

## SUN LIFE ASSURANCE COMPANY OF CANADA

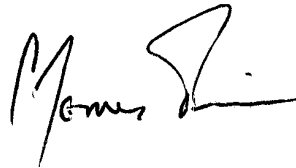
**Policyholder:** East Baton Rouge Parish School System  
**Policy Number:** 68381 - 001  
**Policy Effective Date:** October 1, 2002  
**Policy Anniversary:** January 1, 2006  
**Policy Amendment Effective Date:** June 1, 2005

This Policy is delivered in Louisiana and is subject to the laws of that jurisdiction. Premiums are due and payable monthly on the first day of each month. Policy anniversaries will be annual beginning on October 1, 2003. Effective June 1, 2005, Policy anniversaries will be annual beginning on January 1, 2006.

Sun Life Assurance Company of Canada (Sun Life) agrees to pay the benefits in accordance with all provisions provided by this Policy for Employee Basic Life, Employee Basic Accidental Death and Dismemberment, Employee Optional Life, and Dependent Optional Life Insurance. This Policy is issued in consideration of the Application of the Policyholder, a copy of which is attached, and continued payment of premiums by the Policyholder. The following pages including any Riders, Endorsements or Amendments are a part of this Policy.

For the purpose of effective dates and termination dates under this Policy, all days begin at 12:00 midnight and end at 11:59:59 pm.

Signed at Sun Life's U.S. Headquarters, One Sun Life Executive Park, Wellesley Hills, MA 02481.



President

### READ YOUR POLICY CAREFULLY

#### Group Term Insurance Policy

Non-Participating

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**Section I  
Schedule of Benefits**

**ELIGIBLE CLASSES**

All Active Full-Time Employees scheduled to work at least 30 hours per week

**WAITING PERIOD**

Until the first of the month following the date of employment

**EMPLOYEE LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

**BASIC INSURANCE**

**CLASSIFICATION**

All Active Full-Time Employees

**LIFE**

1.5 times the  
Employee's Basic  
Annual Earnings\*

**AD&D**

An amount equal to the  
Employee's amount of  
Basic Life Insurance in  
force

**OPTIONAL LIFE INSURANCE**

**CLASSIFICATION**

All Active Full-Time Employees

**LIFE**

An Employee may elect 1, 2, 3  
or 4 times the Employee's Basic  
Annual Earnings\*

\* rounded to the next higher \$1,000, if not already a multiple of \$1,000

The **Basic Maximum Benefit** for Employees hired prior to July 1, 2002 is \$750,000.

The **Basic Maximum Benefit** for Employees hired on or after July 1, 2002 is \$50,000.

The **Combined Maximum Benefit** is the Employee's Basic Life Insurance added to the Employee's Optional Life Insurance or \$750,000, whichever is less.

**Section I**  
**Schedule of Benefits**

(Applicable to Employees hired on or after October 1, 2002)

The **Guaranteed Issue Amount** for Basic and Optional Life Insurance combined for Employees under age 60 is \$250,000.

The **Guaranteed Issue Amounts** for Optional Life Insurance are as follows:

<u>AGE</u>	<u>GUARANTEED ISSUE AMOUNT</u>
Ages 60 to 69	\$50,000
Ages 70 to 79	\$30,000
Age 80 or over	\$1,000

(Applicable to Employees insured for Basic and/or Optional Life Insurance on September 30, 2002)

The **Guaranteed Issue Amount** for Basic and Optional Life Insurance combined for Employees insured prior to September 30, 2002 is the total amount of Basic and Optional Life Insurance the Employee had in force on October 1, 2002.

An Employee's amount of Basic and Optional Life and Basic Accidental Death and Dismemberment Insurance shown in the schedule will reduce to \$7,500 when he attains age 70. An Employee's Optional Life Insurance terminates at the Employee's retirement. An Employee's amount of Basic Life and Accidental Death and Dismemberment Insurance terminates at the Employee's retirement unless the Employee is eligible for Retiree Insurance.

**Evidence of Insurability**, satisfactory to Sun Life, will be required for any of the following reasons:

- an Employee who, on his initial Eligibility Date, elects Basic Life Insurance only and subsequently elects Optional Life Insurance; or
- an Employee who elects an increase in his amount of Optional Life Insurance; or
- an Employee whose amount of Life Insurance is in excess of the Guaranteed Issue Amount; or
- any subsequent increase which exceeds the greater of \$20,000 or 15% of an Employee's amount of Life Insurance if, after the increase, the Employee's amount of Life Insurance is in excess of the Guaranteed Issue Amount.

**Section I**  
**Schedule of Benefits**

**RETIRED EMPLOYEES** (Basic Life and Accidental Death and Dismemberment Insurance only)

**CLASSIFICATION**

All Retired Employees

<b>LIFE</b>	<b>AD&amp;D</b>
100% of the Employee's amount of Basic Life Insurance in force prior to his retirement.	An amount equal to the Employee's amount of Retiree Life Insurance in force

A Retired Employee's amount of Basic Life and Accidental Death and Dismemberment Insurance shown in the schedule will reduce to \$7,500 when he attains age 70.

**Section I  
Schedule of Benefits**

**DEPENDENT OPTIONAL LIFE INSURANCE**

**CLASSIFICATION**

All Active Employees

All Retired Employees receiving Basic Life Retiree Benefits

	<b>Spouse</b>		<b>Child under age 21**</b>	
An Employee may elect one of the following Options:	Option I	\$50,000	Option I	\$10,000*
	Option II	\$40,000	Option II	\$8,000*
	Option III	\$30,000	Option III	\$6,000*
	Option IV	\$20,000	Option IV	\$4,000*
	Option V	\$10,000	Option V	\$2,000*

\* the amount of Dependent Optional Life Insurance for a child under 14 days is None.

\*\* to age 25 if the Employee's child is an enrolled full-time student and depends on the Employee for 50% or more of his support.

(The amount of Dependent Optional Life Insurance cannot exceed 50% of the Employee's amount of Basic and Optional Life Insurance combined)

An Employee's amount of Dependent Optional Life Insurance shown in the schedule will reduce to 50% at the Active Employee's attainment of age 70.

An Dependent Spouse's amount of Dependent Optional Life Insurance shown in the schedule will reduce to \$3,750 at the Retired Employee's attainment of age 70.

A Dependent Child's amount of Dependent Optional Life Insurance shown in the schedule will reduce to \$750 at the Retired Employee's attainment of age 70.

**Evidence of Insurability**, satisfactory to Sun Life, will be required for an Employee's Dependent for any of the following reasons:

- an Employee who, on his initial Eligibility Date, elects no Dependent Life coverage and subsequently elects Dependent Optional Life Insurance; or
- an Employee who elects an increase in his amount of Dependent Optional Life Insurance.

**Section I**  
**Schedule of Benefits**

**CONTRIBUTIONS**

Employees will contribute to the cost of their Employee Optional Life and Dependent Optional Life Insurance.

Employees will not contribute to the cost of their Employee Basic Life and Employee Basic Accidental Death and Dismemberment Insurance.

