniversary of the Policy Date or, if you have elected to pay premiums other than annually, the date that a semi-annual, quarterly, monthly or similarly scheduled periodic premium payment is due. The Premium Due Date is not the last day of the Grace Period.

Pronouns "Our," "us" or "we" means Ohio National Life Assurance Corporation. "You," "your" or "yours" means the Insured. If the Insured is not the Owner, "you," "your" or "yours" means the Owner when referring to policy rights, payments and notices. The Insured and the Owner on the Policy Date are named in the Policy Specifications.

Sickness An illness or disease first manifested while this policy is In Force including complications due to pregnancy or childbirth.

Total Disability or Totally Disabled You have a Total Disability or you are Totally Disabled if due to a Sickness or Injury, in and of itself, (1) you are not able to perform the Material and Substantial Duties of Your Regular Occupation; and (2) you are not working in any other occupation for wages, compensation or profit; and (3) you satisfy the **Regular Care of a Physician** provision. (This definition is modified by Own Occupation Rider)

Your Regular Occupation The occupation(s) in which you are regularly engaged on the date of Total Disability. If you are unemployed, retired or otherwise not working on the date of Total Disability, Your Regular Occupation means any occupation you are able to perform based on your education, training and experience.

Benefits

Total Disability While this policy is In Force, we will pay you Base Monthly Benefits while you are Totally Disabled: (1) after the Elimination Period; but (2) not for more than the Maximum Benefit Period. In no event will Base Monthly Benefits be paid past the Expiration Date for a Total Disability that starts more than two years prior to the Expiration Date. Nor will Base Monthly Benefits be paid for more than two years for a Total Disability that starts within two years of the Expiration Date. If the policy is renewed after the Expiration Date, the Base Monthly Benefit amount will be paid for no more than two years, nor for more than one year for a Total Disability that starts on or after Age 75.

Regular Care of a Physician In order to be eligible for Base Monthly Benefits or any rider benefits, or for us to waive premiums under this policy, you must be under the regular and appropriate care and treatment of a Physician. Appropriate care includes a plan between you and your Physician that addresses your goals for treatment and recovery, coordinates care among all Physicians involved in the treatment of the Injury or Sickness causing your Total Disability, and addresses your functional status. You have the responsibility to obtain, and reasonably participate in, your appropriate medical plan of care. If, in the opinion of that Physician, and based on our medical review, continued medical treatment will not improve your condition, we may waive this requirement. However, waiving this Physician regular care requirement does not change or affect our rights under the **Proof of Loss** and **Authorizations, Examinations and Interviews** provisions in this policy.

Waiver of Premium Subject to the Limitation for **Residing Outside the United States or Canada**, if you are Totally Disabled for at least 90 days or the Elimination Period shown in the Policy Specifications, whichever is less, we will waive payment of premiums that come due while you are Totally Disabled. Any premiums due and paid during this period will be refunded. Premiums are then waived until your Total Disability ends. Premiums due before a claim for Total Disability is approved must be paid within the Grace Period. After your Total Disability ends, this policy stays In Force until the next Premium Due Date. Then you must pay premiums by each Premium Due Date. If you do not, the policy ends, and the **Reinstatement** provision will apply.

Hospice Care Benefit You are Totally Disabled if, due to an Injury or Sickness, you are: (1) under a Physician-ordered plan of care for hospice services; and (2) receiving hospice services through a member of the National Hospice and Palliative Care Organization or similarly-accredited organization. We will waive the unexpired portion of the Elimination Period and benefits will be paid from the date a Physician-ordered plan of care is initiated for hospice services. The Base Monthly Benefit will be paid for as long as your Total Disability continues, but not longer than the Maximum Benefit Period.

Survivor Benefit If the Insured dies after satisfying the Elimination Period, and was receiving Base Monthly Benefits at the time of death, we will pay the remainder of the Base Monthly Benefit for the month during which the Insured's death occurs, plus two additional Base Monthly Benefits; provided, however, that no additional Base Monthly Benefits will be paid under this provision after the expiration of the Maximum Benefit Period.

Presumed Total Disability Total Disability is presumed if, while this policy is In Force, an Injury or Sickness causes you to sustain the total loss of the use of both hands, or the use of both feet, or the use of one hand and one foot, or to completely lose your sight in both eyes, or the hearing in both ears, or speech. You must satisfy the **Regular Care of a Physician** requirement stated in this policy. When Total Disability is presumed: (1) the Elimination Period will be waived; (2) Base Monthly Benefits will be paid even if you still work; and (3) Base Monthly Benefits will not be paid for more than the Maximum Benefit Period.

