Residents of Pennsylvania who purchase life insurance, annuities or health insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Pennsylvania Life and Health Insurance Guaranty Association. The purpose of this Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of the insured persons who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is not unlimited, however. And as noted below, this protection is not a substitute for consumers' care in selecting companies that are well managed and financially stable.

DISCLAIMER

The Pennsylvania Life and Health Insurance Guaranty Association may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions, and require continued residence in Pennsylvania. You should not rely on coverage by the Pennsylvania Life and Health Insurance Guaranty Association in selecting an insurance company or in selecting an insurance policy.

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as a variable contract sold by prospectus.

Insurance companies or their agents are required by law to give or send you this notice. However, insurance companies and their agents are prohibited by law from using the existence of the guaranty association for the purpose of sales, solicitation or to induce you to purchase any kind of insurance policy.

The Pennsylvania Life and Health Insurance Guaranty Association

State of Pennsylvania

290 King of Prussia Road

Department of Insurance

Suite 218

1326 Strawberry Square

Radnor, PA 19087

Harrisburg, PA 17120

The State law that provided for this safety-net coverage is called the Pennsylvania Life and Health Insurance Guaranty Association Act, 40 PS § 991

COVERAGE

The following is a brief summary of this law's coverages, exclusions and limits. This summary does not cover all provisions of the law; nor does it in any way change anyone's rights or obligations under the act or the rights or obligations of the guaranty association.
Generally, individuals will be protected by the Life and Health Insurance Guaranty Association if they live in Pennsylvania and hold a life, health or annuity contract, or if they are insured under a group insurance contract, issued by a member insurer. The beneficiaries, payees or assignees of insured persons are protected as well, even if they live in another state.

**EXCLUSIONS FROM COVERAGE**

However, persons holding such policies are not protected by this Association, if:

1. they are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose Guaranty Association protects insureds who live outside that state);
2. the insurer was not authorized to do business in this state;
3. their policy was issued by an organization which is not a member of the Pennsylvania Life and Health Insurance Guaranty Association.

The Association also does not provide coverage for:

1. any policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus;
2. any policy of reinsurance (unless an assumption certificate was issued);
3. interest rate yields that exceed an average rate as more fully described in Section 3 of the Act;
4. dividends;
5. credits given in connection with the administration of a policy by a group contract holder;
6. employers’ plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them).

**LIMITS ON AMOUNT OF COVERAGE**

The act also limits the amount the Association is obligated to pay out. The Association cannot pay more than what the insurance company would owe under a policy or contract. With respect to any one insured individual, regardless of the number of policies or contracts, the Association will pay not more than $300,000 in life insurance death benefits and present value annuity benefits, including net cash surrender and net cash withdrawal values. Within this overall limit, the Association will not pay more than $100,000 in cash surrender values for life insurance, $100,000 in cash surrender values for annuity benefits, $300,000 in life insurance death benefits or $300,000 in present value of annuities --again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages.

The Association will not pay more than $5,000,000 in benefits to any one contractholder under any one unallocated annuity contract. There are no limits on the benefits the Association will pay with respect to any one group, blanket or individual accident and health insurance 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.

TL-004788
POLICYHOLDER: TRUSTEE OF THE GROUP INSURANCE TRUST FOR EMPLOYERS IN THE SERVICES INDUSTRY

SUBSCRIBER: Pennsylvania State System of Higher Education

POLICY NUMBER: FLX-980054

POLICY EFFECTIVE DATE: January 1, 2007

POLICY ANNIVERSARY DATE: January 1

This Policy describes the terms and conditions of coverage. It is issued in Delaware and shall be governed by its laws. The Policy goes into effect on the Policy Effective Date, 12:01 a.m. at the Policyholder's address.

In return for the required premium, the Insurance Company and the Policyholder have agreed to all the terms of this Policy.

Susan L. Cooper, Secretary
Karen S. Rohan, President

TL-004700
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SCHEDULE OF BENEFITS

Premium Due Date

Premiums are due in arrears on the date coinciding with the day of the Policy Anniversary Date or the last day of the month, if earlier.

Classes of Eligible Employees

Class 1 All active permanent Full-time Employees and permanent part-time Employees who work at least 50% of the full-time work week (normally 18.75 or more hours per week) and temporary Full-time or part-time faculty members working at least 50% of Full-time for one full academic year.
SCHEDULE OF BENEFITS FOR CLASS 1

Eligibility Waiting Period

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

For Employees hired on or before the Policy Effective Date: No Waiting Period.

For Employees hired after the Policy Effective Date: No Waiting Period.

LIFE INSURANCE BENEFITS

Employee Benefits

Amount of Insurance

Guaranteed Issue Amount: An amount elected in units of $10,000

the greater of a) or b) below:

a) $100,000, or

b) an amount equal to the Life Insurance Benefit in effect on the termination date of the Prior Plan

Maximum Benefit: the lesser of 5 times Annual Compensation rounded to the next higher $10,000 if not already a multiple thereof, or $500,000

Age Based Reductions

Life Insurance Benefit for an Employee age 70 and over will reduce to:

65% of the Life Insurance Benefit at age 70
45% of the Life Insurance Benefit at age 75
30% of the Life Insurance Benefit at age 80

Continuation Options

For Layoff

Maximum Benefit Period: 1 month

For Family Medical Leave

Maximum Benefit Period: to the end of 6 months or, the period required by applicable state or federal law.

