

## SCHEDULE

**POLICY NO.:** SR2014AR-P-101074

### **POLICYHOLDER/SPONSORING ORGANIZATION INFORMATION:**

Parkers Chapel School District  
209 Parkers Chapel Road  
El Dorado, AR 71730

**Effective Date:** July 1, 2019

**Expiration Date:** July 1, 2020

#### **Effective Dates of Coverage (No earlier than):**

High School Football:

July 1, 2019

All Other Coverages:

August 13, 2019

### **ELIGIBILITY:**

- Class 1: All enrolled students (grades PK-12) (non-athletes) including day field trip participants covered under the Policyholder/ Sponsoring Organization Mandatory program and Overnight Field Trip participants for whom additional premium has been paid.
- Class 2: All interscholastic student athletes (to include student coaches, student managers and student trainers) and non-athletic students (grades PK-12) covered under the Policyholder/Sponsoring Organization Mandatory program and Overnight Field Trip participants for whom additional premium has been paid. Coverage also includes elementary students (grades PK-6) as participants in Arkansas Activities Association activities and day field trips.
- Class 3: All enrolled students (grades PK-12) covered under the Policyholder/Sponsoring Organization Voluntary 24-Hour program. Not including Senior High School Interscholastic Football Athletes.
- Class 4: All enrolled students (grades PK-12) covered under the Policyholder/Sponsoring Organization Voluntary School Time program. Not including Senior High School Interscholastic Football Athletes.
- Class 5: All enrolled Senior High Football athletes (grades 9-12) covered under the Policyholder/Sponsoring Organization Voluntary Senior High Football program

### **SCOPE OF COVERAGE:**

<u><b>Class</b></u>	<u><b>Insured Risk</b></u>	<u><b>Benefits</b></u>	<u><b>Benefit Plan</b></u>
1	At School Coverage (IRK12001) (except interscholastic sports)	AD&SL (ADSLFLAT001) AME (AMEK12001)	Premier Plus
2	Mandatory Interscholastic Athletics & Activities Coverage (IRK12002)	AD&SL (ADSLFLAT001) AME (AMEK12001)	Premier Plus
3	Voluntary 24-Hour (IRK12003)	AD&SL (ADSLFLAT001) AME (AMEK12001)	High Option
4	Voluntary At School Coverage (IRK12004)	AD&SL (ADSLFLAT001) AME (AMEK12001)	High Option
5	Voluntary Football Coverage (IRK12005)	AD&SL (ADSLFLAT001) AME (AMEK12001)	High Option
Covered Sports:	as defined by the Policyholder		

**BENEFITS:****Accidental Death & Specific Loss (ADSLFLAT001)**

Life Principal Sum	\$10,000.00
Double Specific Loss Principal Sum	\$10,000.00
Single Specific Loss Principal Sum	\$5,000.00
Thumb & Index Finger Principal Sum	\$500.00
Loss Period	Loss within 180 days of Injury

**Full Excess Medical Expense (AMEK12001 & TBFE004)**

Maximum Benefit Amount (Non-Motor Vehicle)	\$25,000.00
Maximum Benefit Amount (Motor Vehicle)	\$5,000.00
Deductible	None
Loss Period	Initial treatment within 60 days of Injury
Benefit Period	Benefits are payable for 52 weeks from the accident date

**SEE THE SCHEDULE OF BENEFITS FOR EACH COVERAGE FOR SERVICE/TREATMENT DETAILS****The following riders are attached to and made a part of this policy:**

Family Travel Benefit Rider	0PK1M
Concussion Benefit Rider	0PK2M
Arkansas Insurance Department Information	8190M Rev 09-12
Guaranty Association Act	M20810_0813

**Premiums:**

<b>Mandatory Coverage</b>	<b>Benefit Plan</b>	<b>Premium</b>
At School Including Athletics & Activities (PK-12)	Premier Plus Option	\$6,653.00

<b>Voluntary Coverage Options</b>	<b>Benefit Plan</b>	<b>Rate Per Student</b>
24-Hour with Extended Dental	High Option	\$101.00
24-Hour without Extended Dental	High Option	\$94.00
At School with Extended Dental	High Option	\$32.00
At School without Extended Dental	High Option	\$25.00
High School Football with Extended Dental	High Option	\$129.00
High School Football without Extended Dental	High Option	\$122.00

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# ARKANSAS – PREMIER PLUS

## SCHEDULE OF BENEFITS

### MANDATORY PLAN

All benefits are payable on a per injury basis and are subject to the Accident Medical Maximum Benefit Amount and Medical Deductible Amount (if any), unless otherwise noted below:

<b><u>INPATIENT*:</u></b>	
Room & Board	Semi-Private Room Rate
Intensive Care	1.5 times Semi-Private Room Rate
Hospital Inpatient Miscellaneous	Up to \$750 first day, \$250 per day thereafter to a maximum of \$5,000
Private Duty Nursing (Registered Nurse)	100% of Allowable Expense
Physician's Nonsurgical Visits	Up to \$40 per visit
(Benefits are limited to one visit per day and do not apply when related to surgery or physiotherapy)	
Orthopedic Braces and Appliances	Included in Hospital Miscellaneous Benefit
Family Travel (outside a 100 mile radius from home)	\$400 per day; 5 days maximum
<b><u>OUTPATIENT*:</u></b>	
Hospital Outpatient Surgery – Facility Charge	Up to \$1,500 per injury
Physician's Nonsurgical Visits (Non-Emergency Room)	Up to \$40 per visit
(Benefits are limited to one visit per day and do not apply when related to surgery or physiotherapy)	
Physiotherapy	Up to \$25 per visit, up to \$250 per injury (Benefits are limited to one visit per day)
Emergency Room	Up to \$200 per injury
(Use of room and supplies; treatment must be rendered within 72 hours from time of injury)	
Physician Emergency Room	Up to \$100 per injury
X-Ray Services (includes charges for reading)	Up to \$200 per injury
Diagnostic Imaging (Cat Scan/MRI Services, Bone Scan) (includes charges for reading)	Up to \$750 per injury
Laboratory	Up to \$50 per injury
Injections	Up to \$25 per injury
Prescription Drugs	100% of Allowable Expense
Orthopedic Braces and Appliances	Up to \$500 per injury (When prescribed by a physician for healing)
Durable Medical Equipment (Post Surgical Only)	Up to \$150 per injury
<b><u>INPATIENT AND/OR OUTPATIENT*:</u></b>	
Surgeon's Fees	90% of Allowable Expense as determined by Context4HealthCare up to a \$2,500 maximum (Limited to the primary procedure per surgery)
Anesthetist/Assistant Surgeon	25% of surgeon's allowance
Ambulance	100% of Allowable Expense, first trip to the hospital
Treatment of Heat Exhaustion	100% of Allowable Expense
Dental	100% of Allowable Expense (Benefits are paid on sound natural teeth only)
Replacement of Eyeglasses, Contact Lenses & Hearing Aids	100% of Allowable Expense for replacement if broken due to injury
Post Injury Concussion Management Testing	\$60/test; not to exceed three tests
Concussion Benefit	\$100 in addition to other benefits

