

**Group Life
Insurance Certificate**

City of Edmonds
Municipal Employees Benefit Trust

IMPORTANT NOTICES

If you reside in one of the following states, please read the important notices below:

Arizona, Florida and Maryland residents:

The group policy is issued in the state of Washington and will be governed by its laws. If you reside in a state other than Washington, this certificate of insurance may not provide all of the benefits and protections provided by the laws of your state. PLEASE READ YOUR CERTIFICATE CAREFULLY.

Texas residents:

IMPORTANT NOTICE: To obtain information or make a complaint:

You may call Life Insurance Company of North America toll free telephone number for information or to make a complaint at:

1-800-547-5515

You may also write to Life Insurance Company of North America at:

ATT: Charlene Bush
1601 Chestnut Street, TL16D
Philadelphia, PA 19192

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:
1-800-252-3439

You may write the Texas Department of Insurance:

P.O. Box 149104
Austin, TX 78714-9104
Fax (512) 475-1771
Web: <http://www.tdi.state.tx.us>
Email: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Life Insurance Company of North America first. If the dispute is not resolved, you may contact the Texas Department of Insurance

AVISO IMPORTANTE: Para obtener información o para someter una queja:

Usted puede llamar al número de teléfono gratis de Life Insurance Company of North America para información o para someter una queja al: **1-800-547-5515**

Usted también puede escribir a Life Insurance Company of North America al:

ATT: Charlene Bush
1601 Chestnut Street, TL16D
Philadelphia, PA 19192

Puede comunicarse con el Departamento de Seguros de Texas para obtener información acerca de compañías, coberturas, derechos o quejas al:
1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax (512) 475-1771
Web: <http://www.tdi.state.tx.us>
Email: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Life Insurance Company of North America primero. Si no resuelve la disputa, puede entonces comunicarse con el Departamento de Seguros de Texas (TDI, por sus siglas en inglés).

Washington Residents:

(In Accordance With WAC 284-23-610, 620, 650, 730)

The accelerated life benefit in this policy does not and is not intended to qualify as long-term care under Washington state law. Washington state law prevents this accelerated life benefit from being marketed or sold as long-term care.

If an Insured receives payment of accelerated benefits from a life insurance policy, he or she may lose the right to receive certain public funds, such as Medicare, Medicaid, Social Security, Supplemental Security, Supplemental Security Income (SSI), and possibly others. Also, receiving accelerated benefits from a life insurance policy may have tax consequences for the Insured. We cannot give advice about this. The Insured may wish to obtain advice from a tax professional or an attorney before he or she decides to receive accelerated benefits under a life policy.

NOTICE

Benefits paid under the Accelerated Benefits provision will reduce the Death Benefit payable for life insurance.

Benefits payable under the Accelerated Benefits provision may be taxable. If so, the Employee or the Employee's beneficiary may incur a tax obligation. As with all tax matters, an Employee should consult with a personal tax advisor to assess the impact of this benefit. Accelerated Benefits are not payable if life insurance coverage under the Policy is not in force.

Any accidental death benefits that you may have under the policy will not be affected by the acceleration of life insurance benefits.

TL-004788

FOREWORD

Life insurance provides individuals and their families with financial protection. The Life Insurance Benefit described in this booklet will help secure your family's financial security in the event of your death.

The need for life insurance protection depends on individual circumstances and financial situations. This valuable coverage should add an extra dimension to your personal insurance portfolio.

In an effort to make your benefit program more comprehensive and responsive to your needs, your Employer is providing this insurance to you at no cost.

LIFE INSURANCE COMPANY OF NORTH AMERICA

1601 CHESTNUT STREET

PHILADELPHIA, PA 19192-2235

(800) 732-1603 TDD (800) 336-2485

A STOCK INSURANCE COMPANY

**GROUP INSURANCE
CERTIFICATE**

We, the LIFE INSURANCE COMPANY OF NORTH AMERICA, certify that we have issued a Group Policy, SGM-605870, to City of Edmonds Municipal Employees Benefit Trust.

We certify that we insure all eligible persons, who are enrolled according to the terms of the Policy. Your coverage will begin and end according to the terms set forth in this certificate.

This certificate describes the benefits and basic provisions of your coverage. You should read it with care so you will understand your coverage.

This is not the insurance contract. It does not waive or alter any of the terms of the Policy. If questions arise, the Policy will govern. You may examine the Policy at the office of the Policyholder or the Administrator.