Cosmetic or Transplant Surgery We will pay Base Monthly Benefits while this policy is In Force, if you are Totally Disabled due to Cosmetic or Transplant Surgery. Cosmetic Surgery means surgery performed to restore your appearance: (a) due to an Injury; or (b) due to, or as part of, other surgery that results from an infection, disease or malfunction of a part of the body. Transplant Surgery means the removal of an organ from your body to be implanted in someone else's body. The transplant must occur more than six months after the Policy Date, and if so, the Elimination Period will be waived.

Rehabilitation We may consider paying for an occupational rehabilitation program if you are receiving Base Monthly Benefits under this policy, if it is intended to facilitate your return to full-time work in Your Regular Occupation, and if the program is approved by us. We will not consider you recovered from a Total Disability just because you are participating in a program of occupational rehabilitation.

Voluntary Suspension During Military Duty By Notice to us, you may suspend this policy while you are on active duty in the armed forces. We will refund premiums paid for coverage beyond the date we accept your Notice to suspend the policy. While suspended, the policy is not In Force, no premiums are due, and you have no coverage. When your active duty ends, you may reactivate the policy by giving us Notice and paying premiums as shown in the Policy Specifications. A pro-rata premium is due from the date your active duty ends up to the next Premium Due Date. You must pay this premium within three months after the date your active duty ends. If you do not, the policy ends, and the **Reinstatement** provision will apply. This policy will not cover any Loss due to an Injury that occurs or a Sickness that first manifests itself while this policy is suspended and not In Force.

Voluntary Suspension During Unemployment By Notice to us, you may suspend this policy if you become unemployed and are receiving state or federal unemployment benefits. We will refund premiums paid for coverage beyond the date we accept your Notice to suspend the policy. While the policy is suspended, the policy is not In Force, no premiums are due, and you have no coverage. The suspension Notice will be accepted when we receive all of the following:

- (1) a Notice to suspend coverage due to your current unemployment; and
- (2) a determination letter from the appropriate state or federal agency responsible for administering unemployment benefits indicating that you have qualified for unemployment benefits; and
- (3) proof that you have been receiving unemployment benefits for at least 60 consecutive days and are still unemployed on the date we receive your Notice.

The suspension will end the earlier of:

- (1) one year after the date the suspension began; or
- (2) the date we receive your Notice to end the suspension.

When the suspension ends, you may reactivate the policy by again paying premiums as shown in the Policy Specifications. A pro-rata premium is due from the date your suspension ends up to the next Premium Due Date. You must pay this premium within three months after the date your suspension ends. If you do not, the policy ends, and the

Reinstatement provision will apply. This policy will not cover any Loss due to an Injury that occurs or a Sickness that first manifests itself while this policy is suspended and not In Force.

You cannot suspend coverage for a subsequent period of unemployment until two years have elapsed from the end of the previous suspension.

Recurrent Disabilities If Total Disability stops and then starts again within 365 days due to the same or a related Injury or Sickness that caused your Total Disability, the two periods of Total Disability will count as one. In such case, you do not need to satisfy a new Elimination Period, if already met, and the same Maximum Benefit Period will continue to apply to your Total Disability.

A recurrence of Total Disability caused by the same or related Injury or Sickness after 365 days counts as a new Total Disability. So does a Total Disability that occurs within 365 days from some other Injury or Sickness. A new Elimination Period and a new Maximum Benefit Period will apply when you have a new Total Disability. The **Waiver of Premium** provision will also apply anew.

Concurrent Disabilities We will pay for only one Total Disability at a time. The amount of Base Monthly Benefit or any rider benefits and the length of time they may be paid do not increase if Total Disability is due to more than one Injury or Sickness.

Exclusions

We will not pay Base Monthly Benefits, or pay any rider benefits, or waive premiums under the **Waiver of Premium** provision for any Total Disability caused by, contributed to, related to, or that results from:

- (1) war, an act of war, or an act incident of war, whether civil or among nations, declared or undeclared, while you are serving in the active or reserve military service, a military auxiliary unit, or in any civilian, governmental or non-combatant unit working for or serving with military forces; or
- (2) active military service when scheduled active duty is more than 30 consecutive days; or
- (3) an Injury or Sickness we have excluded by name or specific description in a Special Exceptions Endorsement attached to this policy; or
- (4) you committing, or attempting to commit, a felony; or
- (5) you being engaged in an illegal occupation; or (6) an intentionally self-inflicted Injury or Sickness, while sane or insane.

We will not pay Base Monthly Benefits, or pay any rider benefits, or waive premiums under the **Waiver of Premium** provision:

- (1) during any period while you are incarcerated or under court-ordered detention; or
- (2) if your Material and Substantial Duties normally require that you be licensed with a federal, state, or industry regulatory body, during any period that your license has been surrendered, suspended or revoked, due to actual or alleged misconduct or malpractice.