**INITIAL MONTHLY PREMIUM RATES**

Employee Basic Life Insurance	Refer to Attachment A
Employee Optional Life Insurance	Refer to Attachment A
Employee Basic Accidental Death and Dismemberment Insurance	Refer to Attachment A
Dependent Optional Life Insurance	Refer to Attachment A
Retiree Basic Life Insurance	Refer to Attachment A
Retiree Basic Accidental Death and Dismemberment Insurance	Refer to Attachment A

The initial monthly premium rates are guaranteed until December 31, 2005, unless otherwise specified in Section VIII, Premiums. See Section VIII, Premiums for more information.

## **Section II Definitions**

**In this section Sun Life defines some basic terms needed to understand this Policy. All male terms include the female term, unless stated otherwise.**

**For purposes of this Policy:**

**Actively at Work** means that an Employee performs all the regular duties of his job for a full work day scheduled by the Employer at the Employer's normal place of business or a site where the Employer's business requires the Employee to travel.

An Employee is considered Actively at Work on any day that is not his regular scheduled work day (e.g. vacation or holiday), provided the Employee was Actively at Work on his immediately preceding scheduled work day and the Employee:

- is not hospital confined; or
- is not disabled due to an injury or sickness.

An Employee is considered Actively at Work if he usually performs the regular duties of his job at his home, provided the Employee can perform all the regular duties of his job for a full work day and could do so at the Employer's normal place of business if required to do so, and the Employee:

- is not hospital confined; or
- is not disabled due to an injury or sickness.

**Application** means the document pertaining to the plan of insurance applied for by the Policyholder. This document is attached to this Policy.

**Certificate** means a written booklet prepared by Sun Life which includes any Riders, Endorsements or Amendments, containing a summary of:

1. the insurance benefits an Employee is entitled to;
2. to whom the benefits are payable; and
3. any limitations, exclusions or requirements that may apply.

**Contributory Insurance** means insurance for which the Employee is required to pay all or part of the premium.

**Eligibility Date** means the date or dates an Employee in an Eligible Class becomes eligible for insurance under this Policy. Classes eligible for insurance are shown in Section I, Schedule of Benefits.

**Employee** means a person who is employed by the Employer, scheduled to work at least the number of hours shown in Section I, Schedule of Benefits, and paid regular earnings.

**Employer** means East Baton Rouge Parish School System and includes any Subsidiary or Affiliated company named in the Application.

**Evidence of Insurability** means a statement or proof of an Employee's or Dependent's medical history upon which acceptance for insurance will be determined by Sun Life. The Employee or Dependent must agree to submit to a paramedical examination and/or provide copies of medical records, if requested by Sun Life. Sun Life will pay the cost of any paramedical examination ordered by Sun Life for the purpose of providing Evidence of Insurability.

**Grace Period** means the 60 days following a premium due date.

## **Section II Definitions**

**Guaranteed Issue Amount** means the maximum amount of insurance available under this Policy without Evidence of Insurability. If the Employee's amount of insurance exceeds the Guaranteed Issue Amount available under this Policy, any amount in excess of the Guaranteed Issue Amount is available to the Employee only if he has furnished Evidence of Insurability to Sun Life and has been approved for any excess amount above the Guaranteed Issue Amount.

**Hospital or Institution** means a facility licensed to provide full-time medical care and treatment under the direction of a full-time staff of licensed physicians.

**Injury** means bodily impairment resulting directly from an accident and independently of all other causes. Any Injury must occur and any disability must begin while the Employee is insured under this Policy.

**Non-Contributory Insurance** means insurance for which the premium is paid entirely by the Employer.

**Physician** means an individual who is operating within the scope of his license and is either:

1. licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
2. legally qualified as a medical practitioner and required to be recognized, under this Policy for insurance purposes, according to the insurance regulations of the governing jurisdiction.

The Physician cannot be the Employee, his spouse or the parents, brothers, sisters or children of the Employee or his spouse.

**Policyholder** means the entity to whom the Policy is issued.

**Pregnancy** means childbirth, miscarriage, abortion or any disease resulting from or aggravated by the pregnancy.

**Retirement Plan** means a program which provides retirement benefits to Employees and is not funded wholly by Employee contributions. The term will not include a 401(k) plan, a profit sharing plan, a thrift plan, an individual retirement account (IRA), a tax sheltered annuity (TSA), a stock ownership plan, or a nonqualified plan of deferred compensation.

Employer's Retirement Plan will include any Retirement Plan:

1. which is part of any federal, state, county, municipal or association retirement system; and
2. the Employee is eligible for as a result of employment with the Employer.

**Sickness** means illness, disease or pregnancy. Any disability, because of Sickness, must begin while the Employee is insured under this Policy.

**U.S. Headquarters** means Sun Life Assurance Company of Canada, Wellesley Hills, MA 02481.

**Waiting Period** means the length of time immediately before an Employee's Eligibility Date during which he must be employed in an Eligible Class. Any period of time prior to the Policy Effective Date the Employee was Actively at Work for the Employer will count towards completion of the Waiting Period. The Waiting Period is shown in Section I, Schedule of Benefits.

## Section II Definitions

### The following Definitions are applicable to Life Insurance

**Basic Annual Earnings** means the Employee's current salary or wage from the Employer. Basic Annual Earnings includes deductions made for pre-tax contributions to a qualified deferred compensation plan, Section 125 plan, or flexible spending account, but does not include income received due to commissions, bonuses, overtime pay or any other extra compensation.

**Basic Maximum Benefit** means the largest amount of Basic Life Insurance available to an Employee under this Policy. The Basic Maximum Benefit is shown in Section I, Schedule of Benefits.

**Beneficiary** means the person (other than the Employer) who is entitled to receive death benefit proceeds as they become due under this Policy. A Beneficiary must be named by the Employee on a form acceptable to Sun Life and executed by the Employee.

**Combined Maximum Benefit** means the largest amount of insurance available to an Employee under this Policy. The Combined Maximum Benefit is shown in Section I, Schedule of Benefits.

**Retired Employee** means a former Employee who prior to his retirement was insured as an active Employee. To be considered a retired employee, he must be receiving a pension from the Employer or receiving a pension as a result of his employment with the Employer.

**Retirement** means the first of the following to occur:

1. the effective date of the Employee's retirement benefits under:
  - a. any plan of a federal, state, county, municipal or an association retirement system which the Employee is eligible as a result of his employment with the Employer;
  - b. any Retirement Plan the Employer sponsors; or
  - c. any Retirement Plan to which the Employer:
    - i. makes contributions to; or
    - ii. has made contributions.
2. the effective date of the Employee's retirement benefits under the Social Security Act or any similar plan or act. However, if the Employee meets the definition of Employee and is receiving retirement benefits under the Social Security Act or similar plan or act, the Employee will not be considered retired.

**Terminally Ill or Terminal Illness** means an Employee's Sickness or physical condition that is certified by a Physician to reasonably be expected to result in death within twelve months or less.

