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Basic Accident  
INSURANCE PROGRAM  
Issued by  
FEDERAL INSURANCE COMPANY  
FOR  
SAMFORD UNIVERSITY

Chubb Underwriting Office: FEDERAL INSURANCE COMPANY  
Sears Tower, Suite 4700  
233 South Wacker Drive  
Chicago, IL 60606-6303

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*Words and phrases that appear in **bold** print have special meaning and are defined in the Definitions section(s) of this policy. Defined terms include the plural.*

*Throughout this policy the words "**We**", "**Us**" and "**Our**" refer to the **Company** providing this insurance.*

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**Please Read This Policy Carefully**

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## Insuring Agreement

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### Section I

*Chubb Group of Insurance Companies  
15 Mountain View Road, P.O. Box 1615  
Warren, New Jersey 07061-1615*

**Policyholder's** Name and Address:

SAMFORD UNIVERSITY  
800 LAKESHORE DR. 301 SAMFORD HALL  
BIRMINGHAM , AL 35229  
Policy Number: 9906-12-69  
Effective Date: 06/01/2006  
Anniversary Date: June 1

*Issued by the stock insurance company  
indicated below:*

**FEDERAL INSURANCE COMPANY**  
*Incorporated under the laws of  
INDIANA*

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### Section II-Policy Period and Company

#### Policy Period

From: 06/01/2006

To: 06/01/2009

12:01 A.M. standard time at the **Policyholder's** address shown in Section I of the Insuring Agreement.

This insurance is provided by the **Company** in consideration of payment of the required premium.

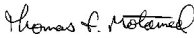
The insurance under this policy begins on the Effective Date shown in Section I of the Insuring Agreement. The insurance under this policy ends on the last day of the Policy Period shown in Section II of the Insuring Agreement.

The **Policyholder's** acceptance of this policy terminates any prior policy of the same policy number issued to the **Policyholder** by the **Company**, effective with the inception of this policy.

#### Company

The **Company** issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the **Company**.

**FEDERAL INSURANCE COMPANY** (Incorporated under the laws of INDIANA)

  
President

  
Secretary



**Authorized Representative**

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## Premium Summary

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### Section I - Premium Due Date

07/01/2006 and the 1st of each month thereafter.

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### Section II - Premium Payment

The **Policyholder** shown in Section I of the Insuring Agreement is responsible for the collection and remittance of all required premiums. Premiums are calculated and payable as follows:

<u>Class</u>	<u>Plan Option</u>	<u>Monthly Rates per</u> <u>\$1,000 of Insurance</u>
1	Employee	0.019

### REPORTING:

Reporting Period  
Monthly

Premium Payment  
Thirty one (31) days after the Premium Due Date shown in Section I above.

The Monthly rate is applied to the total amount of insurance for each **Class**.

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## Schedule of Benefits

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*Chubb Group of Insurance Companies  
15 Mountain View Road, P.O. Box 1615  
Warren, New Jersey 07061-1615*

**Policyholder's Name:**  
SAMFORD UNIVERSITY

*Issued by the stock insurance company  
indicated below:*

**FEDERAL INSURANCE COMPANY**  
*Incorporated under the laws of  
INDIANA*

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### Section I - Insured Persons

The following are the **Insured Persons** under this policy:

<u>Class</u>	<u>Description</u>
1	All active, Full-time Employees of the Policyholder.

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If, subject to all the terms and conditions of this policy a person is eligible for insurance under multiple **Classes** of **Insured Persons** described above, then such person will only be insured under the **Class** which provides the **Insured Person** the largest **Benefit Amount** for the loss that has occurred.

If the same benefits apply under multiple **Classes** for which an **Insured Person** has **Contributory Insurance** under this policy, then only the largest **Benefit Amount** for each benefit applicable under all such **Classes** will be paid.

If the same benefits apply under multiple **Classes** for which an **Insured Person** has **Non-Contributory Insurance** under this policy, then only the largest **Benefit Amount** for each benefit applicable under all such **Classes** will be paid.

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### Section II - Qualification Period

#### **Non-Contributory Insurance**

For **Insured Persons** in an eligible **Class** on the Effective Date: none

For **Insured Persons** entering an eligible **Class** after the Effective Date: none

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### Section III - Hazards

The following are the **Hazards** for which insurance applies:

<b>Class</b>	<b>Hazard(s)</b>
1	24 Hour Business and Pleasure

If, subject to all the terms and conditions of this policy an **Insured Person** has insurance for covered loss on the date of an **Accident**, covered under multiple **Hazards** described above, then only one **Benefit Amount** will be paid. This **Benefit Amount** shall be the largest **Benefit Amount** applicable under all such **Hazards**.

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## Section IV - Benefits

### A) Principal Sum

The following are **Principal Sums** for each **Class**:

<b>Class</b>	<b>Hazard</b>	<b>Principal Sum</b>
1	24 Hour Business and Pleasure	Two and one-half (2.5) times Basic Annual Earnings, rounded to the next higher \$1,000, if not already a multiple thereof, up to a maximum of \$600,000.

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## B) Accidental Death and Dismemberment Benefits:

This benefit applies to all **Classes** of **Insured Persons**. The following are **Losses** insured and the corresponding **Benefit Amount** expressed as a percentage of the **Principal Sum**:

### Class(es)

All

<b>Accidental:</b>	<b>Benefit Amounts (Percentage of Principal Sum)</b>
<b>Loss of Life</b>	100%
<b>Loss of Speech and Loss of Hearing</b>	100%
<b>Loss of Speech and one of Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b>	100%
<b>Loss of Hearing and one of Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b>	100%
<b>Loss of Hands (Both), Loss of Feet (Both), Loss of Sight or a combination of any two of Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b>	100%
<b>Quadriplegia</b>	100%
<b>Paraplegia</b>	75%
<b>Hemiplegia</b>	50%
<b>Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b> (Any one of each)	50%
<b>Loss of Speech or Loss of Hearing</b>	50%
<b>Uniplegia</b>	25%
<b>Loss of Thumb and Index Finger</b> of the same hand	25%

This **Benefit Amount** is subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.  
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If an **Insured Person** has multiple **Losses** as the result of one **Accident**, then **We** will pay only the single largest **Benefit Amount** applicable to the **Losses** suffered, as described in Section IV - Maximum Payment for Multiple Losses and Multiple Benefits of the Contract.

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## C) Additional Benefits

The following are **Benefit Amounts** for all other benefits provided under this policy:

### Carjacking

#### Class 1

**Benefit Amount** 10% of the **Principal Sum** up to a maximum of \$25,000

This **Benefit Amount** is not subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.

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### Coma

#### Class 1

**Benefit Amount** 1% per month of the **Principal Sum**

**Maximum Benefit Amount** 100% of the **Principal Sum**

This **Benefit Amount** is subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.

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**Medical Evacuation and Repatriation**

**Class 1**

**Maximum Benefit Amount** \$50,000

**Benefit Amount(Hospital Admission Guaranty)** \$5,000

**Family Travel Expense Benefit Amount**

(Maximum Per Day) \$100

(Maximum Number of Days) 5

This **Benefit Amount** is not subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.

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**Psychological Therapy Expense**

**Class 1**

**Benefit Amount** 5% of the **Principal Sum** up to a maximum of \$25,000

This **Benefit Amount** is not subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.

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**Rehabilitation Expense**

**Class 1**

**Benefit Amount** 5% of the **Principal Sum** up to a maximum of \$25,000

This **Benefit Amount** is not subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.

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**Seat Belt and Occupant Protection Device**

**Class 1**

**Benefit Amount for Seat Belt** 10% of the **Principal Sum**

**Alternate Benefit Amount** \$2,000

**Benefit Amount for Occupant Protection Device** 10% of the **Principal Sum**

**Maximum Benefit Amount for SeatBelt and Occupant Protection Device** 20% of the **Principal Sum** to a maximum of \$50,000

This **Benefit Amount** is not subject to Section IV - Maximum Payment for Multiple Losses and Multiple Benefits, of the Contract.

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Insurance only applies for the **Classes, Hazards, Benefits and Losses** that are specifically indicated as insured.