Limitations

Pre-existing Conditions We will not pay a Base Monthly Benefit or rider benefits, or waive premiums under the **Waiver of Premium** provision for a Total Disability that is caused by, results from or relates to: (1) any illness, condition or disorder expressly excluded by a Special Exceptions Endorsement attached to this policy; or (2) a Pre-existing Condition that starts within two years following the Policy Date and that was misrepresented or not disclosed on the application. Pre-existing Condition means a bodily injury, illness, disease or other physical, emotional or mental condition, including a Mental Disorder or Substance Abuse, for which not more than five years prior to the Policy Date:

- (1) symptoms existed that would cause an ordinarily prudent person to seek diagnosis, care or treatment; or
- (2) medical advice or treatment was recommended by or received from a licensed medical practitioner.

Mental Disorder/Substance Abuse If any Mental Disorder or Substance Abuse or both shall be the primary cause of your Total Disability, we will pay Base Monthly Benefits and rider benefits for not more than a cumulative total of two years during the lifetime of this policy. However, if you are continuously confined in a Hospital where you are receiving care or treatment on a regular basis from a Physician, we will pay Base Monthly Benefits and rider benefits up to the applicable Maximum Benefit Period.

Mental Disorder includes, but is not limited to mental, emotional or behavioral disorder, or a disorder related to Substance Abuse. In addition to the foregoing, Mental Disorder means any disorder classified in the Diagnostic and Statistical Manual of Mental Disorders (DSM), published by the American Psychiatric Association, most current as of the date of Total Disability. If the DSM is discontinued or replaced, Mental Disorder will include those disorders classified in the diagnostic manual then in use by the American Psychiatric Association as of the date of Total Disability. Mental Disorder does not include dementia resulting from stroke, trauma, infections or degenerative diseases, such as Alzheimer's, Parkinson's, or Pick's Disease.

Substance Abuse includes alcohol, drug or chemical abuse or dependency.

Hospital means a legally operated facility that: (1) is identified as a Hospital; and (2) provides full-time medical care and treatment under the direction of a full-time staff of licensed Physicians. Hospital does not include convalescent homes, rest homes, nursing homes, homes for the aged, long-term care facilities, assisted living facilities, and other facilities primarily affording custodial, educational, or rehabilitative care.

Residing Outside of the United States or Canada We will stop paying Base Monthly Benefits or any rider benefits, and stop waiving premiums under the **Waiver of Premium** provision if you reside outside the United States or Canada for more than three consecutive months. United States refers to the 50 states that comprise the United States of America, its Territories (including Puerto Rico), and the District of Columbia.

If we stop paying Base Monthly Benefits and rider benefits or stop waiving premiums because of this limitation and you return to the United States or Canada, we will resume paying Base Monthly Benefits and any rider benefits, and resume waiving premiums when, and beginning as of the date, we receive satisfactory Proof of Loss that you are Totally Disabled.

If we stop waiving premiums and you continue to reside outside the United States or Canada, you must resume paying premiums within three months after the date we stopped paying benefits. You must pay a pro-rata premium from the date we stopped paying benefits to the next Premium Due Date, and all subsequent premiums. If you do not, the policy ends, and the **Reinstatement** provision will apply.

Claims

Notice of Claim You must give us notification of a claim within 30 days after a Loss, or as soon as you reasonably can. Notification must be received at our Home Office.

Claim Forms Within 15 working days after we get your notification, we will send you claim forms to provide Proof of Loss. If you do not receive our claim forms within 15 days, you can send us your own written Proof of Loss. You must include the cause, nature and extent of your Injury or Sickness and the Total Disability that has occurred.

Proof of Loss Written Proof of Loss satisfactory to us must be received by us within 90 days after the date of Disability. Unless it was not possible to give us Proof of Loss during that time, we will only begin paying Base Monthly Benefits for a period beginning 90 days before the date we receive Proof of Loss. Under no circumstances will we pay any Base Monthly Benefits for a period beginning more than one year before the date we receive Proof of Loss unless you were declared legally incapacitated by a court of law.

We will require satisfactory proof of your loss of earnings or continuing loss of earnings. Such proof can include but is not limited to copies of your filed state and federal income tax returns, your income statements, audit reports, payroll records, accountant's statements, medical records, employment records or reports regarding your Material and Substantial Duties, and any other records and statements that contain facts we need.

This requirement will also apply to the records of your business where you own any portion of a business.