**Total Disability or Totally Disabled** for purposes of determining eligibility for Waiver of Premium, means that an Employee, because of Injury or Sickness, is unable to perform the material and substantial duties of any occupation for which he is or becomes reasonably qualified for by education, training or experience, and which provides him with substantially the same earnings capacity as his earning capacity prior to the start of his Total Disability.

## **Section II Definitions**

### **The following Definitions are applicable to Dependent Optional Life Insurance**

**Dependent** means an Employee's:

- spouse;
- unmarried child from live birth to under age 21;
- unmarried child under age 25 who is enrolled as a full-time student and depends on the Employee for 50% or more of his support.

An Employee's unmarried step-child, foster child or adopted child is included as a Dependent if he depends on the Employee for 50% or more of his support and is living with the Employee in a regular parent-child relationship. A child is considered adopted if he is in the legal custody of the Employee under an interim court order of adoption, whether or not a final adoption order is ever issued.

Dependent does not include:

- any person who is insured as an Employee; or
- any person residing outside the United States, Canada or Mexico.

No person may be considered to be a Dependent of more than one Employee.

## **Section II Definitions**

**The following Definitions are applicable to Accidental Death and Dismemberment Insurance**

**Accidental Bodily Injury** means bodily harm caused solely by external, violent and accidental means which is sustained directly and independently of all other causes.

**AD&D** means Accidental Death and Dismemberment.

**Section III**  
**Eligibility and Effective Dates**

**A. Eligible Classes**

The class(es) eligible for insurance are shown in Section I, Schedule of Benefits.

**B. Eligibility Date**

An Employee in an Eligible Class will be eligible for insurance on the latest of the following dates:

1. October 1, 2002; or
2. the first day of the month following the Employee's date of employment.

An Employee in an Eligible Class will be eligible for Dependent Optional Life Insurance on the latest of the following dates:

1. the date he is insured for Employee Life Insurance; or
2. October 1, 2002; or
3. the date the Employee first acquires a Dependent.

If a former Employee is rehired by the Employer within 6 months of his termination date, all past periods of employment during which the Employee was Actively at Work with the Employer will count towards completion of the Waiting Period. The Employee's Eligibility Date will be the later of the date he is rehired or the day after completion of the Waiting Period.

If a former Employee is rehired by the Employer 6 months or later after his termination date, the Employee's Eligibility Date will be the day after he completes a new Waiting Period.

**C. Effective Date of Insurance**

**Non-Contributory Insurance**

An Employee will be insured, subject to the Delayed Effective Date of Insurance, on his Eligibility Date.

**Contributory Insurance**

An Employee will be insured, subject to the Delayed Effective Date of Insurance, on one of the following dates:

- the Employee's Eligibility Date, if he has made a written application for insurance on or before that date; or
- the date the Employee makes a written application for insurance, if he applies on or before the 31st day after his Eligibility Date; or

**Section III**  
**Eligibility and Effective Dates**

- the date Sun Life approves the Employee's Evidence of Insurability, if the Employee makes a written application for insurance later than 31 days after his Eligibility Date.

A Dependent will be insured, subject to the Delayed Effective Date of Insurance, on the latest of the following dates:

- the date the Employee is eligible for Dependent Optional Life Insurance, if the Employee has made a written application for Dependent Optional Life Insurance on or before that date; or
- the date the Employee makes a written application for Dependent Optional Life Insurance, if the Employee applies on or before the 31st day after his Eligibility Date for Dependent Optional Life Insurance; or
- the date Sun Life approves the Dependent's Evidence of Insurability, if the Employee makes a written application for Dependent Optional Life Insurance later than 31 days after his Eligibility Date for Dependent Optional Life Insurance; or
- the date the Dependent first becomes a Dependent, if at least one other Dependent is then insured.

**Delayed Effective Date of Insurance**

The Effective Date of any initial, increased or additional insurance will be delayed for an Employee if he is not Actively at Work. The initial, increased or additional insurance will become effective on the date the Employee returns to an Actively at Work status.

The Effective Date of any initial, increased or additional insurance will be delayed for a Dependent if he is hospital confined. The initial, increased or additional insurance will become effective on the date the Dependent is no longer hospital confined. Hospital confined does not apply to a newborn child.

### **Section III Eligibility and Effective Dates**

#### **Refusal of Coverage**

If an eligible Employee declines his insurance, or terminates his insurance in writing while continuing to be eligible, the Employee will become insured after he applies for insurance and Evidence of Insurability is approved by Sun Life.

If an eligible Employee declines his Dependent's insurance, or terminates his Dependent's insurance in writing while continuing to be eligible, the Dependent will become insured after the Employee applies for Dependent Insurance and Evidence of the Dependent's Insurability is approved by Sun Life.

#### **Changes in Insurance**

Changes in an Employee's amount of insurance due to a:

- change in an Employee's salary;
- change in an Employee's classification for insurance;
- change in an Employee's schedule choice;
- change in an Employee's age;

will take effect immediately upon the date of change.

However, any increase in insurance will be subject to any Evidence of Insurability requirements and the Delayed Effective Date of Insurance provision.

**Section IV**  
**Benefit Provisions**

**Employee Life Insurance**

**Death Benefit**

If Sun Life receives Notice and Proof of Claim that an Employee dies while insured, then subject to the Exclusions, Sun Life will pay the amount of Life Insurance in force on the Employee's date of death.

**Basic Life Insurance**

The amount of Basic Life Insurance is the lesser of:

1. the Employee's Basic amount of insurance (as determined in Section I, Schedule of Benefits); or
2. the Employee's Guaranteed Issue Amount (shown in Section I, Schedule of Benefits), plus any amount of insurance that Evidence of Insurability has been approved by Sun Life in excess of the Guaranteed Issue Amount.

In no event shall an Employee's Basic Life Insurance exceed the Basic Maximum Benefit (shown in Section I, Schedule of Benefits).

The amount of Basic Life Insurance is subject to any Evidence of Insurability requirements, age reductions or terminations shown in Section I, Schedule of Benefits.

If a former Employee had converted his Basic Life Insurance under the Conversion Privilege of this Policy, his amount of Basic Life Insurance will be reduced by the amount of any insurance remaining in force under that individual policy.

**Optional Life Insurance**

The amount of Optional Life Insurance is the lesser of:

1. the Employee's Optional amount of insurance elected (as determined in Section I, Schedule of Benefits); or
2. the Employee's Guaranteed Issue Amount (shown in Section I, Schedule of Benefits), reduced by the Employee's Basic Life Insurance amount, plus any amount of insurance that Evidence of Insurability has been approved by Sun Life in excess of the Guaranteed Issue Amount.

In no event shall an Employee's Basic and Optional Life Insurance combined exceed the Combined Maximum Benefit (shown in Section I, Schedule of Benefits).

The amount of Optional Life Insurance is subject to any Evidence of Insurability requirements, age reductions or terminations shown in Section I, Schedule of Benefits.

If a former Employee had converted his Optional Life Insurance under the Conversion Privilege of this Policy, his amount of Optional Life Insurance will be reduced by the amount of any insurance remaining in force under that individual policy.