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## Hazards

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### **24 Hour Business and Pleasure Hazard**

**24 Hour Business and Pleasure Hazard** means all circumstances, subject to the terms and conditions of the policy, to which an **Insured Person** may be exposed.

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## Contract

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### Section I - Insurance

Subject to all the terms and conditions of this policy and the payment of premium, We will provide the following insurance:

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#### Accidental Death and Dismemberment

We will pay the applicable **Benefit Amount**, shown in Section IV-B of the Schedule of Benefits, if an **Accident** results in a covered **Loss** not otherwise excluded. The **Accident** must result from an insured **Hazard** and occur while an **Insured Person** is insured under this policy, while it is in force. The covered **Loss** must occur within one (1) year after the **Accident**.

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#### Carjacking

We will pay the **Benefit Amount** for **Carjacking**, shown in Section IV-C of the Schedule of Benefits, if an **Insured Person** suffers a covered **Loss** resulting from **Accidental Bodily Injury** due to **Carjacking**.

The **Benefit Amount** for **Carjacking** is payable in addition to any other applicable **Benefit Amounts** under this policy.

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## **Coma**

We will pay the **Benefit Amount** for **Coma**, shown in Section IV-C of the Schedule of Benefits, if **Accidental Bodily Injury** causes an **Insured Person** to:

- 1) lapse into a **Coma** within thirty (30) days after the **Accident**;
- 2) remain in a **Coma** for thirty (30) consecutive days; and
- 3) be confined to a **Hospital** or other licensed facility to receive **Medically Necessary** treatment for **Coma**, prescribed and supervised by a **Physician**, within the first thirty (30) days following the **Accident**.

The **Benefit Amount** for **Coma** will be the percentage of the **Insured Person's Principal Sum**, shown in Section IV - C of the Schedule of Benefits. The **Benefit Amount** for **Coma** is payable monthly subject to the **Maximum Benefit Amount** for **Coma** shown in Section IV-C of the Schedule of Benefits.

Brief lapses from **Coma** will not be considered an interruption of the consecutive thirty (30) day period, or cause a discontinuance in **Our** payment, if the lapses and subsequent **Coma** recurrences are due to the same **Accident**.

The **Coma** monthly payment will be made until the earliest of the date:

- 1) the **Insured Person** dies;
- 2) the **Insured Person** is no longer in a **Coma**; or
- 3) total payments equal the **Maximum Benefit Amount** for **Coma**, shown in Section IV-C of the Schedule of Benefits.

If an **Insured Person** dies within 365 days after the **Accident**, then **We** will pay a lump sum equal to the **Insured Person's Principal Sum**, less any **Benefit Amount** for **Coma** already paid.

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## Medical Evacuation and Repatriation

If an **Insured Person's Accidental Bodily Injury**, disease or illness occurs while insured under a **Hazard** and requires the **Medical Evacuation** or **Repatriation** of the **Insured Person** while the **Insured Person** is on a covered trip, then **We** will pay the **Covered Expenses** for such **Medical Evacuation** or **Repatriation** up to the **Benefit Amount** for **Medical Evacuation and Repatriation**, shown in Section IV-C of the Schedule of Benefits. The **Benefit Amount** for **Medical Evacuation and Repatriation** is payable in addition to any other applicable **Benefit Amount** under this policy.

This insurance applies only if the covered trip:

- 1) is more than 100 miles from the **Insured Person's** primary residence; and
- 2) lasts no more than 180 consecutive days.

The **Medical Evacuation** or **Repatriation** must be ordered by a **Physician**, who certifies that the **Medical Evacuation** or **Repatriation** is necessary to prevent death or serious deterioration of the **Insured Person's** medical condition. The **Medical Evacuation** or **Repatriation** must be approved and arranged by **Our Assistance Services Administrator**.

If an **Insured Person's Accidental Bodily Injury**, disease or illness occurs during an insured **Hazard** and requires **Emergency Medical Treatment** while the **Insured Person** is on a covered trip, then **We** will guarantee payment of the **Hospital Admission Guaranty** incurred for such **Emergency Medical Treatment** up to the **Benefit Amount** for **Hospital Admission Guaranty**, shown in Section IV-C of the Schedule of Benefits. The **Assistance Services Administrator** must approve the **Hospital Admission Guaranty**.

If an **Insured Person's Accidental Bodily Injury**, disease or illness occurs during an insured **Hazard** and requires a **Hospital** stay for more than five (5) day(s) while the **Insured Person** is on a covered trip, then **We** will pay the **Benefit Amount** for **Family Travel Expense**, if all the following conditions are met:

- 1) the **Insured Person** is confined to a **Hospital**; and
- 2) the **Hospital** is at least seventy five (75) miles from the **Insured Person's** permanent residence; and
- 3) all transportation arrangements for an **Immediate Family Member** are made by **Our Assistance Services Administrator** and are by the most direct and economical route.

If an **Insured Person's Accidental Bodily Injury**, disease or illness occurs during an insured **Hazard** and requires a **Hospital** stay for more than five (5) day(s) while the **Insured Person** is on a covered trip, then **We** will pay for an accompanying **Dependent Child** to return to his or her primary residence. All transportation arrangements must be made by **Our Assistance Services Administrator** and shall be by the most direct and economical route.

The **Benefit Amount** for **Medical Evacuation and Repatriation** is payable on an excess basis. **We** will determine the charges for **Medical Evacuation** or **Repatriation**. **We** will then reduce that amount by amounts already paid or payable by any **Other Plan**. **We** will pay the resulting **Benefit Amount**, but in no event will **We** pay more than the **Benefit Amount** for **Medical Evacuation and Repatriation** shown in Section IV-C of the Schedule of Benefits.

### Limitation on Medical Evacuation and Repatriation

With respect to **Medical Evacuation and Repatriation** only, the Disease or Illness Exclusion in Section VI - General Exclusions of the Contract does not apply.  
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## Psychological Therapy Expense

We will reimburse **Psychological Therapy Expense** up to the **Benefit Amount** for **Psychological Therapy Expense**, shown in Section IV-C of the Schedule of Benefits, if an **Accidental Bodily Injury** causes an **Insured Person** to suffer a covered **Loss** resulting in a **Physician's** determination that **Psychological Therapy** is required for:

- 1) such **Insured Person**; or
- 2) a **Dependent**.

The **Benefit Amount** for **Psychological Therapy Expense** is payable on an excess basis. We will determine the charge for the **Psychological Therapy Expense**. We will then reduce that amount by amounts already paid or payable by any **Other Plan**. We will pay the resulting **Benefit Amount**, but in no event will We pay more than the **Benefit Amount** for **Psychological Therapy Expense** shown in Section IV-C of the Schedule of Benefits.

The **Benefit Amount** for **Psychological Therapy Expense** will be paid:

- 1) to the natural person who incurs the expense; and
- 2) in addition to any other applicable **Benefit Amounts** under this policy.

The **Benefit Amount** for **Psychological Therapy Expense** will be paid until the earlier of the date on which:

- 1) the total **Benefit Amount** for **Psychological Therapy Expense**, shown in Section IV-C of the Schedule of Benefits, has been paid; or
- 2) two (2) years have elapsed from the date of a covered **Loss**.

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## **Rehabilitation Expense**

**We** will reimburse **Rehabilitation Expense** up to the **Benefit Amount** for **Rehabilitation Expense**, shown in Section IV-C of the Schedule of Benefits, if **Accidental Bodily Injury** causes a **Primary Insured Person** to suffer a covered **Loss** which:

- 1) prevents a **Primary Insured Person** from performing all the duties of such **Primary Insured Person's** regular occupation; and
- 2) requires such **Primary Insured Person** to obtain **Rehabilitation**, as determined by a **Physician** approved by **Us**.

The **Benefit Amount** for **Rehabilitation Expense** is payable on an excess basis. **We** will determine the charge for the **Rehabilitation Expense**. **We** will then reduce that amount by amounts already paid or payable by any **Other Plan**. **We** will pay the resulting **Benefit Amount**, but in no event will **We** pay more than the **Benefit Amount** for **Rehabilitation Expense** shown in Section IV-C of the Schedule of Benefits.

The **Benefit Amount** for **Rehabilitation Expense** is payable in addition to any other applicable **Benefit Amounts** under this policy. **We** will pay the **Benefit Amount** for **Rehabilitation Expense** to the natural person who incurs the expense.