## ARKANSAS – VOLUNTARY HIGH OPTION SCHEDULE OF BENEFITS

All benefits are payable on a per injury basis and are subject to the Accident Medical Maximum Benefit Amount and Medical Deductible Amount (if any), unless otherwise noted below:

<b><u>INPATIENT:</u></b>	
<b>Room &amp; Board</b>	<b>Semi-Private Room Rate/\$200 per day maximum</b>
<b>Hospital Miscellaneous</b>	<b>Up to \$150 per day, to a maximum of \$750</b>
<b>Registered Nurse</b>	<b>100% of Allowable Expense</b>
<b>Physician's Nonsurgical Visits</b>	<b>Up to \$35 per visit first day; \$25 per visit each subsequent day</b>
<b>(Benefits are limited to one visit per day and do not apply when related to surgery)</b>	
<b><u>OUTPATIENT:</u></b>	
<b>Hospital Outpatient Surgery – Facility Charge</b>	<b>Up to \$150 per injury</b>
<b>Physician's Nonsurgical Visits</b>	<b>Up to \$35 per visit first day; \$25 per visit each subsequent day</b>
<b>(Benefits are limited to one visit per day and do not apply when related to surgery or physiotherapy)</b>	
<b>Physiotherapy</b>	<b>100% of Allowable Expense/\$125 maximum per policy year (Benefits are limited to one visit per day)</b>
<b>Emergency Room</b>	<b>Up to \$150 per injury</b>
<b>(Use of room and supplies; treatment must be rendered within 72 hours from time of injury)</b>	
<b>X-Ray Services (Includes charges for reading)</b>	<b>80% of Allowable Expense/\$500 maximum per policy year</b>
<b>Laboratory</b>	<b>No Benefits</b>
<b>Injections</b>	<b>No Benefits</b>
<b>Prescription Drugs</b>	<b>\$25 maximum per policy year</b>
<b>Orthopedic Braces and Appliances</b>	<b>\$75 maximum</b>
<b><u>INPATIENT AND/OR OUTPATIENT:</u></b>	
<b>Surgeon's Fees</b>	<b>\$172 coefficient value/\$1,000 maximum (No more than one procedure through the same incision will be paid)</b>
<b>Anesthetist</b>	<b>25% of surgeon's allowance</b>
<b>Ambulance</b>	<b>100% of Allowable Expense</b>
<b>Consultant</b>	<b>No Benefits</b>
<b>Dental</b>	<b>Up to \$150 per tooth (Benefits are paid on sound natural teeth only)</b>
<b>EXTENDED DENTAL COVERAGE (Voluntary Plans):</b> This is supplemental coverage for expenses resulting from covered accidental dental injuries. The dental benefits provided are: (a) 100% of Allowable Expense Charges for examinations, X-Rays, endodontics and oral surgery to a maximum of \$10,000; or (b) dental expenses toward the cost of bridges, dentures or replacement of previous dental repairs to a maximum of \$250. No coverage is provided for orthodontics (braces) for any reason or damage or loss thereof.	

# MUTUAL OF OMAHA INSURANCE COMPANY

Mutual of Omaha Plaza, Omaha, NE 68175



This policy is issued to Parkers Chapel School District ("the Policyholder").

This policy is a legal contract between the Policyholder and Us. It is issued in consideration of payment of premiums.

This policy is issued in and will be interpreted by the laws of the State of Arkansas, without giving effect to the principles of conflicts of law of that State or any other state. Any part of this policy which is in conflict with the laws of the State of Arkansas is changed to conform to the minimum requirements of that State's laws.

We agree to pay benefits subject to the terms, conditions, and limitations of this policy.

## EFFECTIVE DATE AND POLICY TERM

This policy takes effect on July 1, 2019 (the Policy Effective Date) at the Policyholder's main office. It expires on July 1, 2020.

**POLICY NUMBER: SR2014AR-P-101074**

**THIS IS A BLANKET LIMITED ACCIDENT ONLY POLICY.**

**READ IT CAREFULLY.**

**BENEFITS ARE NOT PAYABLE FOR LOSS DUE TO SICKNESS.**

**THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY.**

**If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from Us.**

Chief Executive Officer

Corporate Secretary

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## **INSURED RISKS**

Unless otherwise stated in the Schedule, We will pay benefits for a loss only once, even if coverage was provided under more than one insured risk.

### **ACTIVITY COVERAGE (IRK12001)**

We will pay the benefits in this policy for an Insured while:

- attending School;
- participating in a Sponsored and Supervised Activity;
- traveling as part of a group in transportation authorized or arranged by the Policyholder/Sponsoring Organization; or
- traveling directly and without interruption between:
  - the Insured's home; and
  - School.

### **ACTIVITY COVERAGE (IRK12002)**

We will pay the benefits in this policy for an Insured while:

- participating in a Sponsored and Supervised Activity;
- participating in preseason tryouts or regularly scheduled athletic games or competition or practice sessions for the sports specified in the Schedule;
- participating in Off-season Physical Conditioning for the sport(s) specified in the Schedule;
- traveling as part of a group in transportation authorized or arranged by the Policyholder/Sponsoring Organization.