**Section IV**  
**Benefit Provisions**

**Employee Life Insurance**

**Exclusions**

If the Employee's cause of death is suicide:

1. No amount of Optional Life Insurance is payable if the suicide occurs within 24 months after the Employee's Optional Life Insurance is effective. Any period of time the Employee was insured for the same amount of Optional Life Insurance under the previous insurer's group Life policy will count towards completion of the 24 months.
2. No increased or additional amount of Optional Life Insurance is payable if the suicide occurs within 24 months after the increased or additional amount of Optional Life Insurance is effective.
3. No amount of Life Insurance in excess of the Guaranteed Issue Amount is payable if the suicide occurs within 24 months after the amount in excess of the Guaranteed Issue Amount is effective.

**Waiver of Premium Provision**

Total Disabilities that begin before age 60

If Sun Life receives Notice and Proof of Claim that an Employee becomes Totally Disabled:

- while insured; and
- before his 60th birthday; and
- before his retirement;

the amount of Life Insurance will continue for that Employee from the date of Total Disability without further payment of premiums.

The Employee must apply for Waiver of Premium no later than 12 months after the Employee ceases to be Actively at Work. Proof of Claim is required no later than 15 months after the Employee ceases to be Actively at Work. Sun Life may require periodic proof of the continuance of Total Disability at reasonable intervals, but not more often than twice a year after the Employee has been continuously Totally Disabled for two years.

**Section IV**  
**Benefit Provisions**

**Employee Life Insurance**

All amounts of life insurance under this Waiver of Premium Provision are subject to the same Policy terms and conditions including subsequent reductions and terminations at specified ages and/or at retirement as would have been applicable had the Employee not been Totally Disabled. This amount will be further reduced by the amount of any individual policy issued to the Employee pursuant to the Conversion Privilege of this Policy unless that individual policy is exchanged for a full refund of premiums paid.

Sun Life has the right to designate a Physician to examine the Employee when and as often as may be reasonably required.

The Waiver of Premium for an Employee ceases on the earliest of:

- the date he ceases to be Totally Disabled.
- the date he fails to furnish any required Proof that he continues to be Totally Disabled.
- the date he fails to submit to any required Examinations.
- any period the Employee is not under the regular and continuing care of a Physician providing appropriate treatment by means of examination and testing in accordance with the disabling condition.
- the date he retires, unless he is eligible for Retiree Life Insurance.
- the date he attains age 70, unless he is eligible for Retiree Life Insurance.

An Employee is deemed to be retired when he receives any compensation from a Retirement Plan of the Employer or when the Employee attains age 70, whichever occurs first.

An Employee's rights to continued benefits pursuant to this Waiver of Premium Provision are determined on the date Total Disability begins. These rights are subject to the terms of this Policy and will not be affected by subsequent amendment or termination of this Waiver of Premium Provision.

**Accelerated Benefit**

Sun Life will pay an Accelerated Benefit to the Employee at the Employee's request, if Sun Life receives satisfactory proof of the Employee's Terminal Illness.

To be eligible for the Accelerated Benefit an Employee must:

(Applicable to Employees employed on or before October 1, 2002)

- have been Actively at Work on October 1, 2002 and insured under the Life Insurance Benefit Provision for at least 60 days. Any period of time the Employee was insured for similar benefits under the previous insurer's group life policy will be used to satisfy this requirement;

(Applicable to Employees employed after October 1, 2002)

- have been insured under the Life Insurance Benefit Provision for at least 60 days;

**Section IV**  
**Benefit Provisions**

**Employee Life Insurance**

(Applicable to All Employees)

- be certified as Terminally Ill with a life expectancy of twelve months or less;
- submit a written request to Sun Life while the Employee's Life Insurance is in force;
- be insured for at least \$20,000 of Life Insurance;
- have a signed acknowledgment and agreement to pay the Accelerated Benefit from any applicable absolute assignee, irrevocable beneficiary, or former spouse if the former spouse was required to be the beneficiary as part of a divorce decree.

Sun Life may confirm the diagnosis of a Terminal Illness with a medical examination performed by a Physician of Sun Life's choice.

The Accelerated Benefit is an amount up to 75% of the applicable amount of Life Insurance in force as of the date Sun Life receives a written request to provide an Accelerated Benefit.

The Accelerated Benefit will be paid as a single lump sum. The maximum amount of the Accelerated Benefit is \$500,000. The minimum amount of the Accelerated Benefit that can be requested is \$10,000. The Accelerated Benefit may be elected only once during the lifetime of the Employee.

If the Employee has received accelerated life insurance benefits under any other group insurance policy, that Employee is precluded from receiving up to that amount from Sun Life, as an Accelerated Benefit or as a Death Benefit.

If an Employee receives an Accelerated Benefit payment, the amount of Life Insurance remaining in force will be reduced by an amount equal to the Accelerated Benefit paid. The remaining amount of life insurance is subject to the same Policy terms and conditions including subsequent reductions and terminations at specified ages and/or at retirement as would have been applicable had the Employee not received an Accelerated Benefit.

If the Employee is eligible for Waiver of Premium, the amount of life insurance remaining in force on which premiums are waived will be based on the reduced amount of life insurance.

If the Employee subsequently converts his amount of life insurance, the amount eligible for conversion will be based on the reduced amount of life insurance.

**Section IV**  
**Benefit Provisions**

**Employee Life Insurance**

**Conversion Privilege**

**Benefit**

1. If all or part of an Employee's Life Insurance ceases or reduces due to:
  - termination of his employment; or
  - termination of his membership in an Eligible Class; or
  - the Employee's retirement; or
  - the Employee reaching a specified age; or
  - the Employee changing to a different Eligible Class; or
  - termination of the Employee's Waiver of Premium continuation; or
  - the Employee's continuation period ending during layoff or an approved leave of absence;

then the Employee may apply for an individual policy on his own life up to the amount that ceased. If the amount of Life Insurance that ceased is \$10,000 or more, the minimum amount of the individual policy must be \$10,000.

2. If the Employee has been continuously insured for five or more years under this Policy's Life Benefit Provision and all or part of the Employee's Life Insurance ceases or reduces due to:
  - reduction of the amount of Life Insurance in an Eligible Class by an amendment to the Life Insurance Benefit Provision; or
  - termination of the Life Insurance Benefit Provision; or
  - termination of this Policy; or
  - termination of an Eligible Class by an amendment to the Life Insurance Benefit Provision;

then the Employee may apply for an individual policy on his own life. The maximum amount of the policy will be the lesser of:

- \$2,000; or
- the amount that ceased, reduced by the amount of any life insurance the Employee is eligible for under any group policy within 31 days after his Life Insurance ceased.

The Employee will be issued an individual policy without Evidence of Insurability.