For an Employer approved Leave of Absence or Sabbatical Leave:

Maximum Benefit Period to the end of 12 months following the month in which the leave of absence began, or the date the leave ends, if earlier.

For an Employer approved, unpaid Leave of Absence:

Maximum Benefit Period 12 months, or if earlier, the end of such leave.
Waiver of Premium
Benefit Waiting Period 6 months from the date the Employee's Active Service ends
Maximum Benefit Period To Age 65
Applicable Coverages Life Insurance Benefits for the Employee, his or her Spouse and Dependent Children, if any.

Portability Options
For Employees See the Former Employee and Spouse of Former Employee sections in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.

Terminal Illness Benefit 50% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of $250,000.

Increases and Decreases in Coverage
An eligible Employee may enroll for or increase his or her Voluntary Term Life Insurance Benefits, at any time, only if he or she satisfies the Insurability Requirement. Any amount the Insurance Company approves is effective on the date the Insurance Company agrees in writing to insure the Employee.

An Employee may reduce Insurance Benefits at any time. The reduced amount will be effective on the date the Insurance Company receives the completed change form.

Spouse Benefits

Amount of Insurance Units of $10,000
Guaranteed Issue Amount: the greater of a) or b) below:
a) $10,000, or
b) an amount equal to the Life Insurance Benefit in effect on the termination date of the Prior Plan

Maximum Benefit: $100,000

The amount of Spousal coverage cannot exceed the amount of Employee coverage.

Portability Options
For Spouse See the Former Spouse section in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.

Terminal Illness Benefit 50% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill.
Dependent Child Benefits

Amount of Insurance
Option 1 - $5,000
Option 2 - $10,000

Maximum Benefit: $10,000

All Dependent Child benefits are Guaranteed Issue.

Portability Options
For Dependent Children
See the Former Dependent Child section in this Schedule of Benefits for the amounts of insurance an Insured is eligible to continue under this option.

Former Employee Benefits

Amount of Insurance
An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits allowable to an Employee, less any amount of conversion insurance issued under the Conversion Privilege for Life Insurance.

Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as an Employee will be effective on the date the Insurance Company agrees in writing to insure him or her.

Maximum Benefit Period
To Age 70

Terminal Illness Benefit
50% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill, subject to a Maximum Benefit of $250,000.

Spouse of Former Employee Benefits

Amount of Insurance
An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits available to a Spouse.

Any amount elected in excess of the Life Insurance Benefits in effect on the date the Employee's employment with the Employer ends will be effective on the date the Insurance Company agrees in writing to insure him or her.

Maximum Benefit Period
To Age 70

Terminal Illness Benefit
50% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill.
Former Spouse Benefits

Amount of Insurance: An amount elected subject to the Maximum Benefit amount for Life Insurance Benefits available to a Spouse.

Any amount elected in excess of the Life Insurance Benefits in effect on the date he or she no longer qualifies as a Spouse will be effective on the date the Insurance Company agrees in writing to insure him or her.

Maximum Benefit Period: To Age 70

Terminal Illness Benefit: 50% of Life Insurance Benefits in force on the date the Insured is determined by the Insurance Company to be Terminally Ill.

Former Dependent Child Benefits

Amount of Insurance: Units of $25,000

Guaranteed Issue Amount: $50,000

Maximum Benefit: $50,000

Maximum Benefit Period: To Age 70
ELIGIBILITY FOR INSURANCE

Classes of Eligible Persons
A person may be insured only once under the Policy as an Employee, Spouse or Dependent Child, even though he or she may be eligible under more than one class.

Employee
An Employee in one of the Classes of Eligible Employees shown in the Schedule of Benefits is eligible to be insured on the Policy Effective Date or the day after he or she completes the applicable Eligibility Waiting Period, if later.

If a person has previously converted his or her insurance under the Policy, he or she will not become eligible until the 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 the Employee's Life Insurance Benefits based on age or a change in class unless those conditions no longer affect the amount of coverage available to the Employee.

Except as noted in the Reinstatement Provision, if an Employee terminates coverage and later wishes to reapply, or if a former Employee is rehired, a new Eligibility Waiting Period must be satisfied. An Employee is not required to satisfy a new Eligibility Waiting Period if insurance ends because he or she is no longer in a Class of Eligible Employees, but continues to be employed by the Employer, and within one year becomes a member of an eligible class.

Spouse
If an Insured is eligible to elect Spouse coverage, the Spouse is eligible to be insured on the date the Employee is eligible or the date he or she becomes a Spouse of an Employee, if later. The eligible Employee must be insured in order to elect spouse coverage.

For the purpose of eligibility, the Spouse must be the lawful Spouse of the Employee and not legally separated or divorced from, or widowed by the Employee. A Spouse must be under age 70 to be eligible.

Dependent Child
If an Insured is eligible to elect Dependent Child coverage, the Dependent Child is eligible to be insured on the date the Insured is eligible or on the date the child qualifies as a Dependent Child, if later.

In no event will a Dependent Child be eligible to become insured more than once under the Policy.

EFFECTIVE DATE OF INSURANCE

An Employee who is required to contribute to the cost of this insurance may elect insurance for himself or herself and an eligible Spouse or Dependent Child only by authorizing payroll deduction in a form approved by the Employer and the Insurance Company. The effective date of this insurance depends on the date and amount of insurance elected.