**We** will pay the **Benefit Amount** for **Rehabilitation Expense** until the earlier of the date on which:

- 1) the total **Rehabilitation Expense Benefit Amount**, shown in Section IV-C of the Schedule of Benefits, has been paid; or
- 2) two (2) years have elapsed from the date of the **Accidental Bodily Injury**.

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## Seat Belt and Occupant Protection Device

We will pay the **Benefit Amount** for **Seat Belt** shown in Section IV-C of the Schedule of Benefits if an **Insured Person** suffers an **Accidental Bodily Injury** resulting in a covered **Loss of Life** while such **Insured Person** is operating or riding in a **Private Passenger Automobile**, and using a **Seat Belt**.

The **Seat Belt** must have been properly secured, and used in accordance with the recommendations of its manufacturer. If it cannot be determined whether an **Insured Person** was using a **Seat Belt**, then the alternate **Benefit Amount** for **Seat Belt**, shown in Section IV-C of the Schedule of Benefits will be paid.

We will also pay the **Benefit Amount** for an **Occupant Protection Device**, shown in Section IV-C of the Schedule of Benefits, if an **Insured Person** suffers an **Accidental Bodily Injury** as set forth above and such **Insured Person** is positioned in a seat protected by a properly deployed **Occupant Protection Device**. The **Benefit Amount** for an **Occupant Protection Device** will only be paid if We pay a **Benefit Amount** for **Seat Belt** other than an alternate **Benefit Amount**.

Verification of the actual use of the **Seat Belt** and proper operation of the **Occupant Protection Device** at the time of an **Accident** must be part of an official report of such **Accident** or be certified, in writing, by an investigating police officer.

In no event will a **Benefit Amount** for **Seat Belt** be paid if an **Insured Person** is operating or riding as a passenger in any vehicle used for a race or contest of any type.

The **Benefit Amount** for **Seat Belt** and **Benefit Amount** for **Occupant Protection Device** are payable in addition to any other applicable **Benefit Amounts** under this policy.

In no event will our total payments of a **Benefit Amount** for **Seat Belt** and a **Benefit Amount** for **Occupant Protection Device** exceed the **Maximum Benefit Amount**, shown in Section IV - C of the Schedule of Benefits.

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## Section II - Eligibility, Effective Date and Termination

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### Eligibility

A person becomes insured under this policy if:

- 1) such person is a member of an eligible **Class** of **Insured Persons** as shown in Section I of the Schedule of Benefits;
- 2) such person has completed any required Qualification Period as shown in Section II of the Schedule of Benefits; and
- 3) the required premium for such person has been paid.

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## Effective Date of Insurance for an Insured Person

Insurance for an **Insured Person** becomes effective on the latest of:

- 1) the effective date of this policy;
- 2) the date on which such person first meets the eligibility criteria as a member of an eligible **Class of Insured Persons**; or
- 3) the beginning of the period for which required premium is paid for such **Insured Person**.

If an employee of a **Policyholder**, who would otherwise qualify as a **Primary Insured Person**, is not **Actively At Work** on the date insurance would otherwise be effective, then such insurance will not be effective until the date such person returns to **Active Work**. Insurance for a **Dependent** will also be delayed until such employee returns to **Active Work**. If a **Dependent** is in a **Hospital** on the date the insurance would otherwise be effective, then the effective date will be delayed until the **Dependent** is released from the **Hospital**.

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## Termination of Insurance for an Insured Person

Insurance for an **Insured Person** automatically terminates on the earliest of:

- 1) the date this policy ends;
- 2) the expiration of the period for which required premium has been paid for such **Insured Person**;
- 3) the date on which a person no longer meets the eligibility criteria as an **Insured Person**.

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## Section III - Extensions Of Insurance

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Extensions of Insurance are subject to the provisions of Section I-Insurance of the policy, and all other policy terms and conditions.

### Disappearance

If an **Insured Person** has not been found within one (1) year of the disappearance, stranding, sinking, or wrecking of any **Conveyance** in which an **Insured Person** was an occupant at the time of the **Accident**, then it will be assumed, subject to all other terms and conditions of this policy, that an **Insured Person** has suffered **Loss of Life** insured under this policy.

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### Exposure

If an **Accident** resulting from an insured **Hazard** causes an **Insured Person** to be unavoidably exposed to the elements and as a result of such exposure an **Insured Person** has a **Loss**, then such **Loss** will be insured under this policy.

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## Section IV - Maximum Payment for Multiple Losses and Multiple Benefits

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For any **Benefit Amount** identified as subject to this provision in the Schedule of Benefits, payment of such **Benefit Amount** will reduce the **Principal Sum**. If, subject to all the terms and conditions of this policy, an **Insured Person** is entitled to receive payment of multiple **Benefit Amounts** as the result of one (1) **Accident**, then the maximum **We** will pay for all benefits shall not exceed the **Principal Sum**.

For any **Benefit Amount** identified as not subject to this provision in the Schedule of Benefits, payment of such **Benefit Amount** will be in addition to any **Principal Sum** payable under this policy.

If, subject to all the terms and conditions of this policy, an **Insured Person** suffers multiple covered **Losses** as the result of one (1) **Accident**, then **We** will only pay the single largest **Benefit Amount** applicable to all such covered **Losses**.

For the purposes of this provision the definition of **Loss** includes **Coma**.  
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## Section V - Territory

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This insurance applies worldwide.

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## Section VI - General Exclusions

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**The following exclusions apply to all benefits or Hazards under this policy. Additional exclusions, limitations or conditions may also apply to specific benefits or Hazards. Please read this entire policy carefully.**

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### Owned Aircraft, Leased Aircraft, or Operated Aircraft

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This insurance does not apply to any **Accident, Accidental Bodily Injury** or **Loss** caused by or resulting from, directly or indirectly, an **Insured Person** being in, entering, or exiting any aircraft:

- 1) owned, leased or operated by the **Policyholder** or on the **Policyholder's** behalf; or
- 2) operated by an employee of the **Policyholder** on the **Policyholder's** behalf.

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### Aircraft Pilot or Crew

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This insurance does not apply to any **Accident, Accidental Bodily Injury** or **Loss** caused by or resulting from, directly or indirectly, an **Insured Person** riding as a passenger in, entering, or exiting any aircraft while acting or training as a pilot or crew member.

This exclusion does not apply to passengers who temporarily perform pilot or crew functions in a life-threatening emergency.

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## Disease or Illness

This insurance does not apply to any **Accident, Accidental Bodily Injury or Loss** caused by or resulting from, directly or indirectly, an **Insured Person's** emotional trauma, mental or physical illness, disease, pregnancy, childbirth or miscarriage, bacterial or viral infection, bodily malfunctions or medical or surgical treatment thereof.

This exclusion does not apply to an **Insured Person's** bacterial infection caused by an **Accident** or by **Accidental** consumption of a substance contaminated by bacteria.

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## Incarceration

This insurance does not apply to any **Accident, Accidental Bodily Injury or Loss** caused by or resulting from, directly or indirectly any occurrence while an **Insured Person** is incarcerated after conviction.

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## Service in the Armed Forces

This insurance does not apply to any **Accident, Accidental Bodily Injury or Loss** caused by or resulting from, directly or indirectly, an **Insured Person** participating in military action while in active military service with the armed forces of any country or established international authority. However, this exclusion does not apply to the first sixty (60) consecutive days of active military service with the armed forces of any country or established international authority.

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## Specialized Aviation

This insurance does not apply to any **Accident, Accidental Bodily Injury or Loss** caused by or resulting from, directly or indirectly, an **Insured Person** traveling or flying on any aircraft engaged in **Specialized Aviation Activities**.

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## Suicide or Intentional Injury

This insurance does not apply to any **Accident, Accidental Bodily Injury or Loss** caused by or resulting from, directly or indirectly, an **Insured Person's** suicide, attempted suicide or intentionally self-inflicted injury.

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## War

This insurance does not apply to any **Accident, Accidental Bodily Injury or Loss** caused by or resulting from, directly or indirectly, a declared or undeclared **War**.

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## Section VII - Definitions

For the purpose of these definitions, the singular includes the plural and the plural includes the singular, unless otherwise noted.