### **24-HOUR ACCIDENT COVERAGE (IRK12003)**

We will pay the benefits described in this policy for any Accident that occurs while this policy is in force.

### **ACTIVITY COVERAGE (IRK12004)**

We will pay the benefits in this policy for an Insured while:

- attending School;
- participating in a Sponsored and Supervised Activity;
- participating in preseason tryouts or regularly scheduled athletic games or competition or practice sessions for the sports specified in the Schedule;
- participating in Off-season Physical Conditioning for the sport(s) specified in the Schedule;
- traveling as part of a group in transportation authorized or arranged by the Policyholder/Sponsoring Organization; or
- traveling directly and without interruption between:
  - the Insured's home; and
  - School.

### **ACTIVITY COVERAGE (IRK12005)**

We will pay the benefits in this policy for an Insured while:

- participating in preseason tryouts or regularly scheduled athletic games or competition or practice sessions for the sports specified in the Schedule;
- participating in Off-season Physical Conditioning for the sport(s) specified in the Schedule;
- traveling as part of a group in transportation authorized or arranged by the Policyholder/Sponsoring Organization.

## **ELIGIBILITY FOR BENEFITS**

### **ELIGIBILITY**

Persons who are eligible to be an Insured under this policy are described in the Schedule. This includes persons who may become eligible while this policy is in force.

### **WHEN INSURANCE BEGINS**

Insurance for an Insured begins on the later of:

- the Policy Effective Date; or
- the day the Insured becomes eligible under the terms of this policy.

### **CHANGE IN COVERAGE**

Any change in the Insured's coverage because of change of class as shown in the Schedule will become effective on the date of the change.

### **WHEN INSURANCE ENDS**

Insurance for an Insured will end on the earliest of the date:

- the Insured is no longer eligible;
- the Insured enters full time active duty in any Armed Forces;
- any premium for the Insured is due and unpaid, subject to the Grace Period provision; or
- this policy is terminated.

Termination of insurance will not affect a claim incurred while coverage was in effect.



## DESCRIPTION OF BENEFITS

### ACCIDENTAL DEATH AND SPECIFIC LOSS BENEFIT (ADSLFLAT001)

If an Insured suffers a loss listed below from an Accident within the Loss Period stated in the Schedule, We will pay the benefit opposite the Loss. If the Insured sustains more than one loss as the result of one Accident, We will pay only the largest benefit to which the Insured is entitled.

The Principal Sum is shown in the Schedule.

**TABLE OF BENEFITS FOR  
ACCIDENTAL DEATH AND SPECIFIC LOSS**

<i>Loss</i>	<i>Benefit Amount</i>
Loss of Life	\$10,000 Principal Sum
Loss of Both Hands	\$10,000 Principal Sum
Loss of Both Feet	\$10,000 Principal Sum
Loss of Entire Sight of Both Eyes	\$10,000 Principal Sum
Loss of One Hand and One Foot	\$10,000 Principal Sum
Loss of One Hand and Entire Sight of One Eye	\$10,000 Principal Sum
Loss of One Foot and Entire Sight of One Eye	\$10,000 Principal Sum
Loss of Speech and Hearing	\$10,000 Principal Sum
Loss of Entire Sight of One Eye	\$5,000 Principal Sum
Loss of Speech or Hearing	\$5,000 Principal Sum
Loss of One Hand or One Foot	\$5,000 Principal Sum
Loss of Thumb and Index Finger	\$500 Principal Sum

### MEDICAL EXPENSE FOR ACCIDENT BENEFIT (AMEK12001)

We will pay the following Medical Expenses incurred as a result of an Accident. The Medical Expense Maximum and any applicable sub-limit amounts are shown in the Schedule.

1. Hospital room and board charges, up to the average semi-private daily room rate, for each day in the Hospital;
2. Hospital miscellaneous charges during a hospital confinement. Miscellaneous charges do not include charges for telephone, radio or television, extra beds or cots, meals for guests, take-home items, or other convenience items;
3. outpatient charges by a Hospital for:
  - a. emergency room treatment. Treatment must be received within 72 hours of the Accident;
  - b. use of surgical facilities;
4. Physician's charges for other than pre- or post-operative care for in-Hospital visits or office visits;
5. charges for nursing services, other than routine Hospital care, by or under the supervision of a Nurse;
6. charges for physiotherapy which includes:
  - a. adjustment;
  - b. diathermy;
  - c. heat treatment;
  - d. manipulation;
  - e. microtherm;
  - f. ultrasonic;
7. Ambulance Service (Surface) and Ambulance Service (Air);
8. dental expense for sound natural teeth;
9. other Medical Expenses as noted in the Schedule.

## EXCLUSIONS (EXK12001)

We will not pay benefits for a loss due to or expenses incurred for:

1. intentionally self-inflicted injury, suicide while sane or insane;
2. voluntary self-administration of any drug or chemical substance not prescribed by or not taken according to the directions of the Insured's Physician;
3. Injury caused by, attributable to, or resulting from the Insured's Intoxication;
4. Injury caused by, attributable to, or resulting from the Insured's use of a Controlled Substance unless administered on the advice of a Physician and taking the prescribed dosage;
5. operating a motor vehicle under the influence of a Controlled Substance unless administered on the advice of a Physician and taking the prescribed dosage;
6. operating a motor vehicle while having a blood alcohol level that equals or exceeds the legal limit for operating a motor vehicle in the state or jurisdiction where the Injury occurred;
7. commitment of or an attempt to commit a felony, or engagement in an illegal activity;
8. participation in a riot or insurrection;
9. any Injury that results from fighting, brawling, , assault or battery;
10. an act of declared or undeclared war;
11. active duty service in any Armed Forces;
12. operating, learning to operate, or serving as a pilot or crew member of any aircraft unless specified in the INSURED RISKS section of this policy;
13. mountaineering (engaging in the sport of scaling mountains generally requiring the use of picks, ropes, or other special equipment);
14. parachuting, except for self-preservation;
15. snow skiing, scuba diving, bob-sledding, bungee jumping, ballooning, flight in an ultralight aircraft, sky diving, hang-gliding, glider flying, sailplaning, or parasailing;
16. participation in professional or amateur racing;
17. injuries associated with activities or travel outside the United States;
18. sickness, disease, bodily or mental infirmity or medical or surgical treatment thereof, bacterial or viral infection, regardless of how contracted. This does not exclude bacterial infection that is the natural and foreseeable result of an Injury or accidental food poisoning;
19. dental treatment or dental X-rays, except as otherwise provided, and only when Injury occurs to sound natural teeth;
20. orthodontic braces or appliances;
21. any loss for which benefits are paid under state or federal worker's compensation, employers' liability, or occupational disease law;
22. treatment in any Veterans Administration or federal Hospital, unless there is a legal obligation to pay;
23. charges which the Insured would not have to pay if the Insured did not have insurance;
24. a charge which is in excess of the Allowable Expense;
25. cosmetic surgery, except reconstructive surgery due to a covered Injury;
26. participation in semi-professional and professional sports, play or practice, or any related travel;
27. participation in practice or play of any sports activity, including travel to and from games and practice, unless specified in this policy;
28. assistant surgeon services, unless specified in this policy;
29. elective treatment or surgery that is not prescribed by a Physician and is not Medically Necessary, health treatment, or examination where no Injury is involved;
30. Pre-existing Conditions;
31. human immunodeficiency virus (HIV), acquired immune deficiency syndrome (AIDS) or AIDS related complex (ARC);
32. any Heart or Circulatory Malfunction;
33. services or treatment rendered by a Physician, Nurse or any other person who is the Insured or an Immediate Family Member;
34. services or treatment incurred to the extent that they are paid or payable under any Other Insurance Plan;

35. services or treatment incurred to the extent that they are paid or payable under any automobile insurance policy without regard to fault. This exclusion does not apply in any state where it is prohibited;
36. travel in or upon:
  - a snowmobile;
  - any two or three wheeled motor vehicle;
  - any off-road motorized vehicle not requiring licensing as a motor vehicle in the jurisdiction where operated;
37. any Accident in which the Insured is operating a motor vehicle without a current and valid motor vehicle operator's license (except in a driver's education program);
38. treatment of temporomandibular joint (TMJ) disorders involving the installation of crowns, pontics, bridges or abutments or the installation, maintenance or removal of orthodontic or occlusal appliances or equilibration therapy.

## **TERMS OF BENEFIT PAYMENTS**

We will pay the benefits specified in the DESCRIPTION OF BENEFITS section to all Insureds who suffer a loss within the Scope of Coverage due to Injury.

### **FULL EXCESS MEDICAL EXPENSE (TBFE004)**

We will pay the Medical Expenses an Insured incurs for covered services that exceed amounts payable by any Other Insurance Plan, subject to the Deductible, Benefit Percentage, and Benefit Period shown in the Schedule. We will determine the amount of benefits provided by any Other Insurance Plan without reference to any coordination of benefits, non-duplication of benefits or similar provisions. The amount of benefits provided by an Other Insurance Plan includes any amount to which the Insured is entitled whether or not a claim is made for the benefits. This Policy is secondary to all Other Insurance Plans.

The first Medical Expense must be incurred within the Loss Period stated in the Schedule.

The Maximum Benefit Amount payable and sub-limits under this policy are shown in the Schedule.

### **NON-DUPLICATION OF BENEFITS**

This provision applies if an Insured:

- is covered by any Other Insurance Plan; and
- would, as a result, receive total medical expense or service benefits that would exceed the expenses actually incurred.

In this case, the Medical Expense for Accident Benefit payable under this policy will be reduced by the excess amount of benefits. The total amount of benefits payable will never exceed 100% of the Medical Expenses or service benefits.

## **CLAIM PROVISIONS**

### **NOTICE OF CLAIM**

We must receive written notice within 60 days after a loss occurs or begins, or as soon as reasonably possible. Notice can be given at Our home office or to Our authorized representative. Notice should include:

- the Policyholder's name;
- the policy number; and
- the Insured's name and address.

### **CLAIM FORMS**

When We receive the notice of the claim, We will send forms for filing proof of loss within 15 days. If We do not send the necessary forms within 15 days, written information may be given that includes the nature, date, cause, and extent of the loss for which claim is made.

### **PROOF OF LOSS**

We must be given written proof of loss at Our home office or to Our authorized representative within 90 days after the date of the loss. If the written proof is not given within 90 days, the claim will not be invalidated or reduced if:

- it was not reasonably possible to give proof within 90 days; and
- proof is given as soon as reasonably possible, but not later than one year from the date it is otherwise required, except in the absence of legal capacity.

If the claim is for a continuing loss for which this policy provides periodic payments, written proof that the loss continues must be given to Us or to Our authorized representative at the intervals We require.

### **Physical Examination and Autopsy**

We have the right to have an Insured examined at Our cost and as often as reasonably necessary while the claim is pending. We may require an autopsy at Our expense unless prohibited by law.

### **PAYMENT OF CLAIMS**

Benefits will be paid after We receive acceptable proof of loss and confirm benefits are payable.

We will pay benefits other than for loss of life to the Insured, unless otherwise stated in this policy.

We will pay benefits for loss of life and any benefits payable to the Insured but unpaid at the Insured's death to the Insured's named beneficiary for this policy. This choice must be in writing and filed with Us, or filed with the Policyholder if We have agreed in advance.

The Insured has the right to change the beneficiary. Unless this right has been given up, the Insured does not need the consent of the beneficiary to make a change.

If the Insured has not named a beneficiary or no beneficiary survives the Insured, We will pay benefits at the Insured's death as follows:

- to the Insured's surviving Spouse; if none, then
- in equal shares to the Insured's surviving children; if none, then
- in equal shares to the Insured's surviving parents; if none, then
- in equal shares to the Insured's surviving brothers and sisters; if none, then
- to the Insured's estate.

If benefits are payable to a person who is not legally competent to claim or release benefits, a minor, or an estate, We may pay up to \$1,000 to any relative by blood or marriage whom We find entitled to the payment. This good faith payment satisfies Our legal duty to the extent of the payment.