If an individual elects coverage within 31 days after becoming eligible to enroll, or for any increases, the Guaranteed Issue Amount will be effective on the latest of the following dates:
1. The Policy Effective Date.
2. The date payroll deduction is authorized for this insurance.
3. The date the Employer or Insurance Company receives the completed enrollment form.
If Employee or Spouse coverage is elected in an amount that exceeds the Guaranteed Issue Amount or an enrollment form is received more than 31 days after becoming eligible to elect coverage, this insurance will be effective on the date the Insurance Company agrees in writing to insure that eligible person. The Insurance Company will require the eligible person to satisfy the Insurability Requirement before it agrees to insure him or her.

If coverage for a Dependent Child is in force and another Dependent Child becomes eligible, coverage for that child is effective on the date the child qualifies as a Dependent Child.

If an eligible Employee is not in Active Service on the date insurance would otherwise be effective, it will be effective on the date he or she returns to Active Service.

If an eligible Spouse or Dependent Child is:
1. an inpatient in a hospital, hospice, rehabilitation or convalescence center, or custodial care facility; or
2. confined to his or her home under the care of a Physician
on the date insurance would otherwise be effective, it will be effective on the date he or she is no longer an inpatient in these facilities or confined at home. If such Spouse or Dependent Child was covered by the Prior Plan immediately prior to the Policy Effective Date, this provision will not apply to the amount of coverage in effect as of the Policy Effective Date, but will apply to any increase in coverage.

Takeover Provision
Special Terms Applicable to Previously Insured Employees Not in Active Service
Employees not in Active Service on the Policy Effective Date are not covered under the Policy. However, the Insurance Company agrees 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 the Employee meets the Active Service requirements;
2. the date insurance terminates for one of the reasons stated in the Termination of Insurance provision;
3. 12 months after the Policy Effective Date; or
4. the last day the Employee would have been covered under the Prior Plan if that plan was still in force.

TERMINATION OF INSURANCE
An Insured's coverage will end on the earliest of the following dates:
1. the date the Employee is eligible for coverage under a plan intended to replace this coverage;
2. the date the Policy is terminated by the Insurance Company;
3. the last day of the month in which the Insured is no longer in an eligible class;
4. the date coinciding with the end of the last period for which premiums are paid;
5. the last day of the month in which the Employee is no longer in Active Service;
6. for an Employee, Spouse and Dependent Child, the date the Employer cancels participation under the Policy; and
7. the date coverage for the Employee ends, for any insured Spouse and Dependent Child.
CONTINUATION OF INSURANCE

If an Employee is no longer in Active Service, he or she may be eligible to continue insurance. The following provisions explain the continuation options available under the Policy. Please see the Schedule of Benefits to determine the applicability of these benefits on a class level.

Continuation for Layoff, Temporary Leave of Absence, Sabbatical Leave of Absence or Family Medical Leave

If an Employee's Active Service ends due to a layoff, Employer approved unpaid leave of absence, or family medical leave of absence, insurance will continue for up to the Maximum Benefit Period shown in the Schedule of Benefits, if the required premium is paid.

Employment will not be deemed to continue and insurance cannot be continued during a sabbatical or leave of absence unless the sabbatical or the leave for the Employee is set forth in a written document that is dated on or before the leave is to start and shows that the Employee is scheduled to return to Active Service.

If an Employee is on leave, the amount of insurance and premium will be based on the amount of insurance in effect just prior to the start of the leave.

Waiver of Premium

If an Employee is under age 60 and his or her Active Service ends due to Disability, Life Insurance Benefits as shown in the Schedule of Benefits will continue until the end of the earliest of the following dates.

1. The date the Employee is no longer Disabled.
2. The date he or she no longer qualifies for Waiver of Premium.
3. The day after the period for which premiums are paid.
4. The date the Maximum Benefit Period for this benefit, if any, ends.

If an Employee dies while premiums are waived, the Insurance Company will pay a Death Benefit only if due proof of continuous Disability is received within one year of his or her death.

In order to qualify for Waiver of Premium an Employee must submit due proof that he or she has been Disabled for the Benefit Waiting Period shown in the Schedule of Benefits for this benefit. Such proof must be submitted to the Insurance Company no later than 3 months after the Employee satisfies the Benefit Waiting Period. Premiums will be waived from the date the Insurance Company agrees in writing to waive premiums for that Employee. After premiums have been waived for 12 months, they will be waived for future periods of 12 months, if the Employee remains Disabled and submits satisfactory proof that Disability continues. Satisfactory proof must be submitted to the Insurance Company 3 months before the end of the 12 month period.

The Death Benefit will be equal to the Life Insurance Benefit in effect on the date the Employee became Disabled. However, the Life Insurance Benefit will be subject to the provisions of the Policy that reduce or terminate coverage because of age, retirement, acceleration or a change in eligible class.

Termination of Waiver

Insurance will end for any Employee whose premiums are waived on the earliest of the following dates.

1. The date he or she is no longer Disabled.
2. The date he or she refuses to submit to any physical examination required by the Insurance Company.
3. The last day of the 12 month period of Disability during which he or she fails to submit satisfactory proof of continued Disability.
4. The date the Maximum Benefit Period for this benefit, if any, ends.
Portability Options
For Employees

If an Employee’s employment with the Employer ends prior to age 70, Life Insurance Benefits may be continued. Coverage may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option.