**Section IV  
Benefit Provisions**

**Employee Life Insurance**

**Application for the Individual Policy**

1. written application must be made to Sun Life along with payment of the first premium, within the 31 day period (the 31 day conversion period) following the date the insurance ceases or reduces. If the Employee is not given notice by the Employer of this conversion privilege within 15 days following the date his insurance ceases or reduces, the Employee shall have an additional 15 days to exercise this conversion privilege. In no event will this conversion privilege be extended beyond 30 days following the 31 day conversion period.
2. the individual policy may be any plan of whole life insurance available for conversion by Sun Life at the attained age and amount requested, but without disability or other supplemental benefits.
3. the premium will be the rate Sun Life charges for the standard class of risk and age to which the Employee belongs on the effective date of the individual policy.
4. the effective date of the individual policy will be the day after the 31 day conversion period.

**Death Within 31 Days**

If the Employee dies during the 31 day conversion period, a benefit will be paid upon receipt of Notice and Proof of Claim, whether or not application for the individual policy or payment of the first premium has been made. The benefit is the amount of Life Insurance the Employee would have been eligible to convert.

**Section IV  
Benefit Provisions**

**Employee Life Insurance**

**Continuity of Coverage**

In order to prevent loss of coverage for an Employee when this Policy replaces a group Life policy the Employer had in force with another insurer immediately prior to October 1, 2002, Sun Life will provide the following coverage.

**Employees not Actively at Work on October 1, 2002**

An Employee may become insured under this Policy on October 1, 2002, subject to all of the following conditions:

1. he was insured under the prior insurer's group Life policy immediately prior to October 1, 2002; and
2. he is not Actively at Work on October 1, 2002; and
3. he is a member of an Eligible Class under this Policy; and
4. premiums for the Employee are paid up to date ; and
5. he is not receiving or eligible to receive benefits under the prior insurer's group Life policy.

Any Life benefit payable will be the lesser of:

- the Life benefit payable under this Policy; or
- the Life benefit payable under the prior insurer's group Life policy had it remained in force.

All other provisions of Sun Life's Policy will apply.

**Section IV  
Benefit Provisions**

**Dependent Optional Life Insurance**

**Death Benefit**

If Sun Life receives Notice and Proof of Claim that a Dependent dies while insured, then subject to the Exclusions, Sun Life will pay the amount of Optional Life Insurance in force on the Dependent's date of death.

**Optional Life Insurance**

The amount of Optional Life Insurance is the Dependent's amount of Optional Insurance elected by the Employee in the Schedule (as determined in Section I, Schedule of Benefits).

The amount of Dependent Optional Life Insurance is subject to any Evidence of Insurability requirements shown in Section I, Schedule of Benefits.

If a Dependent had previously converted his Optional Life Insurance under the Conversion Privilege of this Policy, his amount of Dependent Optional Life Insurance will be reduced by the amount of any insurance remaining in force under that individual policy.

**Exclusions**

If the Dependent Spouse's cause of death is suicide:

1. No amount of Dependent Spouse Optional Life Insurance is payable if the suicide occurs within 24 months after the Dependent Spouse's Optional Life Insurance is effective. Any period of time the Dependent Spouse was insured for the same amount of Dependent Optional Life Insurance under the previous insurer's group Life policy will count towards completion of the 24 months.
2. No increased or additional amount of Dependent Spouse Optional Life Insurance is payable if the suicide occurs within 24 months after the increased or additional amount of Dependent Spouse Optional Life Insurance is effective.

**Section IV**  
**Benefit Provisions**

**Dependent Optional Life Insurance**

**Conversion Privilege**

**Benefit**

1. If all or part of a Dependent's Optional Life Insurance ceases or reduces due to:
  - termination of the Employee's employment; or
  - termination of the Employee's membership in an Eligible Class; or
  - the Employee's retirement; or
  - the Employee reaching a specified age; or
  - the Employee changing to a different Eligible Class; or
  - the Dependent no longer meeting the definition of a Dependent;

then the Employee or Dependent may apply for an individual policy on the Dependent's life up to the amount that ceased. If the amount of Optional Life Insurance that ceased is \$10,000 or more, the minimum amount of the individual policy must be \$10,000.

2. If the Dependent has been continuously insured for five or more years under this Policy's Dependent Optional Life Insurance Benefit Provision and the Dependent's Optional Life Insurance ceases due to:
  - termination of the Dependent Optional Life Insurance Benefit Provision; or
  - termination of this Policy; or
  - termination of an Eligible Class by an amendment to the Dependent Optional Life Insurance Benefit Provision;

then the Employee or Dependent may apply for an individual policy on the Dependent's life. The maximum amount of the policy will be the lesser of:

- \$2,000; or
- the amount that ceased, reduced by the amount of any life insurance the Dependent is eligible for under any group policy within 31 days after his Optional Life Insurance ceased.

The Dependent will be issued an individual policy without Evidence of Insurability.

**Section IV**  
**Benefit Provisions**

**Dependent Optional Life Insurance**

**Application for the Individual Policy**

1. written application must be made to Sun Life along with payment of the first premium, within the 31 day period (the 31 day conversion period) following the date the insurance ceases or reduces. If the Dependent is not given notice by the Employer of this conversion privilege within 15 days following the date his insurance ceases or reduces, the Dependent shall have an additional 15 days to exercise this conversion privilege. In no event will this conversion privilege be extended beyond 30 days following the 31 day conversion period.
2. the individual policy may be any plan of whole life insurance available for conversion by Sun Life at the attained age and amount requested, but without disability or other supplemental benefits.
3. the premium will be the rate Sun Life charges for the standard class of risk and age to which the Dependent belongs on the effective date of the individual policy.
4. the effective date of the individual policy will be the day after the 31 day conversion period.

**Death Within 31 Days**

If the Dependent dies during the 31 day conversion period, a benefit will be paid upon receipt of Notice and Proof of Claim, whether or not application for the individual policy or payment of the first premium has been made. The benefit is the amount of Optional Life Insurance the Dependent would have been eligible to convert.

**Section IV  
Benefit Provisions**

**Dependent Optional Life Insurance**

**Continuity of Coverage**

In order to prevent loss of coverage for an Employee's Dependent when this Policy replaces a group Life policy the Employer had in force with another insurer immediately prior to October 1, 2002, Sun Life will provide the following coverage.

**Dependents subject to the Delayed Effective Date of Insurance on October 1, 2002**

An Employee's Dependent may become insured under this Policy on October 1, 2002, subject to all of the following conditions:

1. the Dependent was insured under the prior insurer's group Life policy immediately prior to October 1, 2002; and
2. the Dependent is subject to the Delayed Effective Date of Insurance on October 1, 2002; and
3. the Employee is a member of an Eligible Class under this Policy; and
4. premiums for the Dependent are paid up to date; and
5. the Dependent is not receiving or eligible to receive benefits under the prior insurer's group Life policy.

Any Dependent Optional Life benefit payable will be the lesser of:

- the Dependent Optional Life benefit payable under this Policy; or
- the Dependent Optional Life benefit payable under the prior insurer's group Life policy had it remained in force.

All other provisions of Sun Life's Policy will apply.