**Assignment of Benefits**

The Insured may direct that We pay benefits to a Hospital, Physician or other provider who furnished care, diagnosis, advice or supplies. We are not liable for any actions We take before We receive notice of the assignment. We are not responsible for the validity of any assignment of benefits.

**OPPORTUNITY TO REQUEST AN APPEAL**

The claimant may request an appeal, in writing, within 60 days after receiving notice of Our initial claim review decision.

The request for an appeal should include:

- the Policyholder's name and the Policy number or group number;
- the Insured's name and mailing address;
- the name and mailing address of the claimant filing the appeal, if different from the Insured;
- the nature of the appeal; and
- any additional information that may have been omitted from Our review or that We should consider.

By requesting an appeal, the claimant has authorized Us, or anyone We designate, to review any and all records (including, but not limited to, medical records) which We determine may be relevant to the appeal. We will review all information submitted and make Our final determination. No additional appeals are available.

Applicable state laws may contain requirements for claims review and appeal procedures. To the extent that this provision is inconsistent with any state law requirement, the requirement that is most favorable to the claimant will apply.

## **PREMIUM PROVISIONS**

### **REPORTING REQUIREMENTS**

The Policyholder or its authorized agent must report to Us any additional information required, as We and the Policyholder agree. We must receive this report before the premium due date.

### **GRACE PERIOD**

There is a 31-day grace period for payment of each premium due after the first premium. This means that, except for the initial premium, if premium is not paid on or before the date it is due, the premium must be paid in the 31-day period that follows. We will consider premium to be paid on the date We receive it.

Insurance will stay in force during the grace period unless the Policyholder has notified Us of its intention to terminate this policy.

If We have not been notified otherwise and the premium has not been paid, this policy will end when the grace period ends.

### **CHANGES IN RATES**

We have the right to change the premium rates:

- at any time there is a change in the coverage provided or classes eligible;
- at any time there is a change in the risks We have assumed; or
- after the first 12 months insurance is in effect.

New rates based on coverage or eligibility changes will take effect on the effective date of those changes.

Otherwise, we will give 31 days written notice when we change the rates. Notice will be sent to the Policyholder's most recent address in Our records.

### **REINSTATEMENT AFTER TERMINATION**

If this policy terminates for any reason, the Policyholder may request to reinstate it. We will reinstate only if:

- an authorized representative in Our home office agrees in writing to reinstate this policy;
- the Policyholder agrees in writing to accept any written conditions of reinstatement that We impose;
- all past due premiums are paid, including any premium for the time insurance was in effect during the grace period; and
- the premium due from the date of reinstatement until the next premium due date is paid.

## **GENERAL PROVISIONS**

### **INSURANCE CONTRACT**

The insurance contract consists of:

- this policy;
- the attached Schedule; and
- any riders or endorsements.

The insurance contract may be changed (including reducing or terminating benefits or increasing premium costs) any time We and the Policyholder both agree to a change, unless required by law. No one else has the authority to change the insurance contract. A change in the insurance contract must be:

- in writing;
- made a part of this policy; and
- signed by Our authorized representative in Our home office.

### **WORKERS COMPENSATION INSURANCE**

This policy does not satisfy any requirement for coverage under any workers compensation law.

### **POLICYHOLDER RECORDS**

The Policyholder or its authorized administrator will maintain records of the essential features of each Insured's insurance under this policy.

We have the right to examine the Policyholder's records relating to coverage under this policy. Examination may occur at any reasonable time up to the later of:

- two years after this policy ends; or
- the date of final adjustment and settlement of all claims under this policy.

### **REIMBURSEMENT/SUBROGATION**

#### **Applicability**

If there is a conflict between the provisions of the Reimbursement/Subrogation section of the policy and the provisions of any Other Insurance Plan, the provisions that provide the greatest rights to Us and this policy govern.

#### **Obligations of Insured**

Relating to benefits covered by this policy, an Insured must:

- immediately notify Us of any potential causes of action or claims for a recovery that the Insured may have against a third party;
- notify Us of any agreement with a third party;
- provide Us with a copy of any summons, complaint, or other process served in any lawsuit in which the Insured seeks a recovery;



- provide Us with a copy of any agreement with a third party;
- immediately notify Us of any settlement offer regarding a potential recovery or any payment made pursuant to an agreement;
- obtain written consent from Us before entering into any agreement with a third party involving a potential recovery;
- cooperate and assist Us in enforcing Our subrogation and reimbursement rights;
- provide any information as may be requested by Us related to Our subrogation and reimbursement rights;
- assist Us in any action against any third party; and
- upon Our request, execute a subrogation agreement, assignment of recoveries, and/or reimbursement agreement in Our favor.

If a third party pays the Insured directly based on an agreement, the Insured must reimburse Us the amount of any payments We previously made to the Insured (or for which We may have future responsibility) with respect to Injury covered by this policy. The Insured must hold any recovery or payment (including amounts paid for future medical expenses) and any right of recovery against the third party in trust for Us.

An Insured may not take any action to prejudice Our rights under the policy.

## **Our Rights**

We may:

- take action against any party (including, but not limited to, an attorney or trust) in possession of property or funds awarded or paid as a result of the Insured's Injury if such property or funds should be or should have been paid to Us under this Reimbursement/Subrogation section;
- seek a temporary restraining order against any party to prevent disbursement of any property or funds to which We have a right;
- seek restitution in equity (through the imposition of a constructive trust for Our benefit) from any party for the full amount of benefits paid by Us or for which We may have future responsibility;
- invoke equitable remedies as may be necessary to enforce the terms of the policy, including, but not limited to, specific performance, restitution and the imposition of an equitable lien and/or constructive trust, as well as injunctive relief;
- refuse to pay benefits to an Insured if the Insured fails to comply with this Reimbursement/Subrogation section, fails to cooperate with Us in regard to Our subrogation and reimbursement rights, or refuses to execute and deliver any papers that We may require in furtherance of Our subrogation and reimbursement rights;
- if the Insured fails to reimburse Us as provided in this Subrogation/Reimbursement section, offset any future benefits otherwise payable to or on behalf of the Insured, until the amount required to be reimbursed under the policy is fully offset;
- if the Insured receives a third party payment relating to expenses or benefits paid or payable by the policy, suspend all further benefit payments related to the Insured until the reimbursable portion is returned to Us or offset against amounts that would otherwise be paid to or on behalf of the Insured; and
- if an Insured fails or refuses to comply with this Reimbursement/Subrogation section, terminate the Insured's coverage.