The Employee must apply to the Insurance Company and pay the required premium. If the Employee continues coverage, Spouse or Dependent Child coverage may also be continued by the Employee. The Spouse or Dependent Child must be covered under the Policy on the date coverage would otherwise end. The application must be submitted:

a. within 31 days of the Employee’s termination of employment; or
b. during the time that the Employee has to exercise the conversion privilege as a result of termination of employment.

Coverage under this option may not be elected at a later date.

When applying for this option, the Employee must name a beneficiary. Any beneficiary named previously under the Policy is no longer in effect. If there is no named or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives:

a. spouse;
b. child or children;
c. mother or father;
d. brothers or sisters; or
e. the executors or administrators of the Insured’s estate.

When coverage is continued under this option, the Employee becomes a Former Employee. The Spouse becomes a Spouse of a Former Employee. The Dependent Child becomes a Dependent Child of a Former Employee.

If the Former Employee later acquires a Spouse or Dependent Child, he or she may elect coverage for them. The Former Employee must apply to the Insurance Company and pay the required premium. Coverage for the Spouse or Dependent Child will be effective on the date the Insurance Company agrees in writing to insure them. The Insurance Company may require that the Spouse or Dependent Child satisfy the Insurability Requirement before it agrees to insure him or her.

Coverage will end on the earliest of the following dates.

a. The date the Insurance Company cancels coverage for all Former Employees.
b. The end of the period for which premiums are paid.
c. The date an Insured reaches age 70.
d. The date the Maximum Benefit Period shown in the Schedule of Benefits for this option ends.

Also, coverage for any Dependent Child will end on any of the dates listed above or when he or she no longer qualifies as a Dependent Child, if earlier.

For Spouses

If prior to age 70, a Spouse is:

a. legally separated, divorced; or
b. widowed

from an insured Employee or Former Employee, Life Insurance Benefits may be continued. Coverage may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option. The Spouse must apply to the Insurance Company and pay the required premium.
A Spouse who continues coverage may also continue coverage for a Dependent Child. The Dependent Child must be covered under the Policy on the date coverage would otherwise end. A Spouse must elect to continue insurance under this option within 31 days after coverage ends. Coverage may not be elected at a later date.

When applying for this option, a Spouse must name a beneficiary. Any beneficiary named previously under the Policy is no longer in effect. If there is no named or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives:

a. spouse;
b. child or children;
c. mother or father;
d. brothers or sisters; or
e. the executors or administrators of the Spouse’s estate.

When coverage is continued under this option, the Spouse becomes a Former Spouse. A separate certificate of insurance will be issued to the Former Spouse. Coverage will be effective on the date after coverage as a Spouse ends if the required premium is paid.

Coverage will end on the earliest of the following dates.

a. The date the Insurance Company cancels coverage for all Former Spouses.
b. The end of the period for which premiums are paid.
c. The date the Former Spouse reaches age 70.
d. The date the Maximum Benefit Period shown in the Schedule of Benefits for this option ends.

Also, coverage for a Dependent Child will end on any of the dates listed above or when he or she no longer qualifies as a Dependent Child, if earlier.

For Dependent Children

If a Dependent Child is insured under the Policy and is at least 19 years of age, Life Insurance Benefits may be continued under this option. Coverage may be continued up to the Maximum Benefit shown in the Schedule of Benefits for this option.

The Dependent Child must apply to the Insurance Company and pay the required premium. If a Dependent Child does not elect to continue insurance within 31 days after reaching age 19; or the date he or she no longer qualifies as a Dependent Child, if later, coverage under this option may not be elected at a later date.

When applying for this option, a Dependent Child must name a beneficiary. Any beneficiary named previously under the Policy is no longer in effect. If there is no named or surviving beneficiary, Death Benefits will be paid to the first surviving class of the following living relatives:

a. spouse;
b. child or children;
c. mother or father;
d. brothers or sisters; or
e. the executors or administrators of the Dependent Child’s estate.

When a Dependent Child continues coverage under this option, he or she becomes a Former Dependent Child. A separate certificate of insurance will be issued to the Former Dependent Child. Coverage for a Former Dependent Child will be effective on the following dates.

a. For any Guaranteed Issue Amount, immediately following the date his or her coverage as a Dependent Child ends, provided the Insurance Company receives the required premium.
b. For any amount of insurance that exceeds the Guaranteed Issue Amount, the date the Insurance Company agrees in writing to insure him or her. The Insurance Company will require the Former Dependent Child to satisfy the Insurability Requirement before it agrees to insure him or her.
Coverage will end on the earliest of the following dates.

a. The date the Insurance Company cancels coverage for all Former Dependent Children.
b. The end of the period for which premiums are paid.
c. The date the Former Dependent Child is age 70.
d. The date the Maximum Benefit Period shown in the Schedule of Benefits for this option ends.

DESCRIPTION OF BENEFITS

The following provisions explain the benefits available under the Policy. Please see the Schedule of Benefits for the applicability of these benefits on a class level.

LIFE INSURANCE BENEFITS

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

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
The Insurance Company will pay a Terminal Illness Benefit to an Insured who has been determined by the Insurance Company to be Terminally Ill.

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, the Insurance Company will require the Insured 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 the Insurance Company, including but not limited to radiological, histological or laboratory reports documenting the Terminal Illness.