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### Accident or Accidental

**Accident** or **Accidental** means a sudden, unforeseen, and unexpected event which:

- 1) happens by chance;
- 2) arises from a source external to an **Insured Person**;
- 3) is independent of illness, disease or other bodily malfunction or medical or surgical treatment thereof;
- 4) occurs while the **Insured Person** is insured under this policy which is in force; and
- 5) is the direct cause of loss.

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### Accidental Bodily Injury

**Accidental Bodily Injury** means bodily injury, which is:

- 1) **Accidental**;
- 2) the direct cause of a loss; and
- 3) occurs while an **Insured Person** is insured under this policy, which is in force.

**Accidental Bodily Injury** does not include conditions caused by repetitive motion injuries, or cumulative trauma not a result of an **Accident**, including, but not limited to:

- 1) Osgood-Schlatter's Disease;
- 2) bursitis;
- 3) Chondromalacia;
- 4) shin splints;
- 5) stress fractures;
- 6) tendinitis; and
- 7) Carpal Tunnel Syndrome.

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### Actively at Work or Active Work

**Actively at Work**, or **Active Work** means a person is performing the material and substantial duties of his or her regular occupation for compensation.

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Assistance Services Administrator

**Assistance Services Administrator** means the organization that contracts with the **Company** to provide **Medical Evacuation** and **Repatriation** services to an **Insured Person**.

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Benefit Amount

**Benefit Amount** means the amount stated in the Schedule of Benefits of this policy which applies:

- 1) at the time of an **Accident**;
- 2) to an **Insured Person**; and
- 3) for an applicable **Hazard**.

GCA5612

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Carjacking

**Carjacking** means the unlawful forced removal or detention of an **Insured Person** while operating or riding as a passenger in, boarding or alighting from, a **Private Passenger Automobile** during the theft or attempted theft of such **Private Passenger Automobile**. The **Carjacking** must be confirmed in writing by a police report in the jurisdiction where the **Loss** occurs.

GCA5626

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Class

**Class** means the categories of **Insured Persons** described in Section I of the Schedule of Benefits.

GCA5628

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Coma

**Coma** means a profound state of unconsciousness, as determined by a **Physician** according to the Glasgow Coma Scale, from which an **Insured Person** cannot be aroused to consciousness even by powerful stimulation.

GCA5632

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Commission

**Commission** means the actual commission paid by the **Policyholder** during the twelve (12) months immediately preceding the date of the **Accident**. During the first twelve (12) months a **Primary Insured Person** is employed the commission will be calculated by multiplying the average monthly commission at the time of the **Accident** by twelve (12).

GCA5640

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Company

**Company** means FEDERAL INSURANCE COMPANY.

GCA5648

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Contributory Insurance

**Contributory Insurance** means insurance that the **Policyholder** makes available for which the premium payment is either shared by the **Policyholder** and **Insured Person** or paid completely by an **Insured Person**.  
GCA5649

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Conveyance

**Conveyance** means any motorized craft, vehicle or mode of transportation licensed or registered by a governmental authority with competent jurisdiction.  
GCA5650

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## Covered Expenses

- 1) With respect to **Medical Evacuation, Covered Expenses** means the cost for:
  - 1) a land, water or air **Conveyance**, required to transport an **Insured Person** during a **Medical Evacuation**. Special transportation by, but not limited to, air ambulances, land ambulances and private motor vehicles must:
    - a) be recommended by an attending **Physician**; and
    - b) comply with the standard regulations of the **Conveyance** transporting an **Insured Person**.  
  
The means of transportation that is best suited to accommodate an **Insured Person**, based on the seriousness of an **Insured Person's** condition, will be used.
  - 2) medical supplies and services which are:
    - a) ordered or prescribed by an attending **Physician**; and
    - b) are, in the opinion of an attending **Physician**, necessarily incurred in connection with the **Medical Evacuation** of an **Insured Person**.
- 2) With respect to **Repatriation, Covered Expenses** means the cost for:
  - 1) **Repatriation** of an **Insured Person**; and
  - 2) medical supplies and services which:
    - a) are ordered or prescribed by an attending **Physician**; and
    - b) are, in the opinion of an attending **Physician**, necessarily incurred in connection with **Repatriation** of an **Insured Person**; or
    - c) are necessary for embalming, cremation, transportation and purchase of a shipping container as required by applicable law or regulation.

With respect to **Medical Evacuation and Repatriation**, all transportation arrangements made for an **Insured Person** will be by the most direct and economical route. All **Covered Expenses** must be arranged by and receive the prior approval of **Our Assistance Service Administrator**.

**Covered Expenses** do not include those expenses incurred by an **Insured Person** for **Accidental Bodily Injury**, illness or disease, which occurs while an **Insured Person** is:

- 1) traveling against the advice of a **Physician**; or
- 2) traveling for the purpose of obtaining medical treatment.

GCA5654

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## Dependent

**Dependent** means a **Dependent Child, Spouse** of a **Primary Insured Person**.

GCA5660

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Dependent Child

**Dependent Child** means a **Primary Insured Person's** unmarried child from the moment of birth, including a natural child, grandchild, stepchild or adopted child from the date of placement with a **Primary Insured Person**. The **Dependent Child** must be primarily dependent upon such **Primary Insured Person** for maintenance and support, and must be:

- 1) under the age of nineteen (19);
- 2) under the age of twenty five (25) if enrolled as a full-time student at an **Institution of Higher Learning**; or
- 3) classified as an **Incapacitated Dependent Child**.

GCA5662

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Emergency Medical Treatment

**Emergency Medical Treatment** means **Hospital** treatment for a medical condition which:

- 1) arises suddenly and unexpectedly; and
- 2) if left untreated could result in **Loss of Life**, or in serious deterioration of an **Insured Person's** medical condition.

GCA5674

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Family Travel Expense

**Family Travel Expense** means actual costs incurred by an **Immediate Family Member** for temporary lodging, transportation and meals while traveling to and from visits with an **Insured Person**.

GCA5678

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Full-time Employee

**Full-time Employee** means an employee who works at least 30 hours per week.

GCA5684

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Gainful Occupation

**Gainful Occupation** means an occupation, including self employment, that is or can be expected to provide an **Insured Person** with an income equal to at least 60% of the **Insured Person's** monthly earnings within twelve (12) months after the **Insured Person's** return to work.

GCA5688

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Hazard

**Hazard** means the circumstances for which this insurance is provided as stated in Section III of the Schedule of Benefits and described in the **Hazard** Section of this policy.

GCA5696

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### Hemiplegia

**Hemiplegia** means complete and irreversible loss of all motion and all practical use of one arm and one leg on the same side of the body that lasts longer than 365 days as determined by a **Physician** approved by **Us**.  
GCA5702

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### Hospital

**Hospital** means a public or private institution which:

- 1) is licensed in accordance with the laws of the jurisdiction where it is located;
- 2) is accredited by the Joint Commission on Accreditation of Hospitals;
- 3) operates for the reception, care and treatment of sick, ailing or injured persons as in-patients;
- 4) provides organized facilities for diagnosis and medical or surgical treatment;
- 5) provides twenty-four (24) hour nursing care;
- 6) has a **Physician** or staff of **Physicians**; and
- 7) is not primarily a day clinic, rest or convalescent home, assisted living facility or similar establishment and is not, other than incidentally, a place for the treatment of alcoholics or drug addicts.

GCA5712

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### Hospital Admission Guaranty

**Hospital Admission Guaranty** means any charge or expense made by a **Hospital** prior to and as a condition of an **Insured Person's** admission.

GCA5714

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### Immediate Family Member

**Immediate Family Member** means an **Insured Person's**:

- 1) **Spouse**;
- 2) children including adopted children or stepchildren;
- 3) legal guardians or wards;
- 4) siblings or siblings-in-law;
- 5) parents or parents-in-law;
- 6) grandparents or grandchildren;
- 7) aunts or uncles;
- 8) nieces and nephews.

**Immediate Family Member** also means a **Spouse's** children, including adopted children or stepchildren; legal guardians or wards; siblings or siblings-in-law; parents or parents-in-law; grandparents or grandchildren; aunts or uncles; nieces or nephews.