**Section IV  
Benefit Provisions**

**Employee Accidental Death and Dismemberment Insurance**

If Sun Life receives Notice and Proof of Claim that an Employee:

- dies from accidental drowning while insured; or
- sustains an Accidental Bodily Injury while insured, which results in loss of life, sight or limb within 365 days of the date of that injury; or
- sustains a loss of life, sight or limb within 365 days due to an accidental exposure to the elements while insured;

Sun Life will pay, subject to the Exclusions, the following percentage of Accidental Death and Dismemberment Insurance shown in Section I, Schedule of Benefits that was in force on the date of the Accidental Bodily Injury for the following losses:

Life.....	100%
Sight of one eye .....	50%
One limb .....	50%
Speech and hearing .....	100%
Speech or hearing.....	50%
Thumb and index finger of the same hand .....	25%
Quadriplegia .....	100%
Paraplegia .....	75%
Hemiplegia.....	50%

The maximum amount of Accidental Death and Dismemberment Benefit payable for losses resulting from any one accident is 100%.

Loss of limb means severance of hand or foot at or above the wrist or ankle joint. Loss of sight, speech or hearing must be total and irrecoverable. Loss of thumb and index finger means severance through or above the metacarpophalangeal joints.

Quadriplegia means the total and permanent paralysis of both upper and lower limbs. Paraplegia means the total and permanent paralysis of both lower limbs. Hemiplegia means the total and permanent paralysis of the upper and lower limbs on one side of the body.

**Section IV  
Benefit Provisions**

**Employee Accidental Death and Dismemberment Insurance**

**Disappearance**

Sun Life will presume, subject to no objective evidence to the contrary, that an Employee is dead and has died as a result of an Accidental Bodily Injury if:

1. an Employee disappears as a result of an accidental wrecking, sinking or disappearance of a conveyance in which the Employee was known to be a passenger; and
2. the body of the Employee is not found within 365 days after the date of the conveyance's disappearance.

**Exclusions**

No Accidental Death or Accidental Dismemberment payment will be made for a loss which is due to or results from:

- suicide while sane or insane.
- intentionally self-inflicted injuries.
- bodily or mental infirmity or disease of any kind, or infection unless due to an accidental cut or wound.
- committing or attempting to commit an assault, felony or other criminal act.
- active participation in a war (declared or undeclared) or active duty in any armed service during a time of war.
- active participation in a riot, rebellion, or insurrection.
- injury sustained from any aviation activities, other than riding as a fare-paying passenger.
- the Employee's voluntary use of any controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless administered on the advice of a Physician.
- the Employee's operation of any motorized vehicle while intoxicated. Intoxicated means the minimum blood alcohol level required to be considered operating an automobile under the influence of alcohol in the jurisdiction where the accident occurred. For the purposes of this Exclusion, "Motorized Vehicle" includes, but is not limited to, automobiles, motorcycles, boats and snowmobiles.

**Section IV  
Benefit Provisions**

**Employee Accidental Death and Dismemberment Insurance**

**Continuity of Coverage**

In order to prevent loss of coverage for an Employee when this Policy replaces a group AD&D policy the Employer had in force with another insurer immediately prior to October 1, 2002, Sun Life will provide the following coverage.

**Employees not Actively at Work on October 1, 2002**

An Employee may become insured under this Policy on October 1, 2002, subject to all of the following conditions:

1. he was insured under the prior insurer's group AD&D policy immediately prior to October 1, 2002; and
2. he is not Actively at Work on October 1, 2002; and
3. he is a member of an Eligible Class under this Policy; and
4. premiums for the Employee are paid up to date; and
5. he is not receiving or eligible to receive benefits under the prior insurer's group AD&D policy.

Any AD&D benefit payable will be the lesser of:

- the AD&D benefit payable under this Policy; or
- the AD&D benefit payable under the prior insurer's group AD&D policy had it remained in force.

All other provisions of Sun Life's Policy will apply.

**Section V**  
**Termination Provisions**

**Termination of Employee's Insurance**

An Employee will cease to be insured on the earliest of the following dates:

1. the date this Policy terminates.
2. the date the Employee is no longer in an Eligible Class.
3. the date the Employee's Class is no longer included for insurance.
4. the last day for which any required premium has been paid.
5. the date the Employee retires other than for Basic Life and Accidental Death and Dismemberment Insurance.
6. the date employment terminates. Ceasing to be Actively at Work will be deemed termination of employment, except:
  - a. insurance will be continued for an Employee absent due to a disability during any period the premium is being waived under this Policy.
  - b. the Policyholder may continue the insurance by paying the required premiums, subject to the following:
    - i. insurance may be continued for up to 1 month after the Employee has been temporarily laid off.
    - ii. insurance may be continued for up to 12 months after the Employee has been given an approved leave of absence (including Family and Medical Leave of Absences).
    - iii. insurance may be continued for up to 3 months of the Employee's paid vacation.
    - iv. For Life Insurance - insurance may be continued for up to 12 months after an Employee is absent from work due to Injury or Sickness.

The Policyholder in all of the above situations must act so as not to discriminate unfairly among Employees in similar situations.

7. the date the Employee requests, in writing, to have his insurance terminated.
8. the date the Employee ceases to be Actively at Work due to a labor dispute, including any strike, work slowdown, or lockout.
9. the date the Employee enters active duty in any armed service during a time of war (declared or undeclared).

While this Policy is in force, the Policyholder may continue an Employee's coverage pursuant to the Family and Medical Leave Act of 1993, as amended or continue coverage pursuant to a state required continuation period (if any).

While this Policy is in force, the Policyholder may continue an Employee's coverage pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA).

**Section V**  
**Termination Provisions**

**Termination of Dependent's Insurance**

A Dependent will cease to be insured on the earliest of the following dates:

1. the date this Policy terminates.
2. the date the Employee ceases to be insured.
3. the date the Employee is no longer in an Eligible Class for Dependent Insurance.
4. the date the Dependent ceases to qualify as a Dependent.
5. the last day for which any required premium has been paid for insurance on the Dependent.
6. the date the Employee requests, in writing, to have his Dependent Insurance terminated.
7. the date the Employee dies.
8. the date the Dependent enters active duty in any armed service during a time of war (declared or undeclared).

**Section V**  
**Termination Provisions**

**Termination of Policy**

This Policy will terminate for any of the following reasons:

1. If the Policyholder fails to pay any premium within the Grace Period, this Policy will terminate on the last day of the Grace Period.
2. The Policyholder may terminate this Policy by advance written notice delivered to Sun Life at least 31 days prior to the termination date. This Policy will not terminate during any period for which premium has been paid. The Policyholder will be liable to Sun Life for all premiums due and unpaid for the full period this Policy is in force.
3. Sun Life may terminate this Policy on any premium due date by giving written notice to the Policyholder at least 60 days in advance if:
  - a. the number of insured Employees is less than 25; or
  - b. less than 100% of the Employees eligible are insured for Non-Contributory Insurance; or
  - c. less than 9% of the Employees eligible are insured for Optional Life Insurance; or
  - d. the Policyholder fails to:
    - i. furnish promptly any information Sun Life may reasonably require; or
    - ii. perform any other obligations pertaining to this Policy.
4. Sun Life may terminate this Policy on any Policy Anniversary by giving written notice to the Policyholder at least 60 days in advance.