The Insurance Company may require, at its expense, an examination of the Insured and a review of the documented evidence by a Physician of its choice.

"Terminal Illness" means a person has a prognosis of 12 months or less to live, as diagnosed by a Physician.

Conversion Privilege for Life Insurance
If coverage for an Insured ends for any reason, except for non-payment of premium, he or she may apply for a conversion policy of life insurance.

The conversion insurance may be a type of life insurance currently being offered for conversion by the Insurance Company at the Insured's age and in the amount requested. It may not be term insurance and it may not be for an amount greater than the Life Insurance Benefits in force under the Policy. Conversion life insurance will not provide accident, disability or other benefits.
However, if coverage ends because the Policy is terminated or amended to terminate any class of Insureds, or the Employer cancels participation under the Policy, coverage cannot be converted unless the individual has been insured under the Policy for at least 3 years. In this case, the amount of conversion insurance will be the lesser of the Life Insurance Benefit in force under the Policy, or $10,000.

To apply for conversion insurance, the Insured must within 31 days after coverage under the Policy ends, submit an application to the Insurance Company and 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.

Conversion insurance will become effective on the 31st day after the date coverage under the Policy ends, if the application is received by the Insurance Company and the required premium is paid on that date.

If the Insured dies during the 31 day conversion period, the Death Benefit 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 benefits payable for that type and amount of insurance under the 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 will not be paid under the Policy. If the Insured's application for conversion insurance is received by the Insurance Company and the required premium is paid, Life Insurance Benefits will be payable under the conversion insurance.

**Prior Conversion Limitation**

If an Insured is covered under a life insurance conversion policy previously issued by the Insurance Company, he or she will not be eligible for this Conversion Privilege unless the prior coverage has ended. This does not apply to any amount of insurance that was previously converted under the Policy due to a reduction in the Insured's Life Insurance Benefits based on age or a change in class.

**LIFE INSURANCE EXCLUSIONS**

If an Insured commits suicide, while sane or insane, within 2 years from the date his or her insurance under the Policy becomes effective, Life Insurance Benefits will be limited to a refund of the premiums paid on the Insured's behalf. The suicide exclusion applies from the effective date of any additional benefits or increases in Life Insurance Benefits.

Except for any amount of benefits in excess of the Prior Plan's benefits, this exclusion will not apply to any person covered under the Prior Plan for more than two years. If a person was not insured for two years under the Prior Plan, credit will be given for the time he or she was insured.

If a Dependent Child commits suicide and is survived by other Dependent Children covered under the same certificate, no refund of premiums will be paid.
CLAIM PROVISIONS

Notice of Claim
Written notice, or notice by any other electronic/telephonic means authorized by the Insurance Company, must be given to the Insurance Company 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 the Insurance Company, 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 the Insurance Company 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 the Insurance Company was given as soon as reasonably possible.

Claim Forms
When the Insurance Company receives notice of claim, the Insurance Company will send claim forms for filing proof of loss. If claim forms are not sent within 15 days after notice is received by the Insurance Company, 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 the Insurance Company, of the nature and extent of the loss.

Claimant Cooperation Provision
Failure of a claimant to cooperate with the Insurance Company in the administration of the claim may result in termination of 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 the Insurance Company in the review of claims and applications for coverage. Any information the Insurance Company provides 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
Written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, must be given to the Insurance Company 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 the Insurance Company, 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 the Insurance Company, must be given not more than one year after that 90 day period. If written proof of loss, or proof by any other electronic/telephonic means authorized by the Insurance Company, is provided outside of these time limits, the claim will be denied. These time limits will not apply while the person making the claim lacks legal capacity.

Written proof, or any other electronic/telephonic means authorized by the Insurance Company, 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, the Insurance Company 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 installments 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; 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.

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 the Insured's death may, at the Insurance Company's option, be paid either to the Insured's beneficiary or to the executor or administrator of the Insured's estate.

If the Insurance Company pays benefits to the executor or administrator of the Insured's estate or to a person who is incapable of giving a valid release, the Insurance Company may pay up to $1,000 to a relative by blood or marriage whom it believes is equitably entitled. This good faith payment satisfies the Insurance Company's legal duty to the extent of that payment.

Change of Beneficiary
The Insured may change the beneficiary at any time by giving written notice to the Employer or the Insurance Company. The beneficiary's consent is not required for this or any other change which the Insured may make unless the designation of beneficiary is irrevocable.

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

Physical Examination and Autopsy
The Insurance Company, at its expense, will have the right to examine any person for whom a claim is pending as often as it may reasonably require. The Insurance Company may, at its 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 the Insurance Company, 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 the Employee lives 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
The Insured will have the right to choose any Physician who is practicing legally. The Insurance Company will in no way disturb the Physician/patient relationship.

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 the Insured's coverage amount is reduced due to acceleration of his or her Death Benefit, his or her premium will be based on the amount of coverage he or she has 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.

Changes in Premium Rates
The premium rates may be changed by the Insurance Company from time to time with at least 31 days advance written notice. No change in rates will be made until 36 months after the Policy Effective Date. An increase in rates will not be made more often than once in a 12 month period. However, the Insurance Company reserves the right to change the rates even during a period for which the rate is guaranteed if any of the following events take place.