GCA5716

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*Incapacitated Dependent Child*

**Incapacitated Dependent Child** means a child who, as a result of being mentally or physically challenged, is permanently incapable of self-support and permanently dependent on a **Primary Insured Person** for support and maintenance. The incapacity must have occurred while the child was:

- 1) under the age of nineteen (19); or
- 2) under the age of twenty five (25) if enrolled as a full-time student at an **Institution of Higher Learning**.

GCA5718

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*Institution of Higher Learning*

**Institution of Higher Learning** means any accredited public or private college, university, professional trade or vocational school beyond the twelfth (12th) grade.

GCA5724

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*Insured Person*

**Insured Person** means a person, qualifying as a **Class** member under Section I of the Schedule of Benefits:

- 1) who elects insurance; or
- 2) for whom insurance is elected,
- 3) and on whose behalf premium is paid.

GCA5728

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*Leased Aircraft*

**Leased Aircraft** means an aircraft not owned by the **Policyholder**, which is subject to a written lease agreement between the **Policyholder** and the lessor. The **Policyholder** uses the aircraft as it wishes for the term of the written lease agreement. The **Policyholder** cannot alter or sell the aircraft without the consent of the lessor. **Leased Aircraft** includes aircraft subject to a short-term lease. If the written lease is short term, then the lease term shall not be more than two (2) trips.

GCA5730

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## Loss

**Loss** means **Accidental**:

- Loss of Foot**
- Loss of Hand**
- Loss of Hearing**
- Loss of Life**
- Loss of Sight**
- Loss of Sight of One Eye**
- Quadriplegia**
- Paraplegia**
- Hemiplegia**
- Loss of Speech**
- Uniplegia**
- Loss of Thumb and Index Finger**

**Loss** must occur within one (1) year after the **Accident**.

GCA5732

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### Loss of Foot

**Loss of Foot** means the complete severance of a foot through or above the ankle joint. **We** will consider such severance a **Loss of Foot** even if the foot is later reattached. If the reattachment fails and amputation becomes necessary, then **We** will not pay an additional **Benefit Amount** for such amputation.

GCA5734

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### Loss of Hand

**Loss of Hand** means complete severance, as determined by a **Physician**, of at least four (4) fingers at or above the metacarpal phalangeal joint on the same hand or at least three (3) fingers and the thumb on the same hand. **We** will consider such severance a **Loss of Hand** even if the hand, fingers or thumb are later reattached. If the reattachment fails and amputation becomes necessary, then **We** will not pay an additional **Benefit Amount** for such amputation.

GCA5736

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### Loss of Hearing

**Loss of Hearing** means permanent, irrecoverable and total deafness, as determined by a **Physician**, with an auditory threshold of more than 90 decibels in each ear. The deafness cannot be corrected by any aid or device, as determined by a **Physician**.

GCA5738

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### Loss of Life

**Loss of Life** means death, including clinical death, as determined by the local governing medical authority where such death occurs within 365 days after an **Accident**.

GCA5740

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### Loss of Sight

**Loss of Sight** means permanent loss of vision. Remaining vision must be no better than 20/200 using a corrective aid or device, as determined by a **Physician**.

GCA5742

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### Loss of Sight of One Eye

**Loss of Sight of One Eye** means permanent loss of vision of one eye. Remaining vision in that eye must be no better than 20/200 using a corrective aid or device, as determined by a **Physician**.

GCA5744

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### Loss of Speech

**Loss of Speech** means the permanent, irrecoverable and total loss of the capability of speech without the aid of mechanical devices, as determined by a **Physician**.

GCA5748

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### Loss of Thumb and Index Finger

**Loss of Thumb and Index Finger** means complete severance, through the metacarpal phalangeal joints, of the thumb and index finger of the same hand, as determined by a **Physician**. **We** will consider such severance a **Loss of Thumb and Index Finger** even if a thumb, an index finger or both are later reattached. If the reattachment fails and amputation becomes necessary, then **We** will not pay an additional **Benefit Amount** for such amputation.

GCA5750

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### Medical Evacuation

**Medical Evacuation** means the emergency transportation of an **Insured Person** from the location where such **Insured Person** is injured or becomes ill to the nearest **Hospital** where appropriate medical care and treatment can be provided.

GCA5756

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### Medically Necessary

**Medically Necessary** means a medical or dental service, supply or course of treatment which:

- 1) is ordered or prescribed by a **Physician**;
- 2) is appropriate and consistent with the patient's diagnosis;
- 3) is in accord with current accepted medical or dental practice; and
- 4) could not be eliminated without adversely affecting the patient's condition.

GCA5758

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### Medical Services

**Medical Services** means **Medically Necessary** services, including but not limited to:

- 1) medical care and treatment by a **Physician**;
- 2) **Hospital** room and board and **Hospital** care, both inpatient and outpatient;
- 3) drugs and medicines required and prescribed by a **Physician**;
- 4) diagnostic tests and x-rays prescribed by a **Physician**;
- 5) transportation of an **Insured Person** in an emergency transportation vehicle from the location where such **Insured Person** becomes injured to the nearest **Hospital** where appropriate medical treatment can be obtained;
- 6) dental care and treatment due to **Accidental Bodily Injury**;
- 7) physical therapy, including diathermy, ultrasonic, whirlpool or heat treatment, adjustment, manipulation, massage and the office visit associated with such therapy;
- 8) treatment performed by a licensed medical professional when prescribed by a **Physician**, if hospitalization would have been otherwise required;
- 9) rental of durable medical equipment;
- 10) artificial limbs and other prosthetic devices;
- 11) orthopedic appliances or braces.

GCA5760

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### Non-Contributory Insurance

**Non-Contributory Insurance** means insurance that the **Policyholder** makes available for which the premium is paid completely by the **Policyholder**.

GCA5763

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### Occupant Protection Device

**Occupant Protection Device** means either an air bag, which inflates for added protection to the head and chest areas, or any other personal safety restraint system other than a **Seat Belt** recognized by the U.S. National Highway Transportation Safety Board.

GCA5764

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### Operated Aircraft

**Operated Aircraft** means any aircraft not owned by the **Policyholder** but over which the **Policyholder** exercises control. **Operated Aircraft** includes an aircraft for which the **Policyholder** pays operating expenses.

GCA5768

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### Other Plan

**Other Plan** means any other insurance or payment source for **Medical Services** or disability, including but not limited to health coverage, disability insurance, worker's compensation insurance; or coverage provided or required by any law or statute, including, automobile insurance "fault" or "no-fault", employer sick leave or salary continuation plan, or similar benefit provided or required by governmental plan or program.

GCA5770

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### Owned Aircraft

**Owned Aircraft** means any aircraft to which the **Policyholder** holds legal or equitable title.  
GCA5772

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### Paraplegia

**Paraplegia** means complete and irreversible loss of all motion and all practical use of both legs that lasts longer than 365 days, as determined by a **Physician** approved by **Us**.  
GCA5774

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### Physician

**Physician** means a licensed practitioner of the healing arts, acting within the scope of his or her license to the extent provided by the laws of the jurisdiction in which medical treatment is provided. **Physician** does not include:

- 1) an **Insured Person**;
- 2) an **Immediate Family Member**.

GCA5782

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### Policyholder

**Policyholder** means the entity identified in the Insuring Agreement.  
GCA5786

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### Primary Insured Person

**Primary Insured Person** means an **Insured Person** who:

- 1) has a direct relationship with the **Policyholder**; and
- 2) where applicable, elects insurance under this policy.

GCA5790

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### Principal Sum

**Principal Sum** means the amount of insurance appearing in Section IV-A of the Schedule of Benefits applicable to each **Class**.  
GCA5792

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### Private Passenger Automobile

**Private Passenger Automobile** means a four wheeled motor vehicle with a maximum seating capacity of nine (9) people, manufactured, designed and registered as a private passenger vehicle for travel on public roads.  
GCA5793

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### Proof of Loss

**Proof of Loss** means written evidence acceptable to Us that an **Accident, Accidental Bodily Injury** or **Loss** has occurred.

GCA5794

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### Psychological Therapy

**Psychological Therapy** means **Medically Necessary** counseling for a mental or nervous disorder by a **Physician**, whether on an out-patient basis, in a **Hospital** or any other medical facility licensed to provide such treatment.