Termination of this Policy may take effect on an earlier date when both the Policyholder and Sun Life agree.

**Section V**  
**Termination Provisions**

**Termination of Benefit Provision**

A Benefit Provision will terminate for any of the following reasons:

1. The Policyholder may terminate a Benefit Provision by advance written notice delivered to Sun Life at least 31 days prior to the termination date. The Benefit Provision will not terminate during any period for which premium has been paid. The Policyholder will be liable to Sun Life for all premiums due and unpaid for the full period that Benefit Provision is in force.
2. Sun Life may terminate a Benefit Provision on any premium due date by giving written notice to the Policyholder at least 60 days in advance if:
  - a. the number of insured Employees for that Benefit is less than 25; or
  - b. less than 100% of the Employees eligible for that Benefit are insured for Non-Contributory Insurance; or
  - c. less than 9% of the Employees eligible for that Benefit are insured for Optional Life Insurance; or
  - d. the Policyholder fails to furnish promptly any information which Sun Life may reasonably require.
3. Sun Life may terminate any Benefit Provision on any Policy Anniversary by giving written notice to the Policyholder at least 60 days in advance.

Termination of a Benefit Provision may take effect on an earlier date when both the Policyholder and Sun Life agree.

**Section VI**  
**General Policy Provisions**

**A. Statements**

All statements made in any Application are considered representations and not warranties. No representation by:

1. the Policyholder in applying for this Policy will render it void unless the representation is contained in the Application; or
2. any Employee in applying for insurance under this Policy will be used to reduce or deny a claim unless a copy of the Employee's written application for insurance is or has been given to the Employee or the Employee's beneficiary, if any.

**B. Entire Contract - Policy Changes**

1. This Policy is the entire contract. It consists of:
  - a. all of the pages of the Policy;
  - b. the attached Application of the Policyholder;
  - c. each Employee's written application for insurance (Employee retains his own copy).
2. This Policy may be changed in whole or in part. Only an officer of Sun Life may approve a change. The approval must be in writing and endorsed on or attached to this Policy.
3. Any other person, including an agent, may not change this Policy or waive any part of it.

**C. Employee's Certificate**

Sun Life will provide a Certificate to the Policyholder for delivery to each Employee. The Certificate is intended to provide a brief explanation of the Policy benefits, but it does not form a part of this Policy. If the terms of a Certificate and this Policy differ, this Policy will govern.

**Section VI**  
**General Policy Provisions**

**D. Furnishing of Information - Access To Records**

1. The Employer will furnish at regular intervals to Sun Life:
  - a. information relative to individuals:
    - i. who qualify to become insured;
    - ii. whose amounts of insurance change; and/or
    - iii. whose insurance terminates.
  - b. any other information about this Policy that may be reasonably required.

The records which, in the opinion of Sun Life, are material to the insurance, will be opened for inspection by Sun Life at any reasonable time.

2. Clerical error or omission will not:
  - a. deprive an individual of insurance;
  - b. affect an individual's amount of insurance; or
  - c. effect or continue an individual's insurance which otherwise would not be in force.

The Policyholder's or Employer's failure to report notice or proof of claim in a timely manner shall not constitute clerical error.

**E. Misstatement of Facts**

If relevant facts about any individual were not accurate:

1. an equitable adjustment of premium will be made; and
2. the true facts will be used to determine if and in what amount insurance is valid under this Policy.

If the amount of the benefit is dependent upon an individual's age, (as shown in Section I, Schedule of Benefits), the benefit will be the amount an individual would have been entitled to if his correct age was known.

If an adjustment results in a refund of premium, the refund will not exceed a period of more than 12 months.

**F. Examination and Autopsy**

Sun Life, at its own expense, has the right to have any person, whose Injury or Sickness is the basis of a claim:

1. examined by a Physician, other health professional or vocational expert of its choice; and/or
2. interviewed by an authorized Sun Life representative.

This right may be used as often as reasonably required.

Sun Life has the right, in the case of death, to request an autopsy where not prohibited by law.

**Section VI**  
**General Policy Provisions**

**G. Legal Proceedings**

No legal action may start:

1. until 60 days after Proof of Claim has been given; nor
2. more than 3 years after the time Proof of Claim is required.

**H. Workers' Compensation**

This Policy is not in lieu of, and does not affect, any requirement for coverage by Workers' Compensation Insurance.

**I. Agency**

For all purposes of this Policy, the Policyholder acts on its own behalf or as an agent of the Employee. Under no circumstances will the Policyholder be deemed an agent of Sun Life.

**J. Incontestability**

Policyholder

The validity of this Policy shall not be contested, except for non-payment of premium, after it has been in force for two years from the Policy Effective Date.

Individual

No statement made by an individual, relating to his insurability for an initial, increased or additional amount of insurance, will be used in contesting the validity of that insurance, after such initial, increased or additional amount of insurance has been in force for a period of two years during the individual's lifetime.

This statement must be contained in a form signed by that individual.

## Section VII Claim Provisions

### A. Notice and Proof of Claim

Sun Life must receive Notice and Proof of Claim prior to any payment under this Policy.

1. Notice of Claim

**for Death Claim** - written notice of claim must be given to Sun Life no later than 30 days after date of death.

**for Life Waiver of Premium** - written notice of claim must be given to Sun Life no later than 12 months after the Employee ceases to be Actively at Work.

**for Accidental Dismemberment** - written notice of claim must be given to Sun Life no later than 12 months after the Employee's date of loss.

If notice cannot be given within the applicable time period, Sun Life must be notified as soon as it is reasonably possible.

When Sun Life has received written notice of claim, Sun Life will send the forms for proof of claim. If the forms are not received within 15 days after written notice of claim is sent, proof of claim may be sent to Sun Life without waiting for the form.

2. Proof of Claim

**for Death Claim** - proof of claim must be given to Sun Life no later than 90 days after date of death.

**for Life Waiver of Premium** - proof of claim must be given to Sun Life no later than 15 months after the Employee ceases to be Actively at Work.

**for Accidental Dismemberment** - proof of claim must be given to Sun Life no later than 15 months after the Employee's date of loss.

If it is not possible to give proof within these time limits, it must be given as soon as reasonably possible. Proof of claim may not be given later than one year after the time proof is otherwise required unless the individual is legally incompetent.

Proof of Claim must consist of:

- a description of the loss or disability;
- the date the loss or disability occurred; and
- the cause of the loss or disability.

Proof of Claim may include, but is not limited to, police accident reports, autopsy reports, laboratory results, toxicology results, hospital records, x-rays, narrative reports, or other diagnostic testing materials as required.

Proof of Claim for disability must include evidence demonstrating the disability including, but not limited to, hospital records, Physician records, Psychiatric records, x-rays, narrative reports, or other diagnostic testing materials as appropriate for the disabling condition.

## **Section VII Claim Provisions**

Proof must be satisfactory to Sun Life.

Sun Life may require as part of the Proof authorizations to obtain medical and non-medical information.

Proof of the Employee's continued disability and regular and continuous care by a Physician must be given to Sun Life within 30 days of the request for proof.