1. The terms of the Policy change.
2. A division, subsidiary, affiliated company or eligible class is added or deleted from the Policy.
3. There is a change in the factors bearing on the risk assumed.
4. Any federal or state law or regulation is amended to the extent it affects the Insurance Company's benefit obligation.
5. The Insurance Company determines that the Employer has failed to promptly furnish any necessary information requested by the Insurance Company, or has failed to perform any other obligations in relation to the Policy.

If an increase or decrease in rates takes place on a date that is not a Premium Due Date, a pro rata adjustment will apply from the date of the change to the next Premium Due Date.

Reporting Requirements
The Employer must, upon request, give the Insurance Company any information required to determine who is insured, the amount of insurance in force and any other information needed to administer the plan of insurance.

Payment of Premium
The first premium is due on the Policy Effective Date. After that, premiums will be due monthly unless the Employer and the Insurance Company agree on some other method of premium payment.

If any premium is not paid when due, the plan will be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.
Notice of Cancellation
The Employer or the Insurance Company may cancel the Policy as of any Premium Due Date by giving 31 days advance written notice. If a premium is not paid when due, the Policy will automatically be canceled as of the Premium Due Date, except as provided in the Policy Grace Period section.

Policy Grace Period
A Policy Grace Period of 31 days will be granted for the payment of the required premiums under this Policy. This Policy will be in force during the Policy Grace Period. The Employer is liable to the Insurance Company for any unpaid premium for the time this Policy was in force.

Grace Period for the Insured
If the required premium is not paid on the Premium Due Date, there is a 31 day grace period after each premium due date after the first. If the required premium is not paid during the grace period, insurance will end on the last day for which premium was paid.

If benefits are paid during the Grace Period for the Insured, the Insurance Company will deduct any overdue premium from the proceeds payable under the Policy.
SCHEDULE OF RATES

The following monthly rates apply to all Classes of Eligible Persons unless otherwise indicated.

FOR EMPLOYEE BENEFITS

Voluntary Life Insurance

Monthly Rates are based on units of $1,000

Non-Smoker Rates

<table>
<thead>
<tr>
<th>Age</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Age 20</td>
<td>$0.020</td>
</tr>
<tr>
<td>Age 20 - 24</td>
<td>$0.020</td>
</tr>
<tr>
<td>Age 25 - 29</td>
<td>$0.024</td>
</tr>
<tr>
<td>Age 30 - 34</td>
<td>$0.032</td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$0.036</td>
</tr>
<tr>
<td>Age 40 - 44</td>
<td>$0.044</td>
</tr>
<tr>
<td>Age 50 - 54</td>
<td>$0.122</td>
</tr>
<tr>
<td>Age 55 - 59</td>
<td>$0.195</td>
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<tr>
<td>Age 60 - 64</td>
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<tr>
<td>Age 65 - 69</td>
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</tr>
<tr>
<td>Age 70 - 74</td>
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<tr>
<td>Age 75 - 79</td>
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<tr>
<td>Age 80 - 84</td>
<td>$1.560</td>
</tr>
<tr>
<td>Age 85 - 89</td>
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<tr>
<td>Age 90 - 94</td>
<td>$1.560</td>
</tr>
<tr>
<td>Age 95 and over</td>
<td>$1.560</td>
</tr>
</tbody>
</table>

Smoker Rates

<table>
<thead>
<tr>
<th>Age</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Age 20</td>
<td>$0.032</td>
</tr>
<tr>
<td>Age 20 - 24</td>
<td>$0.043</td>
</tr>
<tr>
<td>Age 25 - 29</td>
<td>$0.052</td>
</tr>
<tr>
<td>Age 30 - 34</td>
<td>$0.059</td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$0.085</td>
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<tr>
<td>Age 40 - 44</td>
<td>$0.100</td>
</tr>
<tr>
<td>Age 45 - 49</td>
<td>$0.150</td>
</tr>
<tr>
<td>Age 50 - 54</td>
<td>$0.230</td>
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<tr>
<td>Age 55 - 59</td>
<td>$0.430</td>
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<td>Age 60 - 64</td>
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<td>Age 65 - 69</td>
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<td>Age 70 - 74</td>
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<td>Age 75 - 79</td>
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<td>Age 80 - 84</td>
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<td>Age 90 - 94</td>
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</tr>
<tr>
<td>Age 95 and over</td>
<td>$2.060</td>
</tr>
</tbody>
</table>

A change in rates due to a change in the Employee's age will become effective on the Date coinciding with or following the Employee's birthday.

FOR SPOUSE BENEFITS

Voluntary Life Insurance

Monthly Rates are based on units of $1,000

Non-Smoker Rates

<table>
<thead>
<tr>
<th>Age</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Age 20</td>
<td>$0.020</td>
</tr>
<tr>
<td>Age 20 - 24</td>
<td>$0.020</td>
</tr>
<tr>
<td>Age 25 - 29</td>
<td>$0.024</td>
</tr>
<tr>
<td>Age 30 – 34</td>
<td>$0.032</td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$0.036</td>
</tr>
<tr>
<td>Age 40 - 44</td>
<td>$0.044</td>
</tr>
<tr>
<td>Age 45 - 49</td>
<td>$0.074</td>
</tr>
<tr>
<td>Age 50 - 54</td>
<td>$0.122</td>
</tr>
<tr>
<td>Age 55 - 59</td>
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<td>$0.260</td>
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<td>Age 65 - 69</td>
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Smoker Rates

<table>
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<tr>
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<th>Rate</th>
<th>Age Group</th>
<th>Rate</th>
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<tbody>
<tr>
<td>Under Age 20</td>
<td>$0.032</td>
<td>Age 45 - 49</td>
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<td></td>
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<td>Age 50 - 54</td>
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<td></td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$0.085</td>
<td>Age 65 - 69</td>
<td>$1.16</td>
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</tr>
<tr>
<td>Age 40 - 44</td>
<td>$0.100</td>
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<td></td>
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</tr>
</tbody>
</table>

Spouse rates are based on the spouse's date of birth. A change in rates due to a change in the Spouse's age will become effective on the Date coinciding with or following the Spouse's birthday.