This certificate replaces any and all certificates which may have been issued to you in the past under the Policy.



Matthew G. Manders, President

TABLE OF CONTENTS

SCHEDULE OF BENEFITS 1

WHO IS ELIGIBLE 2

WHEN COVERAGE BEGINS 2

WHEN COVERAGE ENDS 3

WHEN COVERAGE CONTINUES 3

LIFE INSURANCE BENEFITS..... 5

CLAIM PROVISIONS 8

ADMINISTRATIVE PROVISIONS 10

GENERAL PROVISIONS 11

DEFINITIONS..... 12

SCHEDULE OF BENEFITS

Policy Effective Date: November 1, 2014

Policy Anniversary Date: November 1

Policy Number: SGM-605870

Class Definition

You are eligible for insurance if you are a member of the class defined below.

All Employees of the Employer who were disabled under the Prior Plan as of October 31, 2014, and who continue to be Disabled under the Policy.

Your Eligibility Waiting Period

The Eligibility Waiting Period is the period of time you must be in Active Service to be eligible for coverage. It will be extended by the number of days you are not in Active Service.

If you were hired on or before the Policy Effective Date:
No Waiting Period

If you were hired after the Policy Effective Date:
No Waiting Period

LIFE INSURANCE BENEFITS

If an Insured is eligible under one Class of Eligible Employees and later becomes eligible under a different Class of Eligible Employees, changes in his or her insurance due to the class change will be effective on the first date the Insured is in Active Service on or after the date of the change in class.

Employee Benefits

Amount of Insurance \$75,000
Guaranteed Issue Amount: \$75,000

Maximum Benefit: \$75,000

Age Based Reductions When you are age 65 or older, your Life Insurance Benefit will reduce to the percentage shown below:
65% of the Life Insurance Benefit at age 65
50% of the Life Insurance Benefit at age 70
35% of the Life Insurance Benefit at age 75

Benefits reductions will be effective on the first of the month following the Employee's attainment of age as specified in schedule above.

Terminal Illness Benefit
Maximum Benefit: \$56,250

WHO IS ELIGIBLE

Classes of Eligible Persons

A person may be insured only once under the Policy as an Employee, even though he or she may be eligible under more than one class.

Employee

If you qualify under the Class Definition shown in the Schedule of Benefits, you are eligible to be insured under the Policy on the Policy Effective Date, or the day after you complete the applicable Eligibility Waiting Period, if later.

If you have previously converted your insurance under the Policy, you will not become eligible until your converted policy is surrendered. This does not apply to any amount of insurance that was previously converted under the Policy due to a reduction in your Life Insurance Benefits based on age or a change in class unless those conditions no longer affect the amount of insurance available to you.

Except as noted in the Reinstatement Provision, if you terminate coverage and later wish to reapply, or if you are a former Employee who is rehired, a new Eligibility Waiting Period must be satisfied. You are not required to satisfy a new Eligibility Waiting Period, if insurance ends because you are no longer in a Class of Eligible Employees, but continue to be employed by the Employer, and within one year you become a member of an eligible class.

TL-004710-1

WHEN COVERAGE BEGINS

You will be insured for an amount not to exceed the Guaranteed Issue Amount on the date you become eligible, if you are not required to contribute to the cost of this insurance.

If you are not in Active Service on the date insurance would otherwise go into effect, it will be effective on the date you return to Active Service.

TL-004712

Takeover Provision

Special Terms Applicable to Previously Insured Employees Not in Active Service

If you are not in Active Service on the Policy Effective Date, you are not covered under the Policy.

However, We agree to provide a death benefit equal to the lesser of:

1. the amount due under this Policy (without regard to the Active Service provision), or
2. the amount that would have been due under the Prior Plan had it remained in force.

The benefit amount will be reduced by any amount paid by the Prior Plan, or that would have been paid had this Policy not been issued and had timely filing of the claim been made under the Prior Plan.

These special terms will end on the earliest of the following dates:

1. the date you meet the Active Service requirements;
2. the date insurance terminates for one of the reasons stated in the When Coverage Ends provision;
3. 12 months after the Policy Effective Date; or
4. the last day you would have been covered under the Prior Plan if that plan was still in force.