Authorizations, Examinations and Interviews As part of furnishing Proof of Loss or continuing Loss for your claim for benefits, you must:

- (1) provide us with such written authorizations as we may reasonably require to obtain medical, employment, financial or other records related to your claim; and
- (2) at our request and at reasonable times and intervals, agree to cooperate in and undergo:
 - (a) one or more examinations by an independent medical, psychological, occupational or vocational specialist or other specialist of our choice; and
 - (b) medical, vocational or other relevant tests reasonably requested by us or by the medical or other specialist who examines you at our request; and
 - (c) one or more interviews with our authorized representative(s); and
 - (d) an audit of your financial records performed by independent auditors approved by us as often as reasonably required. This right to audit will also apply to the records of your business where you own any portion of a business in which you provide personal services.

We will pay for the cost of any such examination, test, interview, or audit. If you refuse to provide a required authorization or do not agree to cooperate in or undergo any such examination, test, interview, or audit, Base Monthly Benefits and rider benefits will not be paid or will cease to be paid.

Payment of Claims

Payee Base Monthly Benefits and any rider benefits will be paid to the Owner. If the Owner dies, Base Monthly Benefits and any rider benefits will be paid to the Contingent Owner. If no Contingent Owner is named, subject to the **Facility of Payment** provision, Base Monthly Benefits and any rider benefits will be paid to the estate of the last surviving Owner.

Time of Payment Subject to Proof of Loss, Base Monthly Benefits and any rider benefits will be paid at the end of each month of Total Disability for which they are due. Any Base Monthly Benefit or rider benefit due but not yet paid when your Total Disability ends will be paid as soon as we receive Proof of Loss.

Facility of Payment To avoid undue expense or delay, we may pay Base Monthly Benefits and any rider benefits to your spouse or one of your relatives we think should fairly receive such payments. We will only do so if you are incapacitated or if such payments are owed to your estate, to a minor, or to one who cannot give a valid release. Our duty under this policy will be discharged to the extent of any such payment made in good faith. The amount we pay will not exceed the greater of: 1) \$1,000; 2) the benefit payable under the **Survivor Benefit** provision; or 3) the limit allowed by state law for payments of this kind.

Legal Actions You may not sue us on this policy: (a) before 60 days have passed after we get written Proof of Loss; or (b) more than three years after your claim for benefits under this policy is denied, or a determination by us that your benefits are no longer payable.

Time Limit on Certain Defenses After this policy has been In Force for two years (and for two years after reinstatement), excluding any period during which you are Totally Disabled, we can use only fraudulent misstatements on your application (or your reinstatement application) to void this policy or to deny a claim for Total Disability that starts after the end of those two years.

We cannot reduce or deny a claim for Total Disability that starts after two years from the Policy Date on the grounds that an Injury, Sickness or a physical or mental condition that was misrepresented or not disclosed on your application had existed before the Policy Date, unless:

- (1) we have excluded it by name or specific description before the date of Loss in a Special Exception Endorsement attached to this policy; or
- (2) there were fraudulent misstatements or non-disclosures on your application.

Premiums

Payment Premiums are due at our Home Office on the Premium Due Date. Your first premium is due on the Policy Date. The amount and frequency of premium payments due until the Expiration Date are shown in the Policy Specifications.

Grace Period You have 31 days of grace after the Premium Due Date to pay each premium, except the first. This policy stays In Force during the Grace Period. If the premium is not paid by the end of the Grace Period, this policy ends as of the original Premium Due Date.

Overpayment If we accept a premium for a period after this policy or any of its riders should end, our only liability is to refund that premium. Exceptions are made in the **Misstatement of Age or Sex** provision.

Insured's Death If the Insured dies while this policy is In Force, we will refund that part of the premium paid for any time after the Insured's death. We must receive Notice of death within one year in order to qualify for any refund of premiums under this policy.

Misstatement of Age or Sex If your Age or sex is misstated, Base Monthly Benefits, rider benefits or premiums will be changed.

- (1) If you paid less premium than you should have, Base Monthly Benefits are reduced to the coverage your premiums would have paid for at the correct Age and sex.
- (2) If you paid more premium than you should have, we will refund the excess. From then on, premiums will be for the correct Age and sex.
- (3) If the policy would not have been placed In Force or if premiums are paid beyond the normal ending date, we will refund any premium for which coverage was not available at the correct Age and sex.

If your policy is issued on a unisex basis, any adjustment due to a misstatement will only be based on a misstatement of Age.

Reinstatement If the policy ends because of failure to pay a premium, you may later apply to have it put back In Force. However, you must apply within six months of the last Premium Due Date. We will require proof satisfactory to us that you can be insured. Such proof must be acceptable and received at the Home Office within 45 days from the request. If this policy has ended because of failure to pay premium, no premium payment will be accepted until such time as the policy has been reinstated. The policy will not again take effect until: (1) all past due premiums are paid; and (2) we approve the request or do not disapprove it in writing within 45 days after the date of the application for Reinstatement. The policy will be reinstated upon the latest of these two conditions precedent being met. This is the Reinstatement Date.