We legally succeed the Insured's right of recovery against a third party up to the amount of benefits We have paid (or for which We may have future responsibility) with respect to the Insured's Injury. We have first priority on any money recovered from the third party, including, but not limited to, any amounts paid for medical costs over the uninsured or underinsured motorist's coverage, medical malpractice or any liability plan. Our contractual right to reimbursement is in addition to and separate from equitable subrogation. Our contractual right of reimbursement may be enforced under the same terms as discussed in this Reimbursement/Subrogation section.

If the Insured is a minor, We have no obligation to pay benefits related to Injury or sickness caused by a third party until after the Insured's legal representative obtains valid court recognition and approval of Our 100%, first-dollar subrogation and reimbursement rights on all recoveries, as well as approval for the execution of any papers necessary for the enforcement of these rights.

If We file suit to enforce Our right to recover from the Insured, We reserve the right to be reimbursed for Our court costs and attorneys' fees in relation to the suit.

### **Priority; Other Legal Doctrines**

If a third party makes any payment to the Insured, the Insured's attorney, or a trust for the Insured's benefit, the payment must first be used to provide equitable restitution to Us, to the full extent of expenses or benefits paid by or payable under the policy. Our priority applies despite other legal doctrines or theories. Our rights of subrogation and reimbursement under this Reimbursement/Subrogation section are not affected, reduced, or eliminated by the make-whole doctrine, the common fund doctrine, the doctrine of comparative fault theory, or any other legal doctrine or theory. We expressly reject the common fund doctrine with regard to attorneys' fees. Our rights are not affected, reduced, or eliminated by any allocation that purports to allocate recovery amounts in whole or in part to nonmedical damages.

### **POLICY TERMINATION**

We may terminate this policy at any time. We will give at least 31 days notice before termination.

The Policyholder may terminate this policy at any time. If the Policyholder fails to pay premiums when due or within the grace period, We will consider notice to have been given to terminate this policy on the date premium was due.

Policy termination will not affect a claim for a loss due to an Accident that occurred while this policy was in effect.

### **CONFORMITY WITH STATE STATUTES**

Any provision of this policy in conflict with the laws of the state where it is issued on the Policy Effective Date is amended to conform to the minimum requirements of such laws.

### **LEGAL ACTIONS**

No legal action to recover under this policy can be brought for at least 60 days after We have been given written proof of loss. No legal action can be brought after three years from the time written proof of loss is required to be given to Us.

### **CERTIFICATES OF INSURANCE**

We will deliver a certificate of insurance to the Policyholder for delivery to the Insured, in those states in which it is required. Each certificate will list the benefits, conditions, and limits of this policy

## DEFINITIONS

The following capitalized terms have the meaning assigned to them in this section. The assigned definitions apply to both the singular and plural forms of the defined term.

*Accident* means an unexpected and unintended event, independent of sickness and all other causes, which:

- causes Injury to an Insured; and
- occurs within the Scope of Coverage.

*Ambulance Service (Air)* means the service provided:

- by means of a fixed or roto-winged aircraft equipped with life support and medical apparatus; and
- for the primary purpose of transporting an Insured to or from the Hospital where treatment is given.

*Ambulance Service (Surface)* means the service provided:

- by a commercial or municipal ground ambulance service; and
- for transporting an Insured to or from the Hospital where treatment is given.

*Allowable Expense* means a Medical Expense otherwise payable under the policy that is not in excess of the 80<sup>th</sup> percentile identified on Context4HealthCare (the "Database"). When there is, in Our determination, minimal data available from the Database for a Medical Expense, We will determine the amount to pay by calculating the unit cost for the applicable service category using the Database and multiplying that by the relative value of the Medical Expense based upon a commercially available relative value scale selected by Us. In the event of an unusually complex medical procedure, a Medical Expense for a new procedure or a Medical Expense that otherwise does not have a relative value that is in Our determination applicable, We will assign a relative value. The Medical Expenses We pay may not reflect the actual charges of a provider and does not take into account the provider's training, experience or category of licensure. A provider may charge the Insured the difference between what the provider charges and the amount We pay under the policy. The Database will be updated by us as information becomes available from the supplier, up to twice each year. We may modify the Database in Our discretion to reflect Our experience. We have the right, in Our discretion, to substitute or replace the Database with another database or databases of comparable purpose, with or without notice.

*Ambulatory Surgical Center* means a surgical or medical center which:

- has permanent facilities for surgery;
- has an organized medical staff of Physicians and graduate registered nurses (R.N.);
- is authorized by law in the jurisdiction in which it is located to perform surgical services; and
- is licensed (if no license is required, officially approved) under the law.

*Benefit Period* means the period of time, as stated in the Schedule, from the date of the Injury within which benefits will be paid.

*Controlled Substance* means any drug or substance, other than alcohol, having the capacity to affect behavior and that is regulated by law with regard to possession and use.

*Heart or Circulatory Malfunction* means an acute onset of a cardiovascular or circulatory accident, stroke or other similar traumatic event affecting the heart or circulatory system:

- which is first diagnosed and treated while the Insured's coverage under this policy is in force;
- which occurs as a result of Injury to the Insured while participating in a Sponsored and Supervised Activity; and
- which does not result from a Pre-Existing Condition.

*Hospital* means an institution which:

- is operated pursuant to law;
- is primarily and continuously engaged in providing medical care and treatment to sick and injured persons on an inpatient basis;
- is under the supervision of a staff of Physicians;
- provides 24-hour nursing service by or under the supervision of a graduate registered nurse (R.N.); and
- has medical, diagnostic and treatment facilities, with major surgical facilities on its premises or available to it on a prearranged basis.