FOR DEPENDENT CHILD BENEFITS

Voluntary Life Insurance

Option 1 - $0.12 Per $5,000
Option 2 - $0.24 Per $10,000

FOR FORMER EMPLOYEE BENEFITS

Monthly Rates are based on units of $1,000.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Rate</th>
<th>Age Group</th>
<th>Rate</th>
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<th>Rate</th>
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<tbody>
<tr>
<td>Under Age 20</td>
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<td>Age 45 - 49</td>
<td>$0.3840</td>
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<tr>
<td>Age 20 - 24</td>
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<tr>
<td>Age 25 - 29</td>
<td>$0.153</td>
<td>Age 55 - 59</td>
<td>$1.347</td>
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<td></td>
</tr>
<tr>
<td>Age 30 - 34</td>
<td>$0.177</td>
<td>Age 60 - 64</td>
<td>$2.461</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$0.190</td>
<td>Age 65 - 69</td>
<td>$4.065</td>
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</tr>
<tr>
<td>Age 40 - 44</td>
<td>$0.243</td>
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</tbody>
</table>

A change in rates due to a change in the Former Employee's age will become effective on the Date coinciding with or following the Former Employee's birthday.

FOR FORMER SPOUSES OR SPOUSES OF FORMER EMPLOYEE BENEFITS

Monthly Rates are based on units of $1,000.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Rate</th>
<th>Age Group</th>
<th>Rate</th>
<th>Age Group</th>
<th>Rate</th>
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<tbody>
<tr>
<td>Under Age 20</td>
<td>$0.153</td>
<td>Age 45 - 49</td>
<td>$0.3840</td>
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<td></td>
</tr>
<tr>
<td>Age 20 - 24</td>
<td>$0.144</td>
<td>Age 50 - 54</td>
<td>$0.7260</td>
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</tr>
<tr>
<td>Age 25 - 29</td>
<td>$0.153</td>
<td>Age 55 - 59</td>
<td>$1.347</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age 30 - 34</td>
<td>$0.177</td>
<td>Age 60 - 64</td>
<td>$2.461</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$0.190</td>
<td>Age 65 - 69</td>
<td>$4.065</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age 40 - 44</td>
<td>$0.243</td>
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</tbody>
</table>

Spouse rates are based on the spouse's date of birth. A change in rates due to a change in the Spouse's age will become effective on the Date coinciding with or following the Spouse's birthday.
FOR FORMER DEPENDENT CHILD BENEFITS

Rates are based on $25,000 per Month.

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Rate 1</th>
<th>Age Range</th>
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<tbody>
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<td>Age 25 - 29</td>
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<td>Age 30 - 34</td>
<td>$3.600</td>
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<td>Age 35 - 39</td>
<td>$4.177</td>
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<td>$54.077</td>
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<tr>
<td>Age 40 - 44</td>
<td>$6.200</td>
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</table>

Rates are based on $50,000 per Month

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Rate 1</th>
<th>Age Range</th>
<th>Rate 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Age 20</td>
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<td>$19.550</td>
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<tr>
<td>Age 20 - 24</td>
<td>$5.550</td>
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<td>$32.750</td>
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<tr>
<td>Age 25 - 29</td>
<td>$5.950</td>
<td>Age 55 - 59</td>
<td>$46.950</td>
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<tr>
<td>Age 30 - 34</td>
<td>$7.200</td>
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<td>$76.500</td>
</tr>
<tr>
<td>Age 35 - 39</td>
<td>$8.350</td>
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<td>$108.150</td>
</tr>
<tr>
<td>Age 40 - 44</td>
<td>$12.400</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A change in rates due to a change in the Former Dependent Child's age will become effective on the Date coinciding with or following the Former Dependent Child's birthday.

TL-004718
GENERAL PROVISIONS

Entire Contract
The entire contract will be made up of the Policy, the application of the Employer, a copy of which is attached to the Policy, and the applications, if any, of the Insureds.

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 except for fraud or eligibility for coverage.

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

Policy Changes
No change in the Policy will be valid until approved by an executive officer of the Insurance Company. This approval must be endorsed on, or attached to, the Policy. No agent may change the Policy or waive any of its provisions.

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

Certificates
A certificate of insurance will be delivered to the Employer for delivery to Insureds. Each certificate will list the benefits, conditions and limits of the Policy. It will state to whom benefits will be paid.

Assignment of Benefits
The Insurance Company will not be affected by the assignment of an Insured's certificate until the original assignment or a certified copy of the assignment is filed with the Insurance Company. The Insurance Company 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.