TL-009020

WHEN COVERAGE ENDS

Coverage will end on the earliest of the following dates:

1. the date you are eligible for coverage under a plan intended to replace this coverage;
2. the date we terminate the Policy;
3. the date you are no longer in an eligible class;
4. the date coinciding with the end of the last period for which required premiums are paid;
5. the date you are no longer in Active Service; and
6. for an Employee, the date the Employer cancels participation under the Policy.

TL-004714

WHEN COVERAGE CONTINUES

Continuation of Life Coverage During Labor Disputes

If your Active Service ends because of a Labor Dispute and your premium for Life Insurance Benefits under the Policy is paid either by the Employer, in whole or in part, or by you through payroll deductions, then you may continue your Life Insurance Benefits. The Employer will send you written notice of the right to continue coverage at your most recent address as on file with the Employer.

To continue coverage, you must pay premiums directly to the Employer, who will remit the premiums to us. Premiums must be paid by the date they are due, subject to the 31 day grace period. Policy coverages and premiums will stay the same during a Labor Dispute; however, we may make normal changes in premium rates when the Policy is renewed, under the terms set forth in the Policy.

Coverage continued in this manner will end on the earliest of the following dates.

1. The date the Labor Dispute has ended.
2. The date coverage has been continued for 6 months.

If the Labor Dispute continues beyond 6 months, you may apply for an individual insurance policy, as set forth in detail under "Conversion Privilege for Life Insurance."

"Labor Dispute," as used here, means a strike, lockout, or other labor dispute between the Employer and its Employees, during which time the Employee is not paid by the Employer.

Continuation for Disability for Employees over Age 60

If you become Disabled and are age 60 or over, the Life Insurance Benefits shown in the Schedule of Benefits will be continued, provided premiums are paid, until the earlier of the following dates:

1. The date you are no longer Disabled.
2. The date you are Disabled for 6 consecutive months.
3. The date coinciding with the end of the last period for which premiums are paid.
4. The date the Policy is terminated by us.

Continuation for Disability for Employees Age 60 and under

If you become Disabled, the Life Insurance Benefits shown in the Schedule of Benefits will be continued, provided premiums are paid, until the earlier of the following dates:

1. The date you are no longer Disabled.
2. The date you are Disabled for To age 70.
3. The date coinciding with the end of the last period for which premiums are paid.
4. The date the Policy is terminated by us.

Amount of Insurance

If you die while you are Disabled and coverage is continued under this provision, we will pay a Death Benefit equal to the amount in effect on the date you became Disabled. However, the Life Insurance Benefit will be subject to the provisions of the Policy that reduce the coverage amount because of age, retirement, payment of an Accelerated Benefit or a change in class. Automatic increases in Life Insurance Benefits will end while coverage is continued under this provision. We will pay benefits only if due proof of your continuous Disability is received within one year of the date of the loss.

“Disability”/“Disabled” means because of Injury or Sickness you are unable to perform all the material duties of your Regular Occupation; or are receiving disability benefits under the Employer’s plan.

“Regular Occupation” means the occupation you routinely perform at the time the Disability begins. We will consider the duties of the occupation as it is normally performed in the general labor market in the national economy.

TL-009745

TL-004716

WHAT IS COVERED

LIFE INSURANCE BENEFITS

Death Benefit

If an Insured dies, we will pay the Life Insurance Benefit in force for that Insured on the date of his or her death.

TL-004730

Accelerated Benefits

Any benefits payable under this Accelerated Benefits provision will reduce the Death Benefit payable for Life Insurance. Any automatic increases in Life Insurance Benefits will end when benefits are payable under this provision.

Terminal Illness Benefit

We will pay a Terminal Illness Benefit if we determine you are Terminally Ill. The amount of this benefit is up to 75% of the Life Insurance Benefit in effect for you on the date we determine you are Terminally Ill up to the Maximum Benefit Amount shown in your Schedule of Benefits for this option. The Terminal Illness Benefit is payable only once in an Insured's lifetime.

Determination of Terminal Illness

For the purpose of determining the existence of a Terminal Illness, we will require you to submit the following proof.

1. A written diagnosis and prognosis by two Physicians licensed to practice in the United States.
2. Supportive evidence satisfactory to us, including but not limited to radiological, histological or laboratory reports documenting the Terminal Illness.

We may require, at our expense, you to be examined and a review of the documented evidence by a Physician of our choice. In the event the Physician representing us disputes the existence of a Terminal Illness, as defined below, and the dispute cannot be resolved, you have the right to mediation and binding arbitration in accordance with WAC 284-23-730.