Base Monthly Benefits and rider benefits will not be paid for any Total Disability due to any:

- (1) Injury sustained before the Reinstatement Date; or
- (2) Sickness that manifests itself, or is diagnosed or treated before the Reinstatement Date;

unless such Injury or Sickness was disclosed on the application for Reinstatement that is made a part of the policy and such Injury or Sickness is not otherwise excluded by a Special Exceptions Endorsement.

We may add new terms to the policy when we reinstate it so long as an amendment, signed by you, is attached to the policy. Other rights under the policy will be the same as before.

Ownership Rights

Ownership All policy rights belong to the Owner. The Owner may name a new Owner or Contingent Owner by Notice to us. A new Owner or Contingent Owner will take effect on the date the Notice is signed by you, subject to any payments made or action by us before we receive such Notice. A Contingent Owner becomes the new Owner upon the Owner's death. If no Contingent Owner has been named, the estate of the Owner becomes the new Owner upon the Owner's death.

Cancellation by Owner You may cancel this policy at any time by Notice to us, effective upon our receipt of such Notice or on such later date as may be specified in such Notice. In the event of your cancellation or death of the Insured, we will promptly refund the unearned portion of any premium paid. The earned premium shall be computed on a pro-rata basis. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation.

Assignment You may assign your rights under this policy by providing Notice to us. We are not bound by an Assignment until we receive it. The Assignment will take effect on the date the Notice is signed by you, subject to any payments made or action by us before we receive Notice of such Assignment. We will not be responsible for the validity of any Assignment.

General

Entire Agreement The Entire Agreement is this policy, any application, and any riders, amendments, and endorsements attached to this policy. The Entire Agreement is the legal agreement between you and us. The application and premium payments are your consideration for the Entire Agreement. Any changes or waiver in the terms or provisions of the Entire Agreement, as permitted by Governing Law, must be approved in writing signed by our President, Vice President, or Secretary. No Agent, representative, or other officer, employee or person has the authority to make changes to any terms or provisions of the Entire Agreement. We may change the Entire Agreement in order to maintain compliance with applicable state and federal law.

Governing Law Unless otherwise stated herein, this policy, and its terms and provisions, are governed by the applicable laws and regulations of the state in which this policy is issued.

Rider

Own Occupation Rider

This rider is part of your policy, and is subject to all the terms, conditions and provisions of the policy. Unless otherwise defined in this rider, words and phrases have the same meaning in this rider as the policy.

The effective date of this rider is the Policy Date, and the premium for this rider is shown in the Policy Specifications on Page 3 of the policy. This rider may be renewed with the policy after the Expiration Date.

Definitions

Total Disability or Totally Disabled The definition of Total Disability or Totally Disabled in the **Definitions** section of the policy is deleted and replaced with the following:

You have a Total Disability or you are Totally Disabled if due to a Sickness or Injury, in and of itself, you are not able to perform the Material and Substantial Duties of Your Regular Occupation, and you satisfy the **Regular Care of a Physician** provision in the policy.

Residual Disability or Residually Disabled The definition of Residual Disability or Residually Disabled in the **Definitions** section of an Enhanced Residual Disability Rider that is a part of the policy is deleted and replaced with the following:

For the first six months of Disability, you have a Residual Disability or you are Residually Disabled if due to Sickness or Injury:

- (1) you are not Totally Disabled as defined in the policy; and
- (2) you are working in Your Regular Occupation; and
- (3) you are able to perform one or more, but not all, of the Material and Substantial Duties of Your Regular Occupation or you are able to work in Your Regular Occupation no more than 80% of the time you formerly spent working before your current Disability started; and
- (4) you satisfy the **Regular Care of a Physician** provision in the policy.

After the first six months of Disability, you must also show that (1) you have a loss of Monthly Earnings that is at least 15% of your Monthly Earnings Before Disability to continue to qualify for a Residual Disability or be Residually Disabled, and (2) your loss of Monthly Earnings is solely the result, directly and apart from any other cause, of an Injury or Sickness as defined in the policy.

This replacement definition does not apply to a Basic Residual Disability Rider.

Your Regular Occupation The definition of Your Regular Occupation in the **Definitions** section of the policy is deleted and replaced with the following:

The occupation(s) in which you are regularly engaged on the date of Disability. If Your Regular Occupation on the date of Disability is limited to a professionally-recognized specialty in medicine, dentistry or law within the scope of your degree or license, we will deem that specialty to be Your Regular Occupation. If you are unemployed, retired, or otherwise not working on the date of Disability, Your Regular Occupation means any occupation you are able to do based on your education, training and experience.

Termination This rider ends on the first of:

- (1) the date the policy ends; or
- (2) your Notice to end this rider. If a rider premium is paid for a period after this rider ends, that premium will be refunded.

Rider

Enhanced Residual Disability Rider

This rider is part of your policy, and is subject to all the terms, conditions and provisions of the policy. Unless otherwise defined in this rider, words and phrases have the same meaning in this rider as the policy.

If issued at the same time as the policy, the effective date of this rider is the Policy Date and the premium is shown in the Policy Specifications on Page 3 of the policy. If issued after the Policy Date, the effective date of this rider and the premium are shown in an endorsement that is added to the policy. This rider may not be renewed after the Expiration Date.

Nothing in this rider will increase your Base Monthly Benefit shown in the Policy Specifications.

Definitions

Residual Disability or Residually Disabled For the first six months of Disability, you have a Residual Disability or you are Residually Disabled if due to Sickness or Injury:

- (1) you are not Totally Disabled as defined in the policy; and
- (2) you are working; and
- (3) you are able to perform one or more, but not all, of the Material and Substantial Duties of any occupation or you are able to work in any occupation no more than 80% of the time you formerly spent working before your current Disability started; and
- (4) you satisfy the **Regular Care of a Physician** provision in the policy.

After the first six months of Disability, to continue to qualify for a Residual Disability or be Residually Disabled, you must also show that:

- (1) you have a loss of Monthly Earnings that is at least 15% of your Monthly Earnings Before Disability; and
- (2) your loss of Monthly Earnings is solely the result, directly and apart from any other cause, of an Injury or Sickness as defined in the policy.

Residual Monthly Benefit The monthly benefit amount to be paid under this rider for each month you are Residually Disabled after the Elimination Period.

Disability or Disabled Total Disability or Totally Disabled as defined in the policy, or Residual Disability or Residually Disabled as defined in this rider.

Elimination Period The definition of Elimination Period in the **Definitions** section of the policy is revised by addition of the following: Time periods referred to in this definition can be satisfied by either a Total Disability or a Residual Disability.

Monthly Earnings Monthly Earnings includes:

- (1) all wages, salary, bonuses, commissions and fees; and
- (2) any employer contributions to your pension and profit sharing and deferred compensation plans; and
- (3) other payments for services that are reported on your personal income tax return; and
- (4) if you own any part of a business in which you provide personal services, your share of net profit or (loss) reported by the business. In calculating such net profit or (loss), you may only include Normal and Usual Business Expenses in such calculation.

The following amounts are not included in Monthly Earnings:

- (1) any unearned income, such as interest, dividends, rent, royalties, or investment income or other income not derived from Your Regular Occupation; and
- (2) any income from annuities, life insurance, endowments, sick pay, benefits received for disability under a formal wage or salary continuation plan; and
- (3) any special income, such as incentive stock options, non-qualified stock options, non-qualified deferred compensation and golden parachutes, unless such income is a customary form of compensation in Your Regular Occupation.

Monthly Earnings will be determined using either the cash or accrual accounting method, whichever you choose. But, during the period of Disability, the same method must be used to determine Monthly Earnings Before Disability and Current Monthly Earnings. If you choose the cash method, we will exclude any income received for services rendered prior to your date of Disability to determine Current Monthly Earnings.

Normal and Usual Business Expenses Normal and Usual Business Expenses are those expenses that:

- (1) can be deducted for federal income tax purposes; and
- (2) are incurred on a regular basis and are essential to the operation of the business. This does not include income taxes.

In determining Current Monthly Earnings, Normal and Usual Business Expenses must not be in excess of the expenses that were incurred before the date of Disability. For the purpose of determining if Normal and Usual Business Expenses are in excess of the expenses incurred before the date of Disability, we do not include salaries, drawing accounts, and other forms of compensation payable to you or to any member of your immediate family who was not a full-time paid employee of the business during the 180-day period immediately preceding the date of Disability. We will increase the prior Normal and Usual Business Expenses utilized to determine if there is an excess of expenses by a cost of living adjustment, which will be calculated in the same manner as the cost of living adjustment is determined for your Monthly Earnings Before Disability.

Monthly Earnings Before Disability The greater of:

- (1) your average Monthly Earnings for the 12 months immediately before your date of Disability; or
- (2) your average Monthly Earnings for the highest consecutive 24 month period during the 60 months immediately before your date of Disability. If money was being paid into a pension or profit-sharing or deferred compensation plan for you, the money will be added to your Monthly Earnings Before Disability.

Current Monthly Earnings Your Monthly Earnings during each month of Residual Disability for which a claim for benefits is made under this rider.

Loss of Earnings Monthly Earnings Before Disability minus Current Monthly Earnings.

CPI-U CPI-U is the Consumer Price Index for all urban consumers. It is published by the United States Department of Labor. If the CPI-U is discontinued or if its method of computation is changed, we may use another nationally published index. We will choose an index that is similar in purpose to the CPI-U.

Benefits

Recurrent Disabilities The **Recurrent Disabilities** provision in the **Benefits** section of the policy is revised by addition of the following: Time periods referred to in this provision will apply to both a Total Disability and a Residual Disability.

Residual Disability We will pay you a Residual Monthly Benefit while you are Residually Disabled.

The Residual Monthly Benefit amount is the Base Monthly Benefit amount for Total Disability times the ratio of your Loss of Earnings during Disability to your Monthly Earnings Before Disability. If this ratio is more than 75%, then the Residual Monthly Benefit will be the same as the Base Monthly Benefit for Total Disability shown in the Policy Specifications. For the first six months that you are paid a benefit for a Residual Disability, the amount of such a benefit will not be less than 50% of the Base Monthly Benefit amount for Total Disability.

At the end of each year that you remain Disabled, a percentage increase will be made to the amount of your Monthly Earnings Before Disability. This increase will be equal to the increase in the CPI-U. This new Monthly Earnings Before Disability amount will then be used in computing your Residual Monthly Benefit. If the CPI-U does not increase, no adjustment will be made in your Monthly Earnings Before Disability for that year.

Transitional Return to Work Benefit After a period for which we have paid you a benefit for a Disability, we will continue to pay you a monthly transitional benefit if:

- (1) you are at work in any occupation full time; and
- (2) you are not entitled to a Base Monthly Benefit for Total Disability or a Residual Benefit Amount for Residual Disability; and
- (3) you can demonstrate a relationship exists between the Loss of Earnings and the previous Disability; and
- (4) your Loss of Earnings is at least 15%.

The monthly transitional benefit is determined using the same procedure that is used to determine the Residual Monthly Benefit.

A relationship is demonstrated to exist between the Loss of Earnings and the previous Disability if your Loss of Earnings is a direct and primary result of your Residual Disability. A relationship is not demonstrated to exist if your Loss of Earnings is primarily due to intervening causes that are not related to your Residual Disability. Whether a relationship is demonstrated to exist or not may be re-evaluated periodically during the transition period.

Termination of the Transitional Return to Work Benefit The Transitional Return to Work Benefit will terminate upon the earlier of:

- (1) the date a relationship between the Loss of Earnings and the previous Disability no longer exists; or
- (2) two consecutive months in which your Loss of Earnings is less than 15%; or
- (3) three nonconsecutive months in which your Loss of Earnings is less than 15%; or
- (4) when the Maximum Benefit Period for a Residual Disability ends.

Waiver of Premium The **Waiver of Premium** provision in the **Benefits** section of the policy is revised by the addition of the following: References to Total Disability will be construed to include periods of Residual Disability and periods during which Transitional Return to Work Benefits are being paid.

Claims

Misstatement of Earnings The following is added to the **Claims** section of the policy or any endorsement thereto:

If a claim for Residual Disability is based on an amount of earnings that is not correct as stated, the amount of the Residual Monthly Benefit will be adjusted to reflect the correct amount of earnings. We will increase or decrease any later payment or payments for the misstatement.

Authorizations, Examinations and Interviews The **Authorizations, Examinations and Interviews** provision found in the **Claims** section of the policy or any endorsement thereto will also apply to this rider.

Proof of Loss The **Proof of Loss** provision found in the **Claims** section of the policy or any endorsement thereto will also apply to this rider.

Other Provisions

Time Limit on Certain Defenses The **Time Limit on Certain Defenses** provision contained in the policy applies to this rider and to any claim for Residual Disability effective on the date this rider begins or is reinstated.

Termination This rider ends on the first of:

- (1) the date the policy ends; or
- (2) your Notice to end this rider; or
- (3) the Expiration Date as defined in the policy. If a rider premium is paid for a period after this rider ends, that premium will be refunded.

Rider

Catastrophic Disability Benefit Rider

This rider is part of your policy, and is subject to all the terms, conditions and provisions of the policy. Unless otherwise defined in this rider, words and phrases have the same meaning in this rider as the policy.

The effective date of this rider is the Policy Date, and the premium for this rider is shown in the Policy Specifications on Page 3 of the policy. This rider may not be renewed after the Expiration Date of the policy.

This rider will provide you with an additional monthly benefit while you are Catastrophically Disabled. The benefit provided by this rider is in addition to the monthly benefit provided by the policy.

Definitions

Catastrophic Disability and Catastrophically Disabled You have a Catastrophic Disability or are Catastrophically Disabled if due to an Injury or Sickness:

- (1) you are unable to perform two or more Activities of Daily Living without Stand-By Assistance due to loss of functional capacity; or
- (2) you require Substantial Supervision due to Severe Cognitive Impairment.

Activities of Daily Living Activities of Daily Living are:

- (1) **Bathing:** the ability to wash yourself, with or without the help of adaptive devices, by sponge bath; or in the tub or shower, including the task of getting in and out of the tub or shower.
- (2) **Contenance:** the ability to voluntarily control bowel and bladder function, or, in the event of incontinence, the ability to maintain a reasonable level of personal hygiene including caring for a catheter or colostomy bag.
- (3) **Dressing:** the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten or unfasten them.
- (4) **Eating:** the ability to feed yourself by getting food into your body from a receptacle (such as a plate or cup) or by a feeding tube or intravenously.
- (5) **Toileting:** the ability, with or without the help of adaptive devices, to get to and from or on and off the toilet, and to perform associated personal hygiene.
- (6) **Transferring:** the ability, to move in and out of a chair, bed, or wheelchair with or without equipment such as canes, quad canes, walkers, crutches or grab bars or other support devices including mechanical or motorized devices.

Stand-By Assistance You require the presence of another person within arm's reach of you to prevent, by physical intervention or verbal cueing, injury to you while you are performing the Activities of Daily Living.

Substantial Supervision Continual supervision (which may include cueing by verbal prompting, gestures or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (such as may result from wandering).

Severe Cognitive Impairment You have suffered a loss or deterioration in intellectual capacity requiring Substantial Supervision that is comparable to Alzheimer's disease and similar forms of irreversible dementia. This is measured by clinical evidence and standardized tests that reliably measure impairments in both short-term and long-term memory; orientation to people, places or time; and deductive or abstract reasoning.

Catastrophic Disability Monthly Benefit The monthly benefit amount provided by this rider and payable to you if you are Catastrophically Disabled. The Catastrophic Disability Monthly Benefit amount is shown in the Policy Specifications.

In order to be eligible for each Catastrophic Disability Monthly Benefit, you must satisfy the **Regular Care of a Physician** requirement as stated in the **Benefit** section of the policy.

Catastrophic Disability Elimination Period The period of time you must be Catastrophically Disabled before Catastrophic Disability Monthly Benefits begin. The Catastrophic Disability Elimination Period is shown in the Policy Specifications. If a period of Catastrophic Disability caused by the same or a related Injury or Sickness is broken by 365 days or less, all the days of Catastrophic Disability count toward the Catastrophic Disability Elimination Period.

Catastrophic Disability Maximum Benefit Period The longest period of time that Catastrophic Disability Monthly Benefits will be paid for one Catastrophic Disability caused by the same or a related Injury or Sickness. The Catastrophic Disability Maximum Benefit Period is shown in the Policy Specifications.

Benefits

Catastrophic Disability While this rider is In Force, we will pay you Catastrophic Disability Monthly Benefits while you are Catastrophically Disabled:

- (1) if Base Monthly Benefits are being paid under the policy; and
- (2) after the Catastrophic Disability Elimination Period; but
- (3) not for more than the Catastrophic Disability Maximum Benefit Period.

In no event will Catastrophic Disability Monthly Benefits be paid past the Expiration Date.

Recurrent Disabilities If a Catastrophic Disability stops and then starts again within 365 days due to the same or a related Injury or Sickness, the two periods of Catastrophic Disability will count as one. In such case, you do not need to satisfy a new Catastrophic Disability Elimination Period if already met, and the same Catastrophic Disability Maximum Benefit Period will continue to apply to your Catastrophic Disability.

A recurrence of a Catastrophic Disability caused by the same or related Injury or Sickness after 365 days counts as a new Catastrophic Disability. So does a Catastrophic Disability that occurs within 365 days from some other Injury or Sickness. A new Catastrophic Disability Elimination Period and a new Catastrophic Disability Maximum Benefit Period will apply when you have a new Catastrophic Disability. The **Waiver of Premium** provision in the **Benefits** section of the policy will also apply anew.

Concurrent Disabilities We will pay for only one Catastrophic Disability at a time.

Other Provisions

Time Limit on Certain Defenses The **Time Limit on Certain Defenses** provision contained in the policy applies to this rider effective beginning on the date this rider begins or is reinstated.

Termination This rider ends on the first of:

- (1) the date the policy ends; or
- (2) the Expiration Date as defined in the policy; or
- (3) your Notice to end this rider.

If a rider premium is paid for a period after this rider ends, that premium will be refunded.