GCA5796

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### Psychological Therapy Expense

**Psychological Therapy Expense** means **Reasonable and Customary Charges** for **Psychological Therapy**.

GCA5797

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### Quadriplegia

**Quadriplegia** means complete and irreversible loss of all motion and all practical use of both arms and legs that lasts longer than 365 days, as determined by a **Physician** approved by Us.

GCA5798

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### Reasonable and Customary Charge

**Reasonable and Customary Charge** means the lesser of:

- 1) the usual charge made by the **Physician** or other health care provider for a given service or supply; or
- 2) the charge **We** determine to be the prevailing charge made by **Physicians** or other health care providers for a given service or supply in the geographical area where it is furnished.

GCA5804

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### Rehabilitation

**Rehabilitation** means treatment other than **Psychological Therapy** intended to prepare an **Insured Person** for work in any **Gainful Occupation**, including an **Insured Person's** regular occupation that is:

- 1) provided by a therapist licensed, registered, or certified to perform such treatment; or
- 2) provided in a **Hospital** or other facility, which is licensed to provide such treatment.

The **Rehabilitation** must take place under the direction of a **Physician**.

GCA5800

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### Rehabilitation Expense

**Rehabilitation Expense** means **Reasonable and Customary Charges** for **Rehabilitation**.

GCA5802

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### Repatriation

**Repatriation** means:

- 1) the transfer of an **Insured Person**, from the local **Hospital** where **Emergency Medical Treatment** is initially given to another **Hospital** or to an **Insured Person's** domicile or permanent residence; and
- 2) the necessary arrangements for the return of an **Insured Person's** remains to an **Insured Person's** domicile or permanent residence in the event of an **Insured Person's Loss of Life**.

GCA5810

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### Salary

**Salary** means a **Primary Insured Person's** basic annual earnings from the **Policyholder** at the time of **Accident**, excluding **Commissions**, overtime, and incentive payments.

GCA5812

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### Seat Belt

**Seat Belt** means a lap or lap and shoulder restraint device or a child restraint device, which meets the published standards of the U. S. National Highway Transportation Safety Board and has been installed in accordance with the manufacturer's instructions.

GCA5820

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### Specialized Aviation Activity

**Specialized Aviation Activity** means use of a properly certified aircraft for the following:

any flight on a rocket propelled or rocket launched aircraft

**Specialized Aviation Activity** shall include any flight which requires a special permit or waiver from a governmental authority having jurisdiction over civil aviation, whether or not such permit or waiver is granted.

GCA5826

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### Spouse

**Spouse** means an **Insured Person's** husband or wife or who is recognized as such by the laws of the jurisdiction in which the **Primary Insured Person** resides.

GCA5828

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### Subsidiary

**Subsidiary** means any organization in which:

- 1) more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination by the **Policyholder**; or
- 2) the **Policyholder** exercises management control.

GCA5832

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### Uniplegia

**Uniplegia** means complete and irreversible loss of all motion and all practical use of one arm or one leg that lasts more than 365 days, as determined by a **Physician** approved by **Us**.

GCA5854

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### War

**War** means:

- 1) hostilities following a formal declaration of **War** by a governmental authority;
- 2) in the absence of a formal declaration of **War** by a governmental authority armed, open and continuous hostilities between two countries; or
- 3) armed, open and continuous hostilities between two factions, each in control of territory, or claiming jurisdiction over the geographic area of hostility.

GCA5858

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### We, Us and Our

**We, Us and Our** means FEDERAL INSURANCE COMPANY.

GCA5860

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## **Section VIII - General Provisions**

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### **Addition of New Insured Persons**

Any new person who meets the eligibility criteria for the **Class(es)** described in Section I of the Schedule of Benefits, **Insured Persons**, will automatically be an **Insured Person** under this policy.

GCA5150

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### **Absolute Assignment**

An **Insured Person** may assign his or her rights under this policy provided such assignment is in writing and signed by an **Insured Person**. The assignment may be made irrevocable. The assignments shall be filed with the **Policyholder** and shall be provided to **Us** at the time of claim or at such other time as **We** may require. **We** do not assume the responsibility for the validity of any assignment.

GCA5152

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## **Benefit Assignment**

An **Insured Person** may assign **Benefit Amounts** other than those for **Loss of Life**. Such assignment must be in writing, signed by the **Insured Person** and filed with the **Policyholder**. The assignment shall be provided to **Us** at the time of claim or at such other time as **We** may require. **We** do not assume the responsibility for the validity of any assignment.

GCA5154

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## Beneficiary

### A) Designation

An **Insured Person** has the right to designate a beneficiary. The **Primary Insured Person** shall have the sole right to designate a beneficiary for any **Dependent Child** who is a minor. All beneficiary designations must be:

- 1) in writing;
- 2) filed with the **Policyholder**; and
- 3) provided to **Us** at the time of claim; or
- 4) at such other time as **We** may require.

### B) Change

The **Insured Person**, and no one else, unless there is an irrevocable assignment, has the right to change the beneficiary except as set forth above. The **Insured Person** does not need the consent of anyone to do so. All beneficiary changes must be:

- 1) in writing;
- 2) filed with the **Policyholder**; and
- 3) provided to **Us** at the time of claim or at such other time as **We** may require.

**We** do not assume any responsibility for the validity of these changes.

### C) Payment

The **Benefit Amount** for covered **Loss of Life** will be paid to the beneficiary designated by an **Insured Person**. Any **Benefit Amount** payable due to the **Loss of Life** of a **Dependent Child** will be paid to the **Primary Insured Person**, absent any beneficiary designation by the **Dependent Child**.

If an **Insured Person** has not chosen a beneficiary or if there is no beneficiary alive when the **Insured Person** dies, then **We** will pay the **Benefit Amount** for **Loss of Life** to the first surviving party in the following order:

- 1) the **Insured Person's Spouse**;
- 2) in equal shares to the **Insured Person's** surviving children;
- 3) in equal shares to the **Insured Person's** surviving parents;
- 4) in equal shares to the **Insured Person's** surviving brothers and sisters;
- 5) the **Insured Person's** estate.

All other **Benefit Amounts** are paid to the **Insured Person**, unless otherwise directed by an **Insured Person** or an **Insured Person's** designee, or unless otherwise noted in this policy.

If any beneficiary has not reached the legal age of majority, then **We** will pay such beneficiary's legal guardian.

GCA5158

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## Cancellation, Nonrenewal and Grace Period

### A) Grace Period

The **Policyholder** is entitled to a grace period of thirty one (31) days from the premium due date for the payment of premium due. This policy will continue in force during the grace period. The grace period does not apply to the first premium payable during this policy term. Failure to pay the first premium on or before the due date will immediately terminate this policy as of inception. **We** are not required to provide notification of such termination.

GCA5160

### B) Cancellation, Nonrenewal

The **Policyholder** may cancel this policy, or any of its individual insurance benefits, by sending **Us** written notice stating when cancellation is to take effect. The effective date of cancellation may not be earlier than the date notice is postmarked or transmitted.

**We** may cancel this policy, or any of its individual insurance benefits, if the **Policyholder** fails to pay the premium within the grace period of thirty one (31) days after the premium due date, except for the first premium due during the Policy Period. **We** will send written notice stating the effective date of cancellation, which will be no earlier than thirty one (31) days after the premium due date.

**We** may cancel this policy, or any of its individual insurance benefits, for reasons other than nonpayment of premium by sending written notice stating when thereafter such cancellation shall take effect. If this is a multi-year policy, then **We** may cancel the policy, or any of its individual insurance benefits, by sending written notice at least forty five (45) days prior to the Anniversary Date shown in the Insuring Agreement.

**We** may nonrenew this policy by sending written notice at least forty five (45) days before the expiration date of the Policy Period shown in the Insuring Agreement.

**We** will send notice of cancellation or nonrenewal to the **Policyholder** at its last known address. If the notice is mailed, proof of mailing will be considered proof of cancellation or nonrenewal.

The **Policyholder** is required to immediately provide notice of cancellation or nonrenewal to all **Insured Persons**.

The earned premium will be computed on a pro-rata basis. Any unearned premium will be returned to the **Policyholder** as soon as practicable.