"Terminal Illness" means a person is diagnosed by a Physician to have a prognosis of 24 months or less to live.

TL-004748 (WA)

Conversion Privilege for Life Insurance

Each Insured may convert all or any portion of his or her Life Insurance that would end under the Policy due to:

1. termination of employment;
2. termination of membership in an eligible class under the Policy;
3. termination of the Policy.

The Insured may apply for any type of life insurance we offer to persons of the same age in the amount applied for, except you may not:

1. choose term insurance;
2. apply for an amount of insurance greater than the coverage amount terminating under the Policy (also, the conversion policy will not provide accident, disability or other benefits); or
3. apply for more than \$10,000 of insurance if the Policy is terminated or amended to terminate the insurance for any class of Insureds, or the Employer cancels participation under the Policy. Conversion in these cases is only permitted if you have been covered by the Policy or, any group life insurance policy issued to the Employer which the Policy replaced, for at least 3 years.

If the Insured becomes eligible for coverage under any group life policy within 31 days of termination of coverage under this Policy, the Insured may not convert an amount of insurance greater than the amount of coverage terminating under the Policy less the amount for which he or she may be covered under the other policy.

To apply for conversion insurance, the Insured must, within 31 days after coverage under the Policy ends:

1. submit an application to us; and
2. pay the required premium.

Evidence of insurability is not required.

Premium for the conversion insurance will be based on the age and class of risk of the Insured and the type and amount of coverage issued.

If the Insured has assigned ownership of his group coverage, the owner/assignee must apply for the individual policy.

Conversion insurance will become effective on the 31st day after the date coverage under the Policy ends provided the application is received by us and the required premium has been paid.

If the Insured dies during the 31-day conversion period, the Life Insurance benefits will be paid under the Policy regardless of whether he or she applied for conversion insurance. If a conversion policy is issued, it will be in exchange for any further benefits for that type and amount of insurance from this Policy.

Extension of Conversion Period

If an Insured is eligible for conversion insurance and is not notified of this right at least 15 days prior to the end of the 31-day conversion period, the conversion period will be extended. The Insured will have 15 days from the date notice is given to apply for conversion insurance. In no event will the conversion period be extended beyond 90 days. Notice, for the purpose of this section, means written notice presented to the Insured by the Employer or mailed to the Insured's last known address as reported by the Employer.

If the Insured dies during the extended conversion period, but more than 31 days after his or her coverage under the Policy terminates, Life Insurance benefits:

1. will not be paid under the Policy; and
2. will be payable under the conversion insurance; provided:
 - a. the Insured's application for conversion insurance has been received by us; and
 - b. the required premium has been paid.

Prior Conversion Limitation

If an Insured is covered under a life insurance conversion policy previously issued by us, he or she will not be eligible for this Conversion Privilege unless the prior coverage has ended.

TL-009740

CLAIM PROVISIONS

Notice of Claim

Written notice of claim, or notice by any other electronic/telephonic means authorized by us, must be given to us within 31 days after a covered loss occurs or begins or as soon as reasonably possible. If written notice, or notice by any other electronic/telephonic means authorized by us, is not given in that time, the claim will not be invalidated or reduced if it is shown that notice was given as soon as was reasonably possible. Notice can be given at our home office in Philadelphia, Pennsylvania or to our agent. Notice should include the Employer's name, the Policy Number and the claimant's name and address.

Written notice, or any other electronic/telephonic means authorized by us, of a diagnosis of a Terminal Illness on which claim is based must be given to us within 60 days after the diagnosis. If notice is not given in that time, the claim will not be invalidated or reduced if it is shown that written notice, or any other electronic/telephonic means authorized by us, was given as soon as reasonably possible.

Claim Forms

When we receive notice of claim, we will send claim forms for filing proof of loss. If we do not send claim forms within 15 days after notice is received by us, the proof requirements will be met by submitting, within the time required under the "Proof of Loss" section, written proof, or proof by any other electronic/telephonic means authorized by us, of the nature and extent of the loss.

Claimant Cooperation Provision

If you fail to cooperate with us in our administration of your claim, we may terminate the claim. Such cooperation includes, but is not limited to, providing any information or documents needed to determine whether benefits are payable or the actual benefit amount due.