### **B. Insurer's Authority**

The Plan Administrator has delegated to Sun Life its entire discretionary authority to make all final determinations regarding claims for benefits under the benefit plan insured by this Policy. This discretionary authority includes, but is not limited to, the determination of eligibility for benefits, based upon enrollment information provided by the Policyholder, and the amount of any benefits due, and to construe the terms of this Policy.

Any decision made by Sun Life in the exercise of this authority, including review of denials of benefit, is conclusive and binding on all parties. Any court reviewing Sun Life's determinations shall uphold such determination unless the claimant proves Sun Life's determinations are arbitrary and capricious.

### **C. Notice of Decision on Claim**

A written notice of decision on a claim will be sent within a reasonable time after Sun Life receives the claim but not later than 45 days after receipt of the claim. If a decision cannot be made within 45 days after Sun Life receives the claim, Sun Life will request extensions of time as permitted under U.S. Department of Labor regulations. Any request for extension of time will specifically explain:

1. the standards on which entitlement to benefits is based;
2. the unresolved issues that prevent a decision on the claim; and
3. the additional information needed to resolve those issues.

If a period of time is extended because the claimant failed to provide necessary information, the period for making the benefit determination is tolled from the date Sun Life sends notice of the extension to the claimant until the date on which the claimant responds to the request for additional information. The claimant will have at least 45 days to provide the specified information.

## **Section VII Claim Provisions**

### **D. Review Procedure**

If all or any part of a claim is denied, the claimant may request in writing a review of the denial within 180 days after receiving notice of denial.

The claimant may submit written comments, documents, records or other information relating to the claim for benefits, and may request free of charge copies of all documents, records and other information relevant to the claimant's claim for benefits.

Sun Life will review the claim on receipt of the written request for review, and will notify the claimant of Sun Life's decision within a reasonable time but not later than 45 days after the request has been received. If an extension of time is required to process the claim, Sun Life will notify the claimant in writing of the special circumstances requiring the extension and the date by which Sun Life expects to make a determination on review. The extension cannot exceed a period of 45 days from the end of the initial review period.

If a period of time is extended because the claimant failed to provide necessary information, the period for making the decision on review is tolled from the date Sun Life sends notice of the extension to the claimant until the date on which the claimant responds to the request for additional information.

### **E. Time of Payment of Claims**

When Sun Life receives satisfactory Proof of Claim, benefits payable under this Policy will be paid immediately for any period for which Sun Life is liable.

### **F. Payment of Claims**

Benefits payable upon the death of the Employee are payable to the Beneficiary living at the time (other than the Employer). Unless otherwise specified, if more than one Beneficiary survives the Employee, all surviving Beneficiaries will share equally. If no Beneficiary is alive on the date of the Employee's death, payment will be made to the Employee's estate.

All other benefits payable during the lifetime of the Employee are payable to the Employee.

If a benefit is payable to the Employee's estate, an Employee who is a minor, or an Employee who is not competent, Sun Life has the right to pay up to \$5,000 to any of the Employee's relatives whom Sun Life considers entitled. If Sun Life pays benefits in good faith to a relative, Sun Life will not have to pay those benefits again.

If a Beneficiary is a minor or is not competent, Sun Life has the right to pay up to \$1,000 to the person or institution that appears to have assumed custody and main support, until the appointed legal representative makes a formal claim. If Sun Life pays benefits in good faith to a person or institution, Sun Life will not have to pay those benefits again.

### **G. Amendment or Termination of Benefit Provision**

An Employee's rights to any disability benefits are determined on the date the Employee's disability begins. The right is subject to the terms of this Policy in effect on the date disability begins and will not be affected by subsequent amendment or termination of this Policy.

## **Section VII Claim Provisions**

### **H. Change of Beneficiary**

If this Policy replaces existing coverage under the Employer's group life insurance plan, Employees' nominations of Beneficiaries under the plan will remain in force unless changed by the Employee. All nominations of Beneficiaries are revocable unless otherwise stated by the Employee. Any request for change of Beneficiary must be in a written form and will take effect as of the date the Employee signs and files the change with the Employer. If Sun Life has taken any action or made payment prior to receiving notice of that change, the change of Beneficiary will not affect any action or payment made by Sun Life. The consent of the Beneficiary is not required to change any Beneficiary unless the Beneficiary designation has been irrevocable.

### **I. Assignments**

The Employee is permitted to assign all his rights under this Policy. Any assignment must be in a written form and will take effect as of the date the Employee signs and files the assignment with the Employer. Sun Life will honor an Employee's prior assignment of rights and benefits under the Employer's plan, whether or not this Policy is specified in the Assignment. If Sun Life has taken any action or made payment prior to receiving notice of that change, the assignment will not affect any action or payment made by Sun Life. Sun Life will not be responsible for the legal, tax or other effects of any assignment.

### **J. Methods of Payment**

The Death Benefit may be payable by a method other than a lump sum. The available methods of payment will be based on the benefit options offered by Sun Life at the time of election.

## **Section VIII Premiums**

### **A. Premium Rates**

Sun Life determines its initial or any subsequent monthly premium rate on the basis of the coverage being provided. After the initial monthly premium rate has been in effect until December 31, 2005, Sun Life has the right to recalculate any premium rate, but not more frequently than once in any 6 month period thereafter. However, Sun Life has the right to recalculate the initial or any subsequent monthly premium rate when any of the following occurs:

1. the terms of this Policy are changed, including but not limited to the Schedule of Benefits; or
2. a new Division, Subsidiary or Affiliated Company of the Policyholder is added to or deleted from this Policy; or
3. the number of Employees insured changes by 25% or more from the number of Employees insured on the Policy Effective Date or the immediately preceding Policy Anniversary Date; or
4. one or more class(es) are added to or deleted from this Policy.

No premium rate may be increased unless Sun Life notifies the Policyholder at least 31 days in advance of the increase. Premium rate increases may take effect on an earlier date when both Sun Life and the Policyholder agree.

### **B. Payment of Premiums**

1. All premiums due under this Policy, including adjustments, if any, are payable by the Policyholder on or before the respective due dates at Sun Life's U.S. Headquarters or at another location designated by Sun Life. The due dates are specified on the first page of this Policy.
2. The premiums due under this Policy on each premium due date are based upon the premium rates in effect for the benefit provided. The premium due is the sum of the monthly premiums for all insured Employees and Dependents for all benefits.
3. Premiums payable to Sun Life will be paid in United States dollars on the premium due date.
4. The premium for additional or increased insurance becoming effective during a Policy month will be charged from the next premium due date.
5. The premium for insurance terminated during a Policy month will cease at the end of the Policy month in which such insurance terminates.
6. Except for fraud, premium adjustments, refunds or charges will be made for only:
  - a. the current Policy Year; and
  - b. the prior Policy Year.

### **C. Grace Period**

The Grace Period is 60 days following a premium due date. During the Grace Period the Policy shall continue in force, unless the Policyholder has given Sun Life written notice to discontinue this Policy. In any event, premiums are payable for any period of time the Policy remains in force.