Hospital does not include:

- a clinic or facility for:
  - convalescent, custodial, educational or nursing care;
  - the aged, drug addicts or alcoholics;
  - rehabilitation; or
- a military or veterans hospital or a hospital contracted for or operated by a national government or its agency unless:
  - the services are rendered on an emergency basis; and
  - the individual has a legal liability to pay for the services given in the absence of insurance.

*Immediate Family Member* means a spouse or a child, parent, grandparent, brother or sister of the Insured, step-relatives in these same categories, or a person who reared the Insured, or a person whom the Insured reared.

*Injury* means bodily harm which:

- requires treatment by a Physician;
- results in loss due to an Accident, independent of sickness and all other causes; and
- occurs within the Scope of Coverage.

*Insured* means a person:

- who is eligible for insurance under the terms of the policy; and
- for whom proper premium has been paid.

*Intensive Care Unit* means a section, ward, or wing within a Hospital which is separated from other Hospital facilities and:

- is operated exclusively for the purpose of providing professional treatment for critically ill or Injured patients;
- has special supplies and equipment necessary for such treatment which is available on a standby basis for immediate use;
- provides room and board, and constant observation by registered graduate nurses or other specialty trained Hospital personnel; and
- is not maintained for the purpose of providing normal post-operative recovery treatment or service.

*Intoxicated, intoxication* means the Insured's condition as determined and defined by the laws in the jurisdiction in which the loss or cause of loss was incurred; (for the purposes of this exception, the laws governing the operation of motor vehicles while intoxicated will apply to any activity occurring at the time of the accident.)

*Laboratory Tests* means laboratory procedures identified in Physician Current Procedural Terminology (CPT) as codes 80000- 89999 inclusive.

*Loss of a Foot* means Severance above the ankle.

*Loss of a Hand* means Severance at or above the wrist.

*Loss of Hearing* means total and permanent loss of hearing which cannot be corrected by any means.

*Loss of Sight* means the total, permanent loss of sight of the eye or eyes. The loss of sight must be irrecoverable by natural, surgical or artificial means.

*Loss of Speech* means total, permanent and irrecoverable loss of audible communication.

*Loss of a Thumb and Index Finger* of the same hand means Severance through or above the metacarpophalangeal joints of the same hand (the joints between the fingers and the hand) from the same Accident.

*Loss Period* means the period of time stated in the Schedule from the date of an Accident within which the Insured must seek initial treatment for an Injury or death or Specific Loss must occur.

*Maximum Benefit Amount* means the total benefits payable under an applicable benefit provision. The Maximum Benefit Amount is shown in the Schedule.

*Medical Expenses* means expenses incurred for Medically Necessary services and supplies. Medical Expenses are incurred on the date the service or supply is rendered or provided.

*Medically Necessary, Medical Necessity* means care that is ordered, prescribed, or rendered by a Physician or Hospital, and is determined by Us, or a qualified party or entity selected by Us, to be:

- consistent with the diagnosis and treatment of the loss;
- appropriate with the standards of good medical practice;
- not solely for the convenience of the Insured;
- the most appropriate supply or level of service which can be safely provided; and
- not considered experimental or investigative.

*Nurse* means a professional, licensed, graduate registered nurse (RN), a professional, licensed practical nurse (LPN) or a certified registered nurse anesthetist (CRNA).

*Nurse Practitioner* means a licensed registered nurse who has received special training for diagnosing and treating routine or minor ailments.

*Off-season Physical Conditioning* means a physical conditioning activity that is

- not the play or practice of the insured sport;
- officially sanctioned by the Policyholder and
- scheduled and supervised by a regularly employed coach or trainer.

*Orthopedic Appliances* means braces and appliances that:

- are prescribed by a Physician;
- are primarily and customarily used to serve a medical purpose;
- can withstand repeated use; and
- are Medically Necessary.

*Other Insurance Plan* means any contract, policy or other arrangement for benefits or services for medical or dental care or treatment under:

- any individual, group, blanket, or franchise policy of accident, disability, or health insurance;
- any arrangement of benefits for members of a group, whether insured or uninsured;
- any prepaid service arrangement such as Blue Cross or Blue Shield, individual or group practice plans, or health maintenance organizations;
- any amount payable for Hospital, medical, or other health services for Injury arising out of a motor vehicle accident to the extent such benefits are payable under any medical expense payment provision (by whatever terminology used including such benefits mandated by law) of any motor vehicle insurance policy;
- any amount payable for services for injuries or diseases related to the Insured's job to the extent that the Insured actually receives benefits under a workers compensation law. If the Insured enters into a settlement to give up the Insured's rights to recover future medical expenses under a workers compensation law, this policy will not pay those medical expenses that would have been payable except for that settlement; or

- any benefits payable under any program provided or sponsored solely or primarily by any federal, state, or local governmental unit or agency or subdivision or through operation of law or regulation, except Medicaid and Tricare.

*Outpatient Surgical Center* means a surgical or medical center which has:

- permanent facilities for surgery;
- organized medical staff of Physicians and Nurses; and
- is authorized by law in the jurisdiction in which it is located to perform surgical services and is licensed (if no license is required, officially approved) under law.

*Physician* means a legally qualified physician, Nurse Practitioner or Physician's Assistant practicing within the scope of his or her license; and recognized as a physician in the state where services are rendered. Physician does not include:

- the Insured; or
- an Immediate Family Member; or
- a person living with the Insured; or
- a person employed or retained by the Policyholder.

*Physician's Assistant (PA)* means a medical professional, other than the Insured, who is trained and licensed to provide basic medical services under the direction of a Physician.

*Pre-Existing Condition* means any condition for which an Insured has received care, diagnosis or advice from a Physician or of which symptoms were manifested within 12 months before being covered by this policy.

*Prescription Drugs* means drugs which:

- under Federal law may only be dispensed by written prescription; and
- are approved for general use by the Food and Drug Administration.

*School* means the participating school or school district where the Insured is enrolled. The school must be a duly accredited (state certified or accredited) primary, elementary, secondary, or collegiate school.