GCA5162

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## Certificate

When required by law, **We** will issue to the **Policyholder** for delivery to the **Primary Insured Person** a Certificate of Insurance. The Certificate of Insurance will describe the benefits, exclusions, limitations, and conditions of this policy and state to whom benefits are payable. Any subsequent changes to this policy will also apply to the existing Certificates of Insurance.

GCA5164

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## Changes

This policy can only be changed by a written endorsement that becomes a part of this policy. The endorsement must be approved by one of **Our** officers and signed by one of **Our** authorized representatives. No agent has the authority to change this policy or waive any of its provisions.

GCA5166

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## Compliance by Policyholder and Insured Person

**We** have no duty to provide insurance under this policy unless the **Policyholder**, the **Insured Person** and the beneficiary, if applicable, have fully complied with all the terms and conditions of this policy.

GCA5168

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## Claim Notice

Written Claim Notice must be given to **Us** or any of **Our** brokers or appointed agents within twenty (20) days after the occurrence or commencement of any **Loss** covered by this policy or as soon as reasonably possible. Notice must include enough information to identify the **Insured Person** and **Policyholder**. Failure to give Claim Notice within twenty (20) days will not invalidate or reduce any otherwise valid claim if notice is given as soon as reasonably possible.

GCA5170

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## Claim Forms

When **We** receive notice of a claim, **We** will send the **Insured Person** or the **Insured Person's** designee, within fifteen (15) days, forms for giving **Proof of Loss** to **Us**. If the **Insured Person** or the **Insured Person's** designee does not receive the forms, then the **Insured Person** or an **Insured Person's** designee should send **Us** a written description of the **Loss**. This written description should include information detailing the occurrence, type and extent of the **Loss** for which the claim is made.

GCA5172

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## Claim Proof of Loss

For claims involving disability, complete **Proof of Loss** must be given to **Us** within thirty (30) days after commencement of the period for which **We** are liable. Subsequent written proof of the continuance of such disability must be given to **Us** at such intervals as **We** may reasonably require.

Failure to give complete **Proof of Loss** within these time frames will not invalidate or reduce any otherwise valid claim if notice is given as soon as reasonably possible, and in no event later than one (1) year after the deadline to submit complete **Proof of Loss**, except in cases where the claimant lacks legal capacity.

For all claims except those involving disability, complete **Proof of Loss** must be given to **Us** within ninety (90) days after the date of **Loss**, or as soon as reasonably possible.

GCA5174

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## Claim Payment

For benefits payable involving disability, **We** will pay the **Insured Person** the applicable **Benefit Amount** no less frequently than monthly during the period for which **We** are liable. All payments by **Us** are subject to receipt of complete **Proof of Loss**.

For all benefits payable under this policy except those for disability, **We** will pay the **Insured Person** or beneficiary the applicable **Benefit Amount** within forty-five (45) days after **We** receive complete **Proof of Loss** if the **Insured Person**, the **Policyholder** and beneficiary, where applicable, have complied with all the terms of this policy.

If payment is not made within forty-five (45) days after **We** receive complete **Proof of Loss**, the applicable **Benefit Amount** will be increased by one and one half percent (1 1/2%) simple interest per month until payment is made.

If **We** fail to pay the applicable **Benefit Amount** within forty-five (45) days after **We** receive complete **Proof of Loss**, then an **Insured Person** or beneficiary may bring action to recover the **Benefit Amount** due, interest which may accrue, and any other charges.

GCA5176AL

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## Claim and Suit Cooperation

In the event of a claim under this policy, the **Policyholder**, the **Insured Person** or the beneficiary, if applicable, must fully cooperate with **Us** in **Our** handling of the claim, including, but not limited to, the timely submission of all medical and other reports, and full cooperation with all physical examinations and autopsies that **We** may require. If **We** are sued in connection with a claim under this policy, then the **Policyholder**, the **Insured Person** or the beneficiary must fully cooperate with **Us** in the handling of such suit. The **Policyholder**, the **Insured Person** or the beneficiary must not, except at their own expense, voluntarily make any payment or assume any obligation in connection with any suit without **Our** prior written consent.

GCA5178

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## Entire Contract and Application

This policy, the **Policyholder's** application and the **Primary Insured Person's** application, if any, together with the endorsements attached to this policy, constitute the entire contract of insurance. If an application is completed by the **Policyholder** or **Primary Insured Person** in connection with this policy, then **We** will attach the application to the policy when the policy is issued.

GCA5182

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## Examination Under Oath

**We** have a right to examine under oath, as often as **We** may reasonably require, an **Insured Person**, the **Policyholder** or the beneficiary. **We** may also require the **Insured Person**, the **Policyholder** or the beneficiary to provide a signed description of the circumstances surrounding the **Loss** and their interest in the **Loss**. An **Insured Person**, the **Policyholder** and the beneficiary will also produce all records and documents requested by **Us** and will permit **Us** to make copies of such records or documents.

GCA5183

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## Governing Jurisdiction and Conformance With Statutes

This policy is governed by the laws of the jurisdiction in which it is delivered to the **Policyholder**. Any terms of this policy which are in conflict with the applicable statutes, laws or regulations of the jurisdiction in which this policy is delivered are amended to conform to such statutes, laws or regulations.

GCA5184

## Inadvertent Error

The insurance provided under this policy will not be prejudiced by the failure on the part of the **Policyholder** to transmit reports, collect and remit premium or comply with any of the terms and conditions of this policy when such failure is due to an inadvertent error or clerical mistake, provided that such inadvertent error or clerical mistake is corrected promptly upon discovery.

An inadvertent error or clerical mistake by **Us** or by the **Policyholder** may be corrected upon discovery with notice by the **Policyholder** to **Us** or by **Us** to the **Policyholder**.

GCA5186

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## Informational and Advertising Material

The **Policyholder** and its representatives must gain **Our** prior written approval of all material used for advertising and solicitation relating to this policy, regardless of the medium in which such material appears. **We** will not be responsible for any increase in payment or any changes in insurance resulting from such materials that have not been approved by **Us**.

GCA5188

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## Legal Action Against Us

No legal action may be brought to recover on this policy until sixty (60) days after **We** have been given complete **Proof of Loss**. No such action may be brought after three (3) years from the time complete **Proof of Loss** is required to be given. No such action may be brought unless there has been full compliance with all of the terms of this policy.

In no case will **We** be liable for benefits that are not payable under the terms of this policy or that exceed the applicable **Benefit Amounts** or limits of insurance of this policy.

GCA5190

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## Liberalization

If **We** adopt any changes:

- 1) within forty-five (45) days prior to the policy effective date shown in the Insuring Agreement; or
- 2) during the Policy Period,

which broaden this insurance without an additional premium charge, then the **Insured Person** will automatically receive the benefit of the broadened insurance.

GCA5192

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## Newly Acquired or Newly Formed Organizations

If the **Policyholder** acquires or forms another entity that becomes a **Subsidiary**, then the **Policyholder** may request that all eligible employees of the **Subsidiary** become insured under this policy subject to the following:

- 1) all eligible employees of such **Subsidiary** fit the **Class** Description shown in Section I of the Schedule of Benefits;
- 2) the **Subsidiary** is acquired or formed during the Policy Period;

- 3) the **Policyholder** reports the name of the **Subsidiary** within ninety (90) day(s) after its acquisition or formation together with such information that **We**, at our sole discretion, may require to determine the additional premium required; and
- 4) the **Policyholder** pays the additional required premium.

This insurance shall not apply with respect to any newly acquired or formed **Subsidiary** for which the above criteria have not been met. This insurance will be effective on the acquisition or formation of the **Subsidiary** and will be provided for no more than ninety (90) day(s) after the date of such acquisition or formation. The **Policyholder** will be responsible for the payment of additional premium for the period such insurance remains in effect.

This insurance does not apply if the **Policyholder** advises **Us** in writing that it does not seek insurance under this policy for such newly acquired or formed **Subsidiary**.  
GCA5195

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### **Physical Examination and Autopsy**

**We** have the right to have an **Insured Person** examined by a **Physician** approved by **Us**, as often as reasonably necessary while a claim is open. **We** may also have an autopsy done by a **Physician**, unless prohibited by law. Any examinations or autopsies that **We** require will be done at **Our** expense.  
GCA5193

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### **Premium Payment**

The **Policyholder** will collect and remit to **Us** all premium due under this policy, subject to the grace period.

Premium is adjustable. The earned premium is calculated for each reporting period based on the applicable rates and exposures. The **Policyholder** must keep records of the information **We** need to calculate the premium and send **Us** copies of these records for each reporting period.

The earned premium will be computed on a pro-rata basis. Any unearned premium will be remitted to the **Policyholder** for return to the **Primary Insured Person** as soon as practicable.  
GCA5196

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## Premium Provisions

The **Policyholder** will pay all premium due under this policy, subject to the grace period. Annual Premiums and Deposit Premiums are due at the beginning of the Policy Period and each future Anniversary Date unless otherwise indicated on the Premium Summary.

If premiums are adjustable, then **We** will compute the earned premium for each audit reporting period based on the applicable rates and exposures. The **Policyholder** must keep records of the information **We** need to perform the adjustment and send **Us** copies at **Our** request.

If the policy is written subject to adjustment shown in the Premium Schedule, then the **Policyholder** must report to **Us** the complete information for the reporting period shown in the Premium Summary. The **Policyholder** must submit the reports within the specified number of days after the end of each Reporting Period.

At the earlier of the end of the Policy Period or the policy termination, earned premium will be determined based on the reported values or exposures. If the resulting earned premium is less than the Deposit Premium, if any, then **We** will return the excess to the **Policyholder**. If the resulting earned premium is greater than the Deposit Premium, if any, then **We** will bill the **Policyholder** for the additional premium. The **Policyholder** will pay **Us**, within thirty (30) days, any additional premium generated from the premium adjustment.  
GCA5197

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## Premium Rate Change

**We** may change the premium rates for this policy on the Anniversary Date. **We** will give the **Policyholder** at least forty five (45) days prior written notice of such change.  
GCA5198

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## Rate Guarantee

The premium rate is guaranteed until 06/01/2009. **We** have the right to change the premium rate if one of the following occurs:

- 1) a change in the insurance provided under this policy;
- 2) a division, **Subsidiary** or affiliated company of the **Policyholder** is added or deleted;
- 3) the number of **Insured Persons** changes by 25% or more;
- 4) a new law or change to any existing law is enacted which affects the insurance provided under this policy; or
- 5) any other material change in risk or **Hazard** insured.

GCA5202

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## Records and Audit

**We** may examine the **Policyholder's** books and records relating to this policy at any reasonable time during the policy term and up to three (3) years after expiration of this policy or until final adjustment and settlement of all claims under this policy, whichever is later.

The **Policyholder** must maintain information pertaining to **Insured Persons** including but not limited to each **Insured Person's Benefit Amount, Class, Salary**, enrollment form, if any, and beneficiary designations or assignments.

GCA5204

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## Statements by Policyholder or Insured Person and Incontestability

**We** will not use any statements, except fraudulent misstatements, made by the **Policyholder** or the **Insured Person** to void the insurance or reduce benefits payable under this policy, or to otherwise contest the validity of this policy, unless such statements are contained in a written document signed by the **Policyholder** or the **Insured Person**. If **We** rely on such statements for this purpose, then **We** will provide a copy of the written document to the **Policyholder**, the **Insured Person** or the **Insured Person's** designee or beneficiary, as appropriate.

**We** will consider all statements made by the **Policyholder** and the **Insured Person** to be representations and not warranties.

Except for nonpayment of premium, **We** will not use statements made by the **Policyholder** or the **Insured Person** regarding insurability to contest the validity of this policy when the statements are made more than two (2) years after this policy has been in force during the **Insured Person's** lifetime.

Nothing in this section will preclude **Us** from asserting at any time defenses based upon a claimant's ineligibility for insurance under this policy, or upon any other policy provision or condition.

GCA5206

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## Titles of Paragraphs

The titles of the various paragraphs of this policy and any endorsements attached to this policy are inserted solely for convenience of reference and do not limit or affect in any way the provisions to which they relate.

GCA5208

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## Workers' Compensation

The benefits payable under this policy are not in lieu of and do not affect any requirement for workers' compensation insurance.

GCA5210

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## Federal Insurance Company

### Insurance Application

#### Section I Policyholder Information

**Name of Policyholder:** SAMFORD UNIVERSITY  
**Address** 800 LAKESHORE DR. 301 SAMFORD HALL  
**City** BIRMINGHAM **State** AL **Zip Code** 35229  
**Phone Number:**  
**Contact Name:**  
**Effective Date:** 06/01/2006  
**Policy Number:** 9906-12-69

### INSURANCE REQUESTED

#### A) CLASS OF INSURED PERSONS

1 All active, Full-time Employees of the Policyholder.

#### B) PRINCIPAL SUM

1 2.5 times **Salary** subject to a Maximum of \$ 600,000

#### C) HAZARD

1 24 Hour Business and Pleasure

#### D) ACCIDENTAL DEATH AND DISMEMBERMENT

**Class**

All

**Accidental:**

**Benefit Amounts (Percentage of Principal Sum)**

<b>Loss of Life</b>	100%
<b>Loss of Speech and Loss of Hearing</b>	100%
<b>Loss of Speech and one of Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b>	100%
<b>Loss of Hearing and one of Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b>	100%
<b>Loss of Hands(Both), Loss of Feet(Both), Loss of Sight or a combination of any two of Loss of Hand, Loss of Foot or Loss of Sight of One Eye</b>	100%
<b>Quadriplegia</b>	100%
<b>Paraplegia</b>	75%
<b>Hemiplegia</b>	50%
<b>Loss of Hand, Loss of Foot or Loss of Sight of one Eye (Any one of each)</b>	50%
<b>Loss of Speech or Loss of Hearing</b>	50%
<b>Uniplegia</b>	25%
<b>Loss of Thumb and Index Finger of the same Hand</b>	25%

#### E) ADDITIONAL BENEFITS

CLASS	BENEFIT	BENEFIT AMOUNT
1	<b>Carjacking</b>	<b>10% of the Principal Sum</b> <b>Maximum Benefit Amount \$25,000</b>
1	<b>Coma</b>	<b>1% of the Principal Sum</b> <b>Maximum Benefit Amount 100% of the Principal Sum</b>

1	<b>Medical Evacuation And Repatriation</b>	<b>Maximum Benefit Amount \$50,000</b> <b>Benefit Amount for Hospital Admission Guaranty \$5,000</b> <b>Family Travel Expense</b> <b>Maximum per Day \$100</b> <b>Maximum Number of Days 5</b>
1	<b>Psychological Therapy</b>	<b>5% of the Principal Sum</b> <b>Maximum Benefit Amount \$25,000</b>
1	<b>Rehabilitation Expense</b>	<b>5% of the Principal Sum</b> <b>Maximum Benefit Amount \$25,000</b>
1	<b>Seatbelt Occupant Protection Device</b>	<b>Seatbelt Benefit Amount 10% of the Principal Sum</b> <b>Alternate Benefit Amount \$2,000</b> <b>Occupant Protection Device Benefit Amount 10% of the Principal Sum</b> <b>Maximum Benefit Amount 20% of the Principal Sum up to \$50,000</b>

**Premium Information**

<u>Class</u>	<u>Rate</u>
1	0.019 per \$1,000

**Employee Retirement Income Security Act**

Is this plan subject to Employee Retirement Income Security Act (ERISA) regulations? (Y/N) \_\_\_\_\_

**Policy Acceptance**

The undersigned declares that all information provided in this application and any attachments hereto is true and correct. The undersigned understands that all information provided in this application and any attachments hereto is material to the insurer's decision to provide this insurance, and that insurance will be provided, at the insurer's sole discretion, in reliance upon the truth of such information. It is hereby agreed and understood this insurance is provided by the **Company** in consideration of payment of the required premium. The insurance under the policy begins on the Effective Date shown in the Insuring Agreement of the policy. The acceptance of the policy terminates any prior policy of the same policy number, effective with the inception of the policy.

Fraud Warning

**Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any material fact thereto, commits a fraudulent insurance act, which is a crime.**

Name of Policyholder: \_\_\_\_\_

\_\_\_\_\_ Date Signature Title



Company Authorized Representative