Agency
The Employer and Plan Administrator are agents of the Employee for transactions relating to insurance under the Policy. The Insurance Company is not liable for any of their acts or omissions.

TL-004726
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.

Accident
An Accident is a sudden, unforeseeable external event that causes bodily Injury to an Insured while coverage is in force under the Policy.

Active Service
An Employee will be considered 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. He or she is actively at work. This means the Employee is performing his or her 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 the Employee 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.

An Employee is considered in Active Service on a day which is not one of the Employer's scheduled work days only if he or she was in Active Service on the preceding scheduled work day.

Annual Compensation
An Employee's annual wage or salary as reported by the Employer for work performed for the Employer as of the date the covered loss occurs. It does not include amounts received as bonuses, commissions, overtime pay or other extra compensation.

Dependent Child
An Employee's unmarried child who meets the following requirements.

1. A child from live birth, who is added within 31 days of birth, to 19 years old;
2. A child who is 19 or more years old but less than 25 years old, enrolled in a school as a full-time student and primarily supported by the Employee;
3. A child who is 19 or more years old, primarily supported by the Employee and incapable of self-sustaining employment by reason of mental or physical handicap. Proof of the child's condition and dependence must be submitted to the Insurance Company within 31 days after the date the child ceases to qualify as a Dependent for the reasons listed above. During the next two years, the Insurance Company may, from time to time, require proof of the continuation of such condition and dependence. After that, the Insurance Company may require proof no more than once a year.

The term "child" means a child born to or legally adopted by the Employee. The term includes a child during any waiting period prior to the finalization of the child's adoption. It also means a stepchild living with and financially dependent upon the Employee.

Disabled
An Employee is Disabled if, because of Injury or Sickness, he or she is unable to perform all the material duties of any occupation for which he or she may reasonably become qualified based on education, training or experience.

Employee
For eligibility purposes, an Employee is an employee of the Employer in one of the "Classes of Eligible Employees." Otherwise, Employee means an employee of the Employer who is insured under the Policy.
**Employer**
The Employer who has subscribed to the Policyholder and for the benefit of whose Employees this policy has been issued. The Employer, named as the Subscriber on the front of this Policy, includes any affiliates or subsidiaries covered under the Policy. The Employer is acting as an agent of the Insured for transactions relating to this insurance. The actions of the Employer shall not be considered the 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 the Employee's eligibility class.

**Injury**
Any accidental loss or bodily harm which results directly and independently of all other causes from an Accident.

**Insurability Requirement**
An eligible person will satisfy the Insurability Requirement for an amount of coverage on the day the Insurance Company agrees in writing to accept him or her as insured for that amount. To determine a person's acceptability for coverage, the Insurance Company will require evidence of good health and may require it be provided at the Employee's expense.

**Insurance Company**
The Insurance Company underwriting the Policy is named on the Policy cover page.

**Insured**
A person who is eligible for insurance under the Policy, for whom insurance is elected, the required premium is paid and 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 an Employee, an Employee's spouse, the immediate family (including parents, children, siblings or spouses of any of the foregoing, whether the relationship derives from blood or marriage), of an Employee or spouse, or a person living in an Employee's household.

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

**Sickness**
Any physical or mental illness.

**Spouse**
The current lawful Spouse of an Employee under age 70.
SCHEDULE OF AFFILIATES

The following affiliates are covered under the Policy as of January 1, 2007.

Affiliate Name

Dixon University Center
Indiana University of Pennsylvania
Bloomsburg University of Pennsylvania
California University of Pennsylvania
Cheyney University of Pennsylvania
Clarion University of Pennsylvania
East Stroudsburg University of Pennsylvania
Edinboro University of Pennsylvania
Kutztown University of Pennsylvania
Lock Haven University of Pennsylvania
Mansfield University of Pennsylvania
Millersville University of Pennsylvania
Shippensburg University of Pennsylvania
Slippery Rock University of Pennsylvania
West Chester University of Pennsylvania
IMPORTANT CHANGES FOR STATE REQUIREMENTS

If an Employee resides in one of the following states, the provisions of the 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.

Missouri residents:

Regardless of any language to the contrary in the Policy, suicide is no defense to payment of life insurance benefits. However, if an Insured commits suicide within 2 years from the date their insurance under the Policy becomes effective, and the Insurance Company can show that the Insured intended suicide at the time they applied for the insurance, life insurance benefits will be limited to a refund of premium paid on the Insured's behalf.

North Dakota residents:

The Suicide exclusion, if any, is limited to one year from the effective date of insurance. The suicide exclusion with respect to any increase in death benefits which results from an application of the insured subsequent to the effective date, if any, is limited to one year from the effective date of the increase.
We, Pennsylvania State System of Higher Education, whose main office address is Harrisburg, PA, hereby approve and accept the terms of Group Policy Number FLX-980054 issued by the LIFE INSURANCE COMPANY OF NORTH AMERICA to the TRUSTEE OF THE GROUP INSURANCE TRUST FOR EMPLOYERS IN THE SERVICES INDUSTRY.

This form is to be signed in duplicate. One part is to be retained by Pennsylvania State System of Higher Education; the other part is to be returned to the LIFE INSURANCE COMPANY OF NORTH AMERICA.

Pennsylvania State System of Higher Education

Signature and Title: ___________________________ Date: ___________________________

(This Copy Is To Be Returned To Life Insurance Company of North America)