

Voluntary Group Insurance Benefits

Employee Benefit Booklet

Employee and Dependent Term Life

**Accidental Death and
Dismemberment Benefits**



FORT DEARBORN LIFE INSURANCE COMPANY
Richardson, Texas

Region VIII TIPS Employee Benefits Cooperative

Group Number: GFZ05051-0001

Class 1-01



FORT DEARBORN LIFE INSURANCE COMPANY
(A stock life insurance company herein called "We", "Us", "Our")
1020 31st Street, Downers Grove, Illinois 60515-5591
Administrative Office:
2400 Lakeside Blvd., Richardson, Texas 75082-7399

CERTIFICATE (TX)

We agree to pay benefits subject to the provisions, definitions, limitations and conditions of the group Master Policy (herein called the Policy). The Policy is a contract issued by Fort Dearborn Life Insurance Company to: Region VIII TIPS Employee Benefits Cooperative (herein called the Policyholder).

This is your certificate of coverage. It is not valid unless accompanied by a copy of your signed Enrollment Form which, if satisfactory Evidence of Insurability is required, has been approved by Us. This certificate replaces any group certificate previously issued under the Policy. It is not a contract or a part of one. Your benefits are described in plain English, but a few terms and provisions are written as required by insurance law.

PLEASE READ CAREFULLY

If you have any questions, please contact the Benefits Administrator at your place of employment or write to Us. We will assist you in any way we can to help you understand your benefits.

President

Secretary

Death Benefits will be reduced if an accelerated death benefit is paid.

DISCLOURE: The Accelerated Death Benefit offered under the Policy is intended to qualify for favorable tax treatment under the Internal Revenue Code of 1986. If the Accelerated Death Benefit qualifies for such favorable tax treatment, the benefits will be excluded from your income and not subject to federal taxation. Tax laws relating to Accelerated Death Benefits are complex. You are advised to consult with a qualified tax advisