

# STANDARD INSURANCE COMPANY

A Stock Life Insurance Company  
900 SW Fifth Avenue  
Portland, Oregon 97204-1282  
(503) 321-7000

## CERTIFICATE

### GROUP LIFE INSURANCE

Policyholder: City of Tacoma  
Policy Number: 605772-A  
Group Policy Effective Date: November 1, 1990

A Group Policy has been issued to the Policyholder. We certify that you will be insured as provided by the terms of the Group Policy. If your coverage is changed by an amendment to the Group Policy, we will provide the Policyholder with a revised Certificate or other notice to be given to you.

**This policy includes an Accelerated Benefit. Death benefits will be reduced if an Accelerated Benefit is paid. The receipt of this benefit may be taxable and may affect your eligibility for Medicaid or other government benefits or entitlements. However, if you meet the definition of "terminally ill individual" according to the Internal Revenue Code Section 101, your Accelerated Benefit may be non-taxable. You should consult your personal tax and/or legal advisor before you apply for an Accelerated Benefit.**

Possession of this Certificate does not necessarily mean you are insured. You are insured only if you meet the requirements set out in this Certificate. If the terms of the Certificate differ from the Group Policy, the terms stated in the Group Policy will govern.

"We", "us" and "our" mean Standard Insurance Company. "You" and "your" mean the Member. All other defined terms appear with the initial letter capitalized. Section headings, and references to them, appear in boldface type.



Chairman, President and CEO

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## COVERAGE FEATURES

This section contains many of the features of your group life insurance. Other provisions, including exclusions and limitations, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

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### GENERAL POLICY INFORMATION

Group Policy Number: 605772-A

Type of Insurance Provided:

Life Insurance: Yes

Additional Life Insurance: Yes

Dependents Life Insurance: Yes

Accidental Death And Dismemberment (AD&D) Insurance: Yes

Policyholder: City of Tacoma

Employer(s): City of Tacoma

Group Policy Effective Date: November 1, 1990

State of Issue: Washington

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### BECOMING INSURED

To become insured for Life Insurance you must: (a) Be a Member; (b) Complete your Eligibility Waiting Period; and (c) Meet the requirements in **Life Insurance** and **Active Work Provisions**. The requirements for becoming insured for coverages other than Life Insurance are set out in the text.

Definition of Member: You are a Member if you are one of the following:

1. An active employee of the Employer or an employee of the Law Enforcement Support Agency, regularly working at least 20 hours each week; or
2. An active permanent part-time employee of the Employer.

You are not a Member if you are:

1. A temporary or seasonal employee; or
2. A full time member of the armed forces of any country.

Eligibility Waiting Period: You are eligible on the first day of the calendar month coinciding with or next following the date you become a Member.

Evidence Of Insurability Required for:

- a. Late application for Contributory insurance.
- b. Reinstatements if required.

- c. Members eligible but not insured under the Prior Plan.
- d. Increases in Additional Life Insurance.
- e. Additional Life Insurance for you in excess of \$50,000 (the Guarantee Issue Amount).
- f. Additional Life Insurance for your Spouse in excess of \$25,000 (the Guarantee Issue Amount). However, if your Spouse is insured for Additional Dependents Life Insurance for an amount greater than the Guarantee Issue Amount, you may decrease your Additional Dependents Life Insurance Benefit for your Spouse to the \$25,000 Guarantee Issue Amount.

## SCHEDULE OF INSURANCE

### SCHEDULE OF LIFE INSURANCE

Life Insurance:	1 times your Annual Earnings, rounded to the next higher multiple of \$1,000, if not already a multiple of \$1,000. The maximum amount is \$400,000.
Additional Life Insurance:	You may apply for Additional Life Insurance in multiples of \$10,000, up to \$300,000.
Dependents Life Insurance:	Spouse: \$5,000 Child: \$2,000
Additional Dependents Life Insurance for your Spouse:	If you are insured under Life Insurance, you may elect Additional Dependents Life Insurance for your Spouse as follows:  1/2 times the Member's Annual Earnings, rounded to the next lower multiple of \$1,000 if not already a multiple of \$1,000. The maximum amount is \$100,000.

The amount of Additional Dependents Life Insurance for your Spouse may not exceed 50% of the amount of your combined Life Insurance and Additional Life Insurance.

### SCHEDULE OF AD&D INSURANCE

#### AD&D Insurance Benefit:

For you: The amount of your Basic AD&D Insurance Benefit is equal to the amount of your Basic Life Insurance Benefit. The amount payable for certain Losses is less than 100% of the AD&D Insurance Benefit. See AD&D Table Of Losses.

If you are insured for Additional Life Insurance, you are insured under Additional AD&D Insurance. The amount of your Additional AD&D Insurance Benefit is equal to the amount of your Additional Life Insurance Benefit. The amount payable for certain Losses is less than 100% of the AD&D Insurance

For your Spouse: If you are insured for Additional Dependent Life Insurance, you are insured under Dependent AD&D Insurance. The

amount of your Dependent AD&D Insurance Benefit for your Spouse is equal to the amount of the Additional Dependent Life Insurance Benefit for your Spouse. The amount payable for certain Losses is less than 100% of the AD&D Insurance.

**Seat Belt Benefit:**

For you: The amount of the Seat Belt Benefit is the lesser of (1) \$10,000 or (2) the amount of AD&D Insurance Benefit payable for loss of life.

**Air Bag Benefit:**

For you: The amount of the Air Bag Benefit is the lesser of (1) \$5,000; or (2) the amount of AD&D Insurance Benefit payable for Loss of your life.

**Career Adjustment Benefit:**

For you: The tuition expenses for training incurred by your Spouse within 36 months after the date of your death, exclusive of room and board, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25% of the AD&D Insurance Benefit, whichever is less.

**Child Care Benefit:**

For you: The total child care expense incurred by your Spouse within 36 months after the date of your death for all Children under age 13, but not to exceed \$5,000 per year, or the cumulative total of \$10,000 or 25% of the AD&D Insurance Benefit, whichever is less.

**Higher Education Benefit:**

For you: The tuition expenses incurred per Child within 4 years after the date of your death at an accredited institution of higher education, exclusive of room and board, but not to exceed \$5,000 per year, or the cumulative total of \$20,000 or 25% of the AD&D Insurance Benefit, whichever is less.

**Line of Duty Benefit:**

For you: The Lesser of (1) \$50,000; or (2) 100% of the amount of the AD&D Insurance Benefit otherwise payable for the Loss.

**Occupational Assault Benefit:**

For you: The lesser of (1) \$25,000; or (2) 50% of the amount of the AD&D Insurance Benefit otherwise payable for the Loss.

The amount payable for certain Losses will differ. See **Accidental Death And Dismemberment Insurance**.

**AD&D TABLE OF LOSSES**

The amount payable is a percentage of the AD&D Insurance Benefit in effect on the date of the accident and is determined by the Loss suffered as shown in the following table:

Loss:	Percentage Payable:
a. Life	100%

- b. One hand, one foot, or sight in one eye 50%
- c. Two or more of the Losses listed in b. above 50%

**No more than 100% of your AD&D Insurance will be paid for all Losses resulting from one accident.**

### REDUCTIONS IN INSURANCE

If you or your Spouse reaches an age shown below, the amount of Additional Insurance and Additional AD&D will be the amount determined from the Schedule of Insurance, multiplied by the appropriate percentage below.

Additional Life and Additional AD&D Insurance

Age	Percentage
70 through 74	65%
75 or over	50%

### OTHER PROVISIONS

Waiver Of Premium:	Yes
Limits on Right To Convert if Group Policy terminates or is amended:	
Minimum Time Insured:	5 years
Maximum Conversion Amount:	\$2,000
Leave of Absence Provision:	Insurance is continued while on a leave of absence scheduled to last 60 days or less.
Strike Continuation:	Yes. The Strike Continuation premium percentage is 100% of the Premium Rate.
Suicide Exclusion:	Applies to: <ul style="list-style-type: none"> <li>a. AD&amp;D Insurance</li> </ul>
Annual Earnings based on:	For non-represented Members, in 2012 only, earnings in effect on December 31, 2011.  In all other instances, earnings in effect on your last full day of Active Work.

### PREMIUM CONTRIBUTIONS

Life Insurance (Basic):	Noncontributory
Additional Life Insurance:	Contributory
AD&D Insurance (Basic):	Noncontributory



Additional AD&D Insurance:  
Dependents Life Insurance:

Contributory  
Contributory

## LIFE INSURANCE

### A. Insuring Clause

If you die while insured for Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive Proof Of Loss.

### B. Amount Of Life Insurance

See the **Coverage Features** for the amount of your Life Insurance.

### C. Changes In Life Insurance

Subject to 1 and 2 below, a change in your Life Insurance will become effective on the first day of the calendar month coinciding with or next following the date of change in classification, age, Annual Earnings, or other factor shown in the **Coverage Features**.

1. All increases in your Life Insurance are subject to the **Active Work Provisions**.
2. Insurance which exceeds any Guarantee Issue Amount shown in the **Coverage Features** will become effective on the first day of the calendar month coinciding with or next following the date we approve your Evidence of Insurability.

### D. When Life Insurance Becomes Effective

The **Coverage Features** states whether your Life Insurance is Contributory or Noncontributory.

#### 1. Noncontributory Life Insurance

Subject to the **Active Work Provisions**, your Noncontributory Life Insurance becomes effective on the date you become eligible.

#### 2. Contributory Life Insurance

You must apply in writing for Contributory Life Insurance and agree to pay premiums. Subject to the **Active Work Provisions**, your Life Insurance becomes effective on:

- a. The date you become eligible, if you apply on or before that date;
- b. The date you apply, if you apply within 31 days after you become eligible; or
- c. The date we approve your Evidence Of Insurability, if you apply more than 31 days after you become eligible (late application).

#### 3. Insurance Subject To Evidence Of Insurability

Insurance subject to Evidence Of Insurability becomes effective on the date we approve Evidence Of Insurability.

#### 4. Takeover Provisions

- a. If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Group Policy.
- b. You must submit satisfactory Evidence Of Insurability to become insured for Contributory Life Insurance if you were eligible under the Prior Plan for more than 31 days but were not insured.

### E. When Life Insurance Ends

Life Insurance ends automatically on the earliest of 1 through 4 below.

1. The date the last period ends for which you made a premium contribution, if your insurance is Contributory.
2. The date the Group Policy terminates.
3. The date your employment terminates.
4. The date you cease to be a Member. However, if you cease to be a Member because you are working less than the required minimum number of hours, your Life Insurance will be continued with premium payment during the following periods, unless it ends under 1 through 3 above.
  - a. While your Employer is paying you the same amount paid to you immediately before you ceased to be a Member.
  - b. While your ability to work is limited because of Sickness, Injury, or Pregnancy.
  - c. During the first 60 days of a temporary layoff.
  - d. During a scheduled leave of absence approved by your Employer in advance and in writing and lasting the period shown in the **Coverage Features**.

#### F. Reinstatement of Life Insurance

If your Life Insurance ends, you may become insured again as a new Member. However, 1 through 3 below will apply.

1. If your Life Insurance ends because you cease to be a Member, and if you become a Member again within 90 days, the Eligibility Waiting Period will be waived.
2. If your Life Insurance ends because you fail to make a required premium contribution, you must provide Evidence Of Insurability to become insured again.
3. If you exercised your Right to Convert, you must provide Evidence Of Insurability to become insured again.

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## ADDITIONAL LIFE INSURANCE

#### A. Insuring Clause

If you die, or if your Spouse dies, while insured for Additional Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive Proof of Loss.

#### B. Amount Of Additional Life Insurance

See the **Coverage Features** for the schedule of Additional Life Insurance. If we approve Evidence of Insurability, we will issue a notice showing the amount of Additional Life Insurance we have approved.

#### C. Increases In Additional Life Insurance

You must apply in writing for any increase in Additional Life Insurance on your life.

Subject to the **Active Work Provisions**, an increase in your Additional Life Insurance becomes effective on the first day of the calendar month coinciding with or next following the date we approve your Evidence of Insurability.

An increase in your Spouse's Additional Life Insurance becomes effective on first day of the calendar month coinciding with or next following the change in your Annual Earnings.

#### D. Decreases In Additional Life Insurance

A decrease in Additional Life Insurance because of a change in age or Annual Earnings becomes effective on first day of the calendar month coinciding with or next following the change in age or Annual Earnings.

Any other decrease in Additional Life Insurance becomes effective on first day of the calendar month coinciding with or next following the date the Policyholder or Employer receives your written request for the decrease.

#### E. Becoming Insured For Additional Life Insurance

##### 1. Eligibility

You are eligible if you are insured for Life Insurance.

Your Spouse is eligible if you are insured for Life Insurance.

##### 2. Effective Date

You must apply in writing for Additional Life Insurance on your life or on your Spouse's life and agree to pay premiums.

##### a. Insurance Which Does Not Exceed The Guarantee Issue Amount

Subject to the **Active Work Provisions**, insurance for you which does not exceed the Guarantee Issue Amount becomes effective on:

- 1) The later of (a) the date you become eligible, and (b) the date you apply for insurance, if you apply within 31 days after you become eligible; or
- 2) The date we approve your Evidence Of Insurability, if you apply more than 31 days after you become eligible (late application).

Insurance for your Spouse which does not exceed the Guarantee Issue Amount becomes effective on:

- 1) The later of (a) the date your spouse becomes eligible, and (b) the date you apply for insurance on your Spouse, if you apply within 31 days after you become eligible; or
- 2) The date we approve your Spouse's Evidence of Insurability, if you apply more than 31 days after becoming eligible (late application).

##### b. Insurance Which Exceeds The Guarantee Issue Amount

Insurance for you which exceeds the Guarantee Issue Amount becomes effective on the date we approve your Evidence Of Insurability.

Your Spouse's Additional Life Insurance which exceeds the Guarantee Issue Amount becomes effective on the date we approve your Spouse's Evidence of Insurability.

#### F. When Additional Life Insurance Ends

Additional Life Insurance ends automatically on the earliest of:

1. The date all your Life Insurance ends;
2. The date the last period ends for which you made a premium contribution for the Additional Life Insurance;
3. The date you die; and
4. For your Spouse, the date of your divorce.

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## **DEPENDENTS LIFE INSURANCE**

### A. Insuring Clause

If your Dependent dies while insured for Dependents Life Insurance, we will pay benefits according to the terms of the Group Policy after we receive satisfactory Proof of Loss.

### B. Amount Of Dependents Life Insurance

See the **Coverage Features** for the amount of your Dependents Life Insurance.

### C. Definitions For Dependents Life Insurance

Dependent means your Spouse or Child. Dependent does not include a person who is a full-time member of the armed forces of any country.

Child means your child from live birth through age 25. Child includes a stepchild and an adopted child.

Disabled Child means your child who, on and after the date on which Dependents Life Insurance would end because of the child's age, is continuously:

1. Incapable of self-sustaining employment because of mental retardation or physical handicap; and
2. Chiefly dependent upon you for support and maintenance, or institutionalized because of mental retardation or physical handicap.

### D. Becoming Insured For Dependents Life Insurance

#### 1. Eligibility

You become eligible to insure your Dependents on the later of:

- a. The date your Life Insurance becomes effective; and
- b. The date you first acquire a Dependent.

#### 2. Effective Date

The **Coverage Features** states whether your Dependents Life Insurance is Contributory or Noncontributory.

##### a. Noncontributory Dependents Life Insurance

Subject to the **Active Work Provisions**, Noncontributory Dependents Life Insurance becomes effective on the date you become eligible to insure your Dependents.

##### b. Contributory Dependents Life Insurance

You must apply in writing for Contributory Dependents Life Insurance and agree to pay premiums. Subject to the **Active Work Provisions**, your Dependents Life Insurance becomes effective on:

- i. The date you become eligible, if you apply on or before that date.
- ii. The date you apply, if you apply within 31 days after you become eligible.
- iii. The date we approve each Dependent's Evidence Of Insurability, if you apply more than 31 days after you become eligible (late application).

While your Dependents Life Insurance is in effect, each new Dependent becomes insured immediately.

##### c. Dependents Life Insurance Subject To Evidence of Insurability

Insurance subject to Evidence of Insurability becomes effective on the date we approve Evidence Of Insurability.

#### E. When Dependents Life Insurance Ends

Dependents Life Insurance ends automatically on the earliest of:

1. Five months after you die (no premiums will be charged for your Dependents Life Insurance during this time);
2. The date your Life Insurance ends for reasons other than your death;
3. The date the Group Policy terminates, unless: (a) your Dependents Life Insurance continues under 1. above; or (b) you qualify for Waiver Of Premium;
4. The date the last period ends for which you made a premium contribution, if your Dependents Life Insurance is Contributory;
5. For your Spouse, the date of your divorce;
6. For any Dependent, the date the Dependent ceases to be a Dependent; and
7. For a Disabled Child, 90 days after we mail you a request for proof of Disabled Child status, if proof is not given.

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### **ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

#### A. Insuring Clause

If you have an accident, including accidental exposure to adverse conditions, while insured for AD&D Insurance, and the accident results in a Loss, we will pay benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

#### B. Definition Of Loss For AD&D Insurance

Loss means loss of life, hand, foot, or sight which:

1. Is caused solely and directly by an accident.
2. Occurs independently of all other causes.
3. Occurs within 365 days of the accident.

With respect to Loss of life, death will be presumed if you disappear and the disappearance:

1. Is caused solely and directly by an accident that reasonably could have caused Loss of life;
2. Occurs independently of all other causes; and
3. Continues for a period of 365 days after the date of the accident, despite reasonable search efforts.

With respect to a hand or foot, Loss means actual and permanent severance from the body at or above the wrist or ankle joint, whether or not surgically reattached.

With respect to sight, Loss means entire and irrecoverable loss of sight.

#### C. Amount Payable

See **Coverage Features** for the AD&D Insurance schedule. The amount payable is a percentage of the AD&D Insurance Benefit in effect on the date of the accident and is determined by the Loss suffered. See AD&D Table Of Losses in the **Coverage Features**.

#### D. Changes In AD&D Insurance

Changes in your AD&D Insurance will become effective on the date your Life Insurance changes.

#### E. AD&D Insurance Exclusions

No AD&D Insurance benefit is payable if the accident or Loss is caused or contributed to by any of the following:

1. War or act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.
2. Suicide or other intentionally self-inflicted Injury, while sane or insane.
3. Committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing your official duties.
4. The voluntary use or consumption of any poison, chemical compound, alcohol or drug, unless used or consumed according to the directions of a Physician.
5. Sickness or Pregnancy existing at the time of the accident.
6. Heart attack or stroke.
7. Medical or surgical treatment for any of the above.

#### F. Additional AD&D Benefits

##### Seat Belt Benefit

The amount of the Seat Belt Benefit is shown in the **Coverage Features**.

We will pay a Seat Belt Benefit if all of the following requirements are met:

1. You die as a result of an Automobile accident for which an AD&D Insurance Benefit is payable for Loss of your Life; and
2. You are wearing and properly utilizing a Seat Belt System at the time of the accident, as evidenced by a police accident report.

Seat Belt System means a properly installed combination lap and shoulder restraint system that meets the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration. Seat Belt System will include a lap belt alone, but only if the Automobile did not have a combination lap and shoulder restraint system when manufactured. Seat Belt System does not include a shoulder restraint alone.

Automobile means a motor vehicle licensed for use on public highways.

##### Air Bag Benefit

The amount of the Air Bag Benefit is shown in the Coverage Features.

We will pay an Air Bag Benefit if all of the following requirements are met:

1. You die as a result of an Automobile accident for which a Seat Belt Benefit is payable for Loss of your life.
2. The Automobile is equipped with an Air Bag System that was installed as original equipment by the Automobile manufacturer and has received regular maintenance or scheduled replacement as recommended by the Automobile or Air Bag manufacturer.
3. You are seated in the driver's or a passenger's seating position intended to be protected by the Air Bag System and the Air Bag System deploys, as evidenced by a police accident report.

Air Bag System means an automatically inflatable passive restraint system that is designed to provide automatic crash protection in front or side impact Automobile accidents and meets the Federal Vehicle Safety Standards of the National Highway Traffic Safety Administration.

Automobile means a motor vehicle licensed for use on public highways.

#### Career Adjustment Benefit

The amount of the Career Adjustment Benefit is shown in the **Coverage Features**.

We will pay a Career Adjustment Benefit to your Spouse if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Spouse is, within 36 months after the date of your death, registered and in attendance at an accredited institution of higher education or trades training program for the purpose of obtaining employment or increasing earnings.

No Career Adjustment Benefit will be paid if you have no surviving Spouse.

#### Child Care Benefit

The amount of the Child Care Benefit is shown in the **Coverage Features**.

We will pay a Child Care Benefit to your Spouse if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Spouse pays a licensed child care provider who is not a member of your family for child care provided to your Child(ren) under age 13 within 36 months of your death.
4. The child care is necessary in order for your Spouse to work or to obtain training for work or to increase earnings.

No Child Care Benefit will be paid if you have no surviving Spouse.

#### Higher Education Benefit

The amount of the Higher Education Benefit is shown in the **Coverage Features**.

We will pay a Higher Education Benefit to your Child if all of the following requirements are met:

1. You are insured for AD&D Insurance under the Group Policy.
2. You die as a result of an accident for which an AD&D Insurance Benefit is payable for Loss of your life.
3. Your Child is, within 12 months after the date of your death, registered and in full-time attendance at an accredited institution of higher education beyond high school.

The Higher Education Benefit will be paid annually to each Child who meets the requirements of item 3 above, for a maximum of 4 consecutive years beginning on the date of your death. No Higher Education Benefit will be paid if there is no Child eligible to receive it.

#### Line Of Duty Benefit

The amount of the Line Of Duty Benefit is shown in the **Coverage Features**.

We will pay a Line Of Duty Benefit if all of the following requirements are met:

1. You are a Public Safety Officer.
2. You suffer a Loss for which an AD&D Insurance Benefit is payable.
3. The Loss is the result of a Line Of Duty Accident.



Public Safety Officer means a Member whose primary job duties include controlling or reducing crime or juvenile delinquency, criminal law enforcement, or fire suppression. Public Safety Officer includes police officers, firefighters, corrections officers, judicial officers, and officially recognized or designated volunteer firefighters, if they otherwise meet the definition of Public Safety Officer.

Line of Duty Accident means an accident, including accidental exposure to adverse weather conditions, that occurs while you are taking any action which by rule, regulation, law, or condition of employment you are obligated or authorized to perform as a Public Safety Officer in the course of controlling or reducing crime or criminal law enforcement, including such action taken in response to an emergency while off duty.

If you are a Public Safety Officer, whose primary job duties are controlling or reducing crime, criminal law enforcement, or fire suppression, Line of Duty Accident includes a Line Of Duty Accident that occurs while you are on duty at social, ceremonial, or athletic functions to which you are assigned or for which you are paid as a Public Safety Officer by your Employer.

#### Occupational Assault Benefit

The amount of the Occupational Assault Benefit is shown in the **Coverage Features**.

We will pay an Occupational Assault Benefit if all of the following requirements are met:

1. While Actively At Work you suffer a Loss for which an AD&D Insurance Benefit is payable.
2. The Loss is the result of an act of physical violence against you that is punishable by law and is evidenced by a police report.

#### G. Becoming Insured For AD&D Insurance

##### 1. Eligibility

You become eligible for AD&D Insurance on the date your Life Insurance is effective.

##### 2. Effective Date

The **Coverage Features** states whether AD&D Insurance is Contributory or Noncontributory. Subject to the **Active Work Provisions**, AD&D Insurance becomes effective as follows:

##### a. Noncontributory AD&D Insurance

Noncontributory AD&D Insurance becomes effective on the date you become eligible.

##### b. Contributory AD&D Insurance

You must apply in writing for Contributory AD&D Insurance and agree to pay premiums. Contributory AD&D Insurance becomes effective on the later of:

- (i) The date you become eligible if you apply on or before that date.
- (ii) The date you apply, if you apply within 31 days after you become eligible

#### H. When AD&D Insurance Ends

AD&D Insurance ends automatically on the earlier of:

1. The date your Life Insurance ends.
2. The date your Waiver Of Premium begins.
3. The date AD&D Insurance terminates under the Group Policy.

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## ACTIVE WORK PROVISIONS

### A. Active Work Requirement

If you are incapable of Active Work because of Sickness, Injury or Pregnancy on the day before the scheduled effective date of your insurance or an increase in your insurance, your insurance or increase will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing the material duties of your own occupation at your Employer's usual place of business.

### B. Exception

The Active Work requirement will not apply to you if:

1. You were absent from Active Work because of a regularly scheduled day off, holiday, or vacation day;
2. You were Actively At Work on your last scheduled work day before the date of your absence; and
3. You were capable of Active Work on the day before the scheduled effective date of your insurance or increase in your insurance.

LI.AW.01

## STRIKE CONTINUATION

Insurance may be continued for up to 6 months while you are absent from Active Work because of a strike, lockout or other general work stoppage caused by a labor dispute. Rules 1 through 4 below will apply.

1. When your compensation is suspended or terminated because of a work stoppage, your Employer will immediately notify you in writing of your rights under this provision. Your Employer will mail the notice to you at your last address on record with the Employer.
2. You must pay the entire premium for your insurance, including the Employer's share, if any, to your Employer on or before each Premium Due Date.
3. The premiums for your insurance during the work stoppage will equal a percentage of the premium rate in effect on the date the work stoppage began (see **Coverage Features**). We may change premium rates during the work stoppage according to the terms of the Group Policy.
4. Insurance continued under this provision will end on the earliest of:
  - a. Any Premium Due Date if you fail to make the required premium contribution to your Employer on or before that date.
  - b. The date you have been absent from Active Work for 6 months.
  - c. On the date you begin full-time employment with another employer.
  - d. At our option, on any Premium Due Date if less than 75% of the Members eligible to continue insurance under this provision make the required premium payment to the Employer.

LI.SK.01

## WAIVER OF PREMIUM

### A. Waiver Of Premium Benefit

Insurance will be continued without payment of premiums while you are Totally Disabled if:

1. You become Totally Disabled while insured under the Group Policy and under age 60;
2. You complete your Waiting Period; and

3. You give us Proof Of Loss.

**B. Definitions For Waiver Of Premium**

1. Insurance means all your insurance under the Group Policy, except AD&D Insurance.
2. Totally Disabled means that, as a result of Sickness, accidental Injury, or Pregnancy, you are unable to perform with reasonable continuity the material duties of any gainful occupation for which you are reasonably fitted by education, training and experience.
3. Waiting Period means the 180 consecutive day period beginning on the date you become Totally Disabled. Waiver Of Premium begins when you complete the Waiting Period.

**C. Premium Payment**

Premium payment must continue until the later of:

1. The date you complete your Waiting Period; and
2. The date we approve your claim for Waiver Of Premium.

**D. Refund Of Premiums**

We will refund up to 12 months of the premiums that were paid for Insurance after the date you become Totally Disabled.

**E. Amount Of Insurance**

The amount of Insurance continued without payment of premium is the amount in effect on the day before you become Totally Disabled. The amount of Insurance will not be reduced or terminated while you remain Totally Disabled.

**F. Effect Of Death During The Waiting Period**

If you die during the Waiting Period and are otherwise eligible for Waiver Of Premium, the Waiting Period will be waived.

**G. Termination Or Amendment Of The Group Policy**

Insurance will not be affected by termination or amendment of the Group Policy after you become Totally Disabled.

**H. When Waiver Of Premium Ends**

Waiver of Premium ends on the earliest of:

1. The date you cease to be Totally Disabled;
2. 90 days after the date we mail you a request for additional Proof Of Loss, if it is not given;
3. The date you fail to attend an examination or cooperate with the examiner; and
4. With respect to the amount of Insurance which an insured has converted, the effective date of the individual life insurance policy issued to the insured.

LLWP.05X

## **ACCELERATED BENEFIT**

**A. Accelerated Benefit**

If you qualify for Waiver Of Premium and give us satisfactory proof of having a Qualifying Medical Condition while you are insured under the Group Policy, you may have the right to receive during your lifetime a portion of your Insurance as an Accelerated Benefit. You must have at least \$10,000 of Insurance in effect to be eligible.

If your Insurance is scheduled to end within 24 months following the date you apply for the Accelerated Benefit, you will not be eligible for the Accelerated Benefit.

Qualifying Medical Condition means you are terminally ill as a result of an illness or physical condition which is reasonably expected to result in death within 24 months.

We may have you examined at our expense in connection with your claim for an Accelerated Benefit. Any such examination will be conducted by one or more Physicians of our choice.

#### B. Application For Accelerated Benefit

You must apply for an Accelerated Benefit. To apply you must give us satisfactory Proof Of Loss on our forms. Proof Of Loss must include a statement from a Physician that you have a Qualifying Medical Condition.

#### C. Amount Of Accelerated Benefit

You may receive an Accelerated Benefit of up to 75% of your Insurance. The maximum Accelerated Benefit is \$500,000. The minimum Accelerated Benefit is \$5,000 or 10% of your Insurance, whichever is greater.

If the amount of your Insurance is scheduled to reduce within 24 months following the date you apply for the Accelerated Benefit, your Accelerated Benefit will be based on the reduced amount.

The Accelerated Benefit will be paid to you once in your lifetime in a lump sum. If you recover from your Qualifying Medical Condition after receiving an Accelerated Benefit, we will not ask you for a refund.

#### D. Effect On Insurance And Other Benefits

For any purpose other than premium payment, the amount of your Insurance after payment of the Accelerated Benefit will be the greater of the amounts in (1) and (2) below; however, if you assign your rights under the Group Policy, the amount of your Insurance will be the amount in (2) below.

(1) 10% of the amount of your Insurance as if no Accelerated Benefit had been paid; or

(2) The amount of your Insurance as if no Accelerated Benefit had been paid; minus

The amount of the Accelerated Benefit; minus

An interest charge calculated as follows:

A times B times C divided by 365 = interest charge.

A = The amount of the Accelerated Benefit.

B = The monthly average of our variable policy loan interest rate.

C = The number of days from payment of the Accelerated Benefit to the earlier of (1) the date you die, and (2) the date you have a Right To Convert.

Your AD&D Insurance, if any, is not affected by payment of the Accelerated Benefit.

#### E. Exclusions

No Accelerated Benefit will be paid if:

1. All or part of your Insurance must be paid to your Child(ren), or your Spouse or former Spouse as part of a court approved divorce decree, separate maintenance agreement, or property settlement agreement.
2. You are married and live in a community property state unless you give us a signed written consent from your Spouse.
3. You have made an assignment of all or part of your Insurance unless you give us a signed written consent from the assignee.

4. You have filed for bankruptcy, unless you give us written approval from the Bankruptcy Court for payment of the Accelerated Benefit.
5. You are required by a government agency to use the Accelerated Benefit to apply for, receive, or continue a government benefit or entitlement.
6. You have previously received an Accelerated Benefit under the Group Policy.

F. Definitions For Accelerated Benefit

Insurance means your Life Insurance under the Group Policy.

Physician means a licensed M.D. or D.O., other than yourself, acting within the scope of the license.

G. Resolution Of Disputes Over A Qualifying Medical Condition

Pursuant to "The Washington Regulation on Accelerated Life Insurance Benefits" (WAC 284-26-600 through WAC 284-23-730), you may have the right to mediation or binding arbitration of any dispute over whether you have incurred a Qualifying Medical Condition.

LI.AB.145X

## **RIGHT TO CONVERT**

A. Right To Convert

You may buy an individual policy of life insurance without Evidence of Insurability if:

1. Your Insurance ends or is reduced due to a Qualifying Event; and
2. You apply in writing and pay us the first premium during the Conversion Period.

Except as limited under C. Limits On Right To Convert, the maximum amount you have a Right To Convert is the amount of your Insurance which ended.

B. Definitions For Right To Convert

1. Conversion Period means the 31-day period after the date of any Qualifying Event.
2. Insurance means all your insurance under the Group Policy, including insurance continued under Waiver Of Premium, but excluding AD&D Insurance.
3. Qualifying Event means termination or reduction of your Insurance for any reason except the Member's failure to make a required premium contribution.
4. You and your mean any person insured under the Group Policy.

C. Limits On Right To Convert

If your Insurance ends or is reduced because of termination or amendment of the Group Policy, 1 and 2 below will apply.

1. You may not convert Insurance which has been in effect for less than the Minimum Time Insured. See **Coverage Features**.
2. The maximum amount you have a Right To Convert is the lesser of:
  - a. The amount of your Insurance which ended, minus any other group life insurance for which you become eligible during the Conversion Period; and
  - b. The Maximum Conversion Amount. See **Coverage Features**.

D. The Individual Policy

You may select any form of individual life insurance policy we issue to persons of your age, except:

1. A term insurance policy;
2. A universal life policy;
3. A policy with disability, accidental death, or other additional benefits; or
4. A policy in an amount less than the minimum amount we issue for the form of life insurance you select.

The individual policy of life insurance will become effective on the day after the end of the Conversion Period. We will use our published rates for standard risks to determine the premium.

The time periods contained in the incontestability provision of the individual policy of life insurance will be credited with the last continuous period you were insured under the Group Policy.

#### E. Death During The Conversion Period

If you die during the Conversion Period, we will pay a death benefit equal to the maximum amount you had a Right To Convert, whether or not you applied for an individual policy. The benefit will be paid according to the **Benefit Payment And Beneficiary Provisions**.

LI.RC.04

## CLAIMS

#### A. Filing A Claim

Claims should be filed on our forms. If we do not provide our forms within 15 days after they are requested, the claim may be submitted in a letter to us.

#### B. Time Limits On Filing Proof Of Loss

Proof Of Loss must be provided within 90 days after the date of the loss. If that is not possible, it must be provided as soon as reasonably possible, but not later than one year after that 90-day period.

Proof Of Loss for Waiver Of Premium must be provided within 12 months after the end of the Waiting Period. We will require further Proof Of Loss at reasonable intervals, but not more often than once a year after you have been continuously Totally Disabled for two years.

If Proof Of Loss is filed outside these time limits, the claim will be denied. These limits will not apply while the Member or Beneficiary lacks legal capacity.

#### C. Proof Of Loss

Proof Of Loss means written proof that a loss occurred:

1. For which the Group Policy provides benefits;
2. Which is not subject to any exclusions; and
3. Which meets all other conditions for benefits.

Proof Of Loss includes any other information we may reasonably require in support of a claim. Proof Of Loss must be in writing and must be provided at the expense of the claimant. No benefits will be provided until we receive Proof Of Loss.

#### D. Investigation Of Claim

We may have you examined at our expense at reasonable intervals. Any such examination will be conducted by specialists of our choice.

We may have an autopsy performed at our expense, except where prohibited by law.

#### E. Time Of Payment

We will pay benefits within 60 days after Proof Of Loss is satisfied.

#### F. Notice Of Decision On Claim

The claimant will receive a written decision on a claim within a reasonable time after we receive the claim.

If the claimant does not receive our decision within 90 days after we receive the claim, the claimant will have an immediate right to request a review as if the claim had been denied.

If we deny any part of the claim, the claimant will receive a written notice of denial containing:

1. The reasons for our decision;
2. Reference to the parts of the Group Policy on which our decision is based;
3. A description of any additional information needed to support the claim; and
4. Information concerning the claimant's right to a review of our decision.

#### G. Review Procedure

If all or part of a claim is denied, the claimant must request a review in writing within 60 days after receiving notice of the denial.

The claimant may send us written comments or other items to support the claim, and may review any nonprivileged information that relates to the request for review.

We will review the claim promptly after we receive the request. We will send notice of our decision within 60 days after we receive the request, or within 120 days if special circumstances require an extension. We will state the reasons for our decision and refer to the relevant parts of the Group Policy.

LI.CL.01

## **ASSIGNMENT**

The rights and benefits under the Group Policy cannot be assigned.

LI.AS.01

## **BENEFIT PAYMENT AND BENEFICIARY PROVISIONS**

#### A. Payment Of Benefits

Benefits payable because of your death will be paid to the Beneficiary you name. See B through E of this section.

The benefits below will be paid to you if you are living.

1. AD&D Insurance dismemberment benefits.
2. Dependents Life Insurance benefits.
3. Supplemental Life Insurance benefits payable because of the death of your insured spouse.
4. Accelerated Benefits.

AD&D Insurance benefits payable for Losses other than Loss of Life will be paid to the person who suffers the Loss for which benefits are payable. Any such benefits remaining unpaid at that person's death will be paid according to the provisions for payment of a death benefit.

Dependents Life Insurance benefits which are unpaid at your death will be paid in equal shares to the first surviving class of the classes below.

1. The children of the Dependent.
2. The parents of the Dependent.
3. Your estate.

Supplemental Life Insurance benefits payable because of the death of your spouse which are unpaid at your death will be paid in equal shares to the first surviving class of the classes below.

1. Your children.
2. Your parents.
3. Your brothers and sisters.
4. Your estate.

#### B. Naming A Beneficiary

Beneficiary means a person you name to receive death benefits.

You may name one or more Beneficiaries. Two or more surviving Beneficiaries will share equally, unless you specify otherwise. You may name or change Beneficiaries at any time without the consent of a Beneficiary.

Your Beneficiary designation must be the same for Life Insurance and AD&D Insurance death benefits. Your Beneficiary designations for Life Insurance and your Supplemental Life Insurance may be different.

You must name or change Beneficiary in writing. Writing includes a form signed by you or a verification from the Policyholder or Employer of an electronic designation made by you.

Your designation:

1. Must be dated;
2. Must be delivered to the Policyholder or Employer during your lifetime;
3. Must relate to the insurance provided under the Group Policy; and
4. Will take effect on the date it is delivered to the Policyholder or Employer.

If we approve it, a written designation signed and dated by you under the Prior Plan will be accepted as your Beneficiary designation under the Group Policy.

#### C. Simultaneous Death Provision

If a Beneficiary dies on the same day you die, or within 15 days thereafter, benefits will be paid as if that Beneficiary had died before you, unless Proof Of Loss with respect to your death is delivered to us before the date of the Beneficiary's death.

#### D. No Surviving Beneficiary

If you do not name a Beneficiary, or if one does not survive you, benefits will be paid in equal shares to the first surviving class of the classes below.

1. Your spouse.
2. Your children.
3. Your parents.
4. Your brothers and sisters.
5. Your estate.



## E. Methods Of Payment

Recipient means a person who is entitled to benefits under this **Benefit Payment and Beneficiary Provisions** section.

### 1. Lump Sum

If the amount payable to a Recipient is less than \$10,000, we will pay it in a lump sum.

### 2. Standard Secure Access Checking Account

If the amount payable to a Recipient is \$10,000 or more, we will deposit it into a Standard Secure Access checking account which:

- a. Bears interest;
- b. Is owned by the Recipient;
- c. Is subject to the terms and conditions of a confirmation certificate which will be given to the Recipient; and
- d. Is fully guaranteed by us.

### 3. Installments

Payment to a Recipient may be made in installments if:

- a. The amount payable is \$10,000 or more;
- b. The Recipient chooses; and
- c. We agree.

To the extent permitted by law, the amount payable to the Recipient will not be subject to any legal process or to the claims of any creditor or creditor's representative.

LI.BB.01

## **ALLOCATION OF AUTHORITY**

Except for those functions which the Group Policy specifically reserves to the Policyholder, we have full and exclusive authority to control and manage the Group Policy, to administer claims, and to interpret the Group Policy and resolve all questions arising in the administration, interpretation, and application of the Group Policy.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Group Policy and any claim under it;
3. The right to determine:
  - a. Eligibility for insurance;
  - b. Entitlement to benefits;
  - c. Amount of benefits payable;
  - d. Sufficiency and the amount of information we may reasonably require to determine a., b., or c., above.

Subject to the review procedures of the Group Policy, any decision we make in the exercise of our authority is conclusive and binding.

## TIME LIMITS ON LEGAL ACTIONS

No action at law or in equity may be brought until 60 days after we have been given Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The time within which Proof Of Loss is required to be given.

LI.TL.01

## INCONTESTABILITY PROVISIONS

### A. Incontestability Of Insurance

Any statement made to obtain insurance is a representation and not a warranty.

No misrepresentation will be used to reduce or deny a claim unless:

1. The insurance would not have been approved if we had known the truth; and
2. We have given you or any other person claiming benefits a copy of the signed written instrument which contains the misrepresentation.

We will not use a misrepresentation to reduce or deny a claim after the insured's insurance has been in effect for two years.

### B. Incontestability Of Group Policy

Any statement made by the Policyholder or Employer to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyholder or Employer will be used to deny a claim or to deny the validity of the Group Policy unless:

1. The Group Policy would not have been issued if we had known the truth; and
2. We have given the Policyholder or Employer a copy of a written instrument signed by the Policyholder or Employer which contains the misrepresentation.

The validity of the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums.

LI.IN.01

## DEFINITIONS

AD&D Insurance means accidental death and dismemberment insurance, if any, under the Group Policy.

Annual Earnings means your annual rate of earnings from your Employer, including 1 through 3 below. Your Annual Earnings will be based on your earnings in effect on your last full day of Active Work unless a different date applies (see **Coverage Features**).

1. Contributions you make through a salary reduction agreement with your Employer to:
  - a. An IRC Section 401(k), 403(b), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. Shift differential pay.

3. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

For Part Time Members, Annual Earnings is based on a 40 hour work week.

Annual Earnings does not include 1 through 4 below.

1. Bonuses.
2. Overtime pay.
3. Your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.
4. Any other extra compensation.

Contributory means you pay all or part of the premium for insurance.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance. See **Coverage Features**.

Evidence Of Insurability means an applicant must:

1. Complete and sign our medical history statement;
2. Sign our form authorizing us to obtain information about the applicant's health;
3. Undergo a physical examination, if required by us, which may include blood testing; and
4. Provide any additional information about the applicant's insurability that we may reasonably require.

Group Policy means the group life insurance policy issued by us to the Policyholder and identified by the Group Policy Number.

Injury means an injury to your body.

Noncontributory means the Policyholder or Employer pays the entire premium for insurance.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means your Employer's group life insurance plan in effect on the day before the effective date of your Employer's coverage under the Group Policy and which is replaced by the Group Policy.

Sickness means your sickness, illness, or disease.

Spouse means:

1. A person to whom you are legally married; or
2. Your Domestic Partner. Your Domestic Partner means an individual recognized as such under applicable law.

For purposes of insurance under the Group Policy, Spouse does not include a person who is a full-time member of the armed forces of any country, a person from whom you are divorced or from whom you have terminated a Domestic Partner relationship.

LI.DF.01X