*Scope of Coverage* means insurance coverage limited to a loss which:

- is within the scope of the risks specified in the INSURED RISKS section of this policy;
- is specified in the DESCRIPTION OF BENEFITS section of this policy;
- occurs during the Loss Period for the loss incurred specified in the Schedule, if any; and
- occurs while this policy is in effect.

*Severance* means the complete and permanent separation and dismemberment of the part from the body.

*Sponsored and Supervised Activity* means a Policyholder authorized function:

- in which the Insured participates; and
- which is organized by or under its auspices and sanctioned by the appropriate governing authority; and
- which is within the scope of customary activities for such entity.

*Sponsoring Organization* means a legal entity to whom this policy is issued, that is affiliated with the Policyholder, or that elects coverage under this policy.

*We, Our, Us* means Mutual of Omaha Insurance Company.

*X-ray* means those procedures identified in Physician Current Procedural Terminology (CPT) as codes 70000-79999 inclusive.

**THIS IS A BLANKET LIMITED ACCIDENT ONLY POLICY.**

**READ IT CAREFULLY.**

**BENEFITS ARE NOT PAYABLE FOR LOSS DUE TO SICKNESS.**

**THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY.**

**If you are eligible for Medicare, review the Guide to Health Insurance for People  
with Medicare available from Us.**

**Mutual of Omaha Insurance Company**

**Home Office:  
Mutual of Omaha Plaza  
Omaha, Nebraska 68175**

**MUTUAL OF OMAHA INSURANCE COMPANY**  
**3300 MUTUAL OF OMAHA PLAZA, OMAHA, NE 68175**

**FAMILY TRAVEL BENEFIT RIDER**

This rider is made a part of the policy or certificate to which it is attached. It is subject to all parts of the policy or certificate not in conflict with this rider. In the event of a conflict between this rider and any other provision of the policy or certificate, this rider will control.

Rider Effective Date: Same as the Policy Effective Date or Certificate Effective Date

**FAMILY TRAVEL BENEFIT**

If the Insured is confined in a Hospital located more than 100 miles away from their primary residence for 5 days in a row as the result of an Accident, we will pay the daily Family Travel Benefit shown on the Schedule for each day of travel by an Immediate Family Member to visit the Insured. Benefits begin on the 6th day of confinement and are limited to one Family Travel Benefit per day. Total benefits payable for any one Accident will not exceed the Maximum Benefit Amount shown on the Schedule.

**EXCLUSIONS AND LIMITATIONS**

The Exclusions shown in the policy or certificate apply to this rider.

**END OF RIDER**

This rider will end on the date the policy or certificate ends.

MUTUAL OF OMAHA INSURANCE COMPANY

  
Corporate Secretary



**MUTUAL OF OMAHA INSURANCE COMPANY**  
**3300 MUTUAL OF OMAHA PLAZA, OMAHA, NE 68175**

**CONCUSSION BENEFIT RIDER**

This rider is made a part of the policy or certificate to which it is attached. It is subject to all parts of the policy or certificate not in conflict with this rider. In the event of a conflict between this rider and any other provision of the policy or certificate, this rider will control.

Rider Effective Date: Same as the Policy Effective Date or Certificate Effective Date

**DEFINITIONS**

The definitions shown in your policy or certificate apply to this rider. In addition, the following definitions apply to this rider. We have capitalized defined terms wherever they appear to make them easier for you to find.

***Diagnostic Exam*** means any of the following:

- (a) Bone scintigraphy;
- (b) Computerized tomography (CT) scan;
- (c) Electroencephalogram (EEG);
- (d) Magnetic resonance imaging (MRI);
- (e) Single photon emission computed tomography (SPECT) scan; or
- (f) Other similar tests.

A Diagnostic Exam does not include an X-ray.

***Medical Professional*** means a person who is duly licensed to provide medical treatment, such as a physician's assistant (PA), nurse practitioner (NP/APRN) or registered nurse (RN). The Medical Professional must be acting within the scope of his or her license. A Medical Professional does not include the Insured or an Immediate Family Member.

**CONCUSSION BENEFIT**

If, as the result of an Accident, the Insured is diagnosed with a concussion, we will pay the Concussion Benefit shown in the Schedule. The concussion diagnosis must be made by a Physician or other Medical Professional within 24 hours of the occurrence of the Accident and confirmed by a Diagnostic Exam. Benefits payable are limited to a maximum of one Concussion Benefit for any one Accident.

**EXCLUSIONS AND LIMITATIONS**

The Exclusions shown in the policy or certificate apply to this rider.

**END OF RIDER**

This rider will end on the date the policy or certificate ends.

MUTUAL OF OMAHA INSURANCE COMPANY

  
Corporate Secretary



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### AMENDMENT RIDER

As a result of Arkansas House Bill 1221, policyowners in Arkansas must be provided the following information.

Home Office:

Mutual of Omaha  
Mutual of Omaha Plaza  
Omaha, Nebraska 68175  
Phone 1-800-228-9549

If we at Mutual of Omaha Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department:

Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201  
Phone (501) 371-2640  
(800) 852-5494

MUTUAL OF OMAHA INSURANCE COMPANY

  
Corporate Secretary

LIMITATIONS AND EXCLUSIONS UNDER THE  
ARKANSAS LIFE AND HEALTH INSURANCE  
GUARANTY ASSOCIATION ACT

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain 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 policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. As noted in the box below, this protection is not a substitute for consumers' care in selecting companies that are well managed and financially stable.

**DISCLAIMER**

The Arkansas Life and Health Insurance Guaranty Association ("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 residency in this state. You should not rely on coverage by the Guaranty Association in selecting an insurance company or in selecting an insurance policy or contract.

Coverage is **NOT** provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association  
c/o The Liquidation Division  
1023 West Capitol  
Little Rock, Arkansas 72201

Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). On the following page is a brief summary of this Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

(Continued on Following Page)

## COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

## EXCLUSIONS FROM COVERAGE

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

- 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);
- The insurer was not authorized or licensed to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **not** provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk; such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurers obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a non-affiliate benefit plan or its trustees).

## LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 in life and annuity benefits and \$500,000 in health insurance benefits - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within these overall limits, the Association will not pay more than \$300,000 in disability and long term care benefits, \$500,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.