Insurance Data

The Employer is required to cooperate with us in the review of claims and applications for coverage. Any information we provide to the Employer in these areas is confidential and may not be used or released by the Employer if not permitted by applicable privacy laws.

Proof of Loss

You must provide written proof of loss to us, or proof by any other electronic/telephonic means authorized by us, within 90 days after the date of the loss for which a claim is made. If written proof of loss, or proof by any other electronic/telephonic means authorized by us, is not given in that 90 day period, the claim will not be invalidated nor reduced if it is shown that it was given as soon as was reasonably possible. In any case, written proof of loss, or proof by any other electronic/telephonic means authorized by us, must be given not more than one year after the 90 day period. If written proof of loss, or proof by any other electronic/telephonic means authorized by us, is provided outside of these time limits, the claim will be denied. These time limits will not apply due to lack of legal capacity.

Written proof, or any other electronic/telephonic means authorized by us, of loss for Accelerated Benefits must be furnished 90 days after the date of diagnosis. This proof must describe the occurrence, character and diagnosis for which claim is made.

In case of claim for any other loss, proof must be furnished within 90 days after the date of such loss.

If it is not reasonably possible to submit proof of loss within these time periods, we will not deny or reduce any claim if proof is furnished as soon as reasonably possible. Proof must, in any case, be furnished not more than a year later, except for lack of legal capacity.

Time of Payment

Benefits due under the Policy for a loss, other than a loss for which the Policy provides installment payments, will be paid immediately upon receipt of due written proof of such loss.

Subject to the receipt of satisfactory written proof of loss, all accrued benefits for loss for which the Policy provides installment payments will be paid monthly; any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof, unless otherwise stated in the Description of Benefits.

To Whom Payable

Death Benefits will be paid to the Insured's named beneficiary, if any, on file at the time of payment. If there is no named beneficiary or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives: spouse or Registered Domestic Partner; child or children; mother or father; brothers or sisters; or to the executors or administrators of the Insured's estate. The Insurance Company may reduce the amount payable by any indebtedness due. ("Registered Domestic Partner" means a person who has entered into a Domestic Partnership with the Employee registered under any state which legally recognizes Domestic Partnerships or Civil Unions, and which confers on the Employee and Domestic Partner legal rights and obligations substantially similar to lawful marriage. Such person will continue to be recognized as a Registered Domestic Partner unless and until: (1) the Domestic Partnership is dissolved under applicable law; or (2) either the Employee or the Domestic Partner marries another person.)

All benefits payable under the Accelerated Benefits section are payable to the Insured, if living. If the Insured dies prior to the payment of an eligible claim for an Accelerated Benefit, benefits will be paid in accordance with the provisions applicable to the payment of Life Insurance proceeds, unless the Insured has directed us otherwise in writing. However, any payment made by us prior to notice of the Insured's death shall discharge us of any benefit that was paid.

All other benefits unless otherwise stated in the Policy, will be payable to the Insured or the certificate owner if other than the Insured.

Any other accrued benefits which are unpaid at your death will, at our option, be paid either to your beneficiary or to the executor or administrator of your estate.

If we pay benefits to the executor or administrator of your estate or to a person who is incapable of giving a valid release, we may pay up to \$1,000 to a relative by blood or marriage whom we believe is equitably entitled. This good faith payment satisfies our legal duty to the extent of that payment.

Change of Beneficiary

You may change your beneficiary at any time by giving written notice to the Employer or to us. The beneficiary's consent is not required for this or any other change which you may make unless your designation of beneficiary is irrevocable.

No change in beneficiary will take effect until the form is received by the Employer or us. When this form is received, it will take effect as of the date of the form. If you die before the form is received, we will not be liable for any payment that was made before receipt of the form.

Physical Examination and Autopsy

We may, at our expense, exercise the right to examine any person for whom a claim is pending as often as we may reasonably require. Also, we may, at our expense, require an autopsy unless prohibited by law.

Legal Actions

No action at law or in equity may be brought to recover benefits under the Policy less than 60 days after written proof of loss, or proof by any other electronic/telephonic means authorized by us, has been furnished as required by the Policy. No such action shall be brought more than 3 years after the time satisfactory proof of loss is required to be furnished.

Time Limitations

If any time limit stated in the Policy for giving notice of claim or proof of loss, or for bringing any action at law or in equity, is less than that permitted by the law of the state in which you live when the Policy is issued, then the time limit provided in the Policy is extended to agree with the minimum permitted by the law of that state.

Physician/Patient Relationship

You have the right to choose any Physician who is practicing legally. We will in no way disturb the Physician/patient relationship.

TL-004724

ADMINISTRATIVE PROVISIONS**Premiums**

The premiums for this Policy will be based on the rates currently in force, the plan and the amount of insurance in effect.

If an Insured's coverage amount is reduced due to acceleration of a Death Benefit, premium will be based on the amount of coverage in force on the day before the reduction took place. If the Insured's coverage amount is reduced due to his or her attained age, premium will be based on the amount of coverage in force on the day after the reduction took place.

Reinstatement of Insurance

Your coverage may be reinstated without satisfying the Insurability Requirement, if your insurance ends because you are on an unpaid leave of absence and you apply for Reinstatement within 31 days of your return to Active Service.

After your insurance ends, it may be reinstated at any date prior to five years after the date of termination if the following conditions are met.

1. The Policy is still in force.
2. You are eligible under the Policy.
3. You send us a written request for reinstatement and a new enrollment form.
4. The required premium is paid.
5. The Insurability Requirement, if applicable, is satisfied.

TL-004722

GENERAL PROVISIONS

Incontestability

All statements made by the Employer or by an Insured are representations not warranties. No statement will be used to deny or reduce benefits or as a defense to a claim, unless a copy of the instrument containing the statement has been furnished to the claimant. In the event of death or legal incapacity, the beneficiary or representative must receive the copy.

After two years from an Insured's effective date of insurance, or from the effective date of any added or increased benefits, no such statement will cause insurance to be contested.

Misstatement of Age

If an Insured's age has been misstated, we will adjust all benefits to the amounts that would have been purchased for the correct age.

Workers' Compensation Insurance

The Policy is not in lieu of and does not affect any requirements for insurance under any Workers' Compensation Insurance Law.

Assignment of Benefits

We will not be affected by the assignment of your certificate until the original assignment or a certified copy of the assignment is filed with us. We will not be responsible for the validity or sufficiency of an assignment. An assignment of benefits will operate so long as the assignment remains in force provided insurance under the Policy is in effect. This insurance may not be levied on, attached, garnisheed, or otherwise taken for a person's debts. This prohibition does not apply where contrary to law.

Clerical Error

A person's insurance will not be affected by error or delay in keeping records of insurance under the Policy. If such an error is found, the premium will be adjusted fairly.

Ownership of Records

All records maintained by the Insurance Company are, and shall remain, the property of the Insurance Company.

TL-004728 (WA)

DEFINITIONS

Please note, certain words used in this document have specific meanings. These terms will be capitalized throughout this document. The definition of any word, if not defined in the text where it is used, may be found either in this Definitions section or in the Schedule of Benefits.

Active Service

If you are an Employee, you are in Active Service with the Employer on a day which is one of the Employer's scheduled work days if either of the following conditions are met.

1. You are actively at work. This means you are performing your regular occupation for the Employer on a Full-time basis, either at one of the Employer's usual places of business or at some location to which the Employer's business requires you to travel.
2. The day is a scheduled holiday, vacation day or period of Employer approved paid leave of absence, other than disability or sick leave after 7 days.

You are considered in Active Service on a day which is not one of the Employer's scheduled work days only if you were in Active Service on the preceding scheduled work day.

Disabled

You are Disabled, if, because of Injury or Sickness, you are unable to perform all the material duties of any occupation for which you are or may reasonably become qualified based on your education, training or experience.

Employee

For eligibility purposes, you are an Employee if you work for the Employer and are in one of the "Classes of Eligible Employees." Otherwise, you are an Employee if you are an employee of the Employer who is insured under the Policy.

Employer

The Policyholder and any affiliates or subsidiaries covered under the Policy. The Employer is acting as your agent for transactions relating to this insurance. You shall not consider any actions of the Employer as actions of the Insurance Company.

Full-time

Full-time means the number of hours set by the Employer as a regular work day for Employees in your eligibility class.

Injury

Any accidental loss or bodily harm that results directly and independently from all other causes from an Accident.

Insurability Requirement

An eligible person satisfies the Insurability Requirement for an amount of coverage on the day we agree in writing to accept you as insured for that amount. To determine a person's acceptability for coverage, we will require you to provide evidence of good health and may require it be provided at your expense.

Insurance Company

The Insurance Company underwriting the Policy is named on your certificate cover page. References to the Insurance Company have been changed to "we", "our", "ours", and "us" throughout the certificate.

Insured

You are an Insured if you are eligible for insurance under the Policy, insurance is elected for you, the required premium is paid and your coverage is in force under the Policy.

Physician

Physician means a licensed doctor practicing within the scope of his or her license and rendering care and treatment to an Insured that is appropriate for the condition and locality. The term does not include you, your spouse, your immediate family (including parents, children, siblings, or spouses of any of the foregoing, whether the relationship derives from blood or marriage), or a person living in your household.

Prior Plan

The Prior Plan refers to the plan of insurance providing similar benefits to you, sponsored by the Employer and in effect directly prior to the Policy Effective Date.

Sickness

The term Sickness means a physical or mental illness.

TL-004708(WA)

IMPORTANT CHANGES FOR STATE REQUIREMENTS

If you reside in one of the following states, please read the important changes below. The provisions of your certificate are modified for residents of the following states. The modifications listed apply only to residents of that state.

California Residents:

Conversion Privilege for Life Insurance

Insured Employees and Insured Spouses may convert to an individual policy of life insurance for an amount not greater than the Conversion Amount shown below when the Policy ends, without regard to any requirement that the person be insured under the policy for a specified period of time, if all of the following apply.

- a. The Insured became Totally Disabled while covered for the Life Benefit of the Policy. Totally Disabled means the person is unable to perform all the material duties of any occupation for which he or she may reasonably be qualified based on training, education and experience.
- b. The Insured remained Totally Disabled until the Policy ended while covered for the Life Benefit of this Policy.
- c. The Policy does not provide a Waiver of Premium, Extended Death Benefit Provision or monthly payments to Totally Disabled Insureds for the Life Benefit.
- d. The person meets all other conditions for converting the insurance.

Conversion Amount - Insured's life insurance amount under the Policy on the date the Policy ends minus the amount for which the Insured is insured under a group policy that provides life coverage to employees of the Insured Employee's Employer covered under this Policy. The dollar limit that applies to the amount for conversion at Policy termination does not apply.

The requirement that the Insured be covered under the Policy for the stated number of years in order to convert life insurance does not apply.

Minnesota residents:

The following "Continuation of Life Insurance" provision is applicable to Minnesota residents if the Employer has a minimum of 25 Employees who reside in Minnesota, the Minnesota Employees represent at least 25% of all covered Employees under the Policy, and the Policy does not offer Portability.

Continuation Of Life Insurance – This provision shall not apply to the extent that the Policy provides for the right of Employees to continue insurance on a direct billed basis following termination of employment (Portability).

This provision shall apply with respect to Employees whose coverage under the Policy is terminated due to: (i) voluntary or involuntary termination or layoff from employment, for any reason other than gross misconduct; or (ii) reduction in hours such that the Employee is not eligible for insurance under the Policy. This provision shall only apply to Employees who, on such date, are Minnesota residents.

For those Employees subject to this provision, life insurance coverage may be continued under the Policy for 18 months or until the date that the Employee becomes covered under another group policy, whichever is shorter. Coverage provided under this provision will also end if the Policy is terminated.

The premium required for continued coverage shall be the premium under the Policy applicable to the Employee's class and amount of coverage. The Employer may charge an additional amount, not to exceed 2% of such premium, for collecting premium contributions from former Employees. The Employer shall notify the Employee of the right to continue and the required premium contribution. The Employee may elect to continue within 60 days of termination by paying the required premium, and may continue coverage in force by paying the required premium, without demand, on a monthly basis, as of the first of each month, to the Employer. Coverage will end at the end of any month in which the Employee has failed to pay premium to the Employer.

If continued coverage remains in force at the end of the 18 month period, or on termination of the Policy, the Employee may choose any conversion right then available under the Policy.

In the event the Employee dies during the 60 day right to elect period without having become insured under another group policy, or dies while continued coverage is in force, the death benefit will be paid to the beneficiary chosen by the Employee under the terms of the Policy.

Continued coverage will include eligible dependents who were covered on the Employee's date of termination, provided the dependent remains eligible as a dependent of the Employee. In the event that the dependent ceases to be eligible, the dependent may choose any conversion right then available under the Policy.

**UNDERWRITTEN BY:
LIFE INSURANCE COMPANY OF NORTH AMERICA
a Cigna company**

Class 3
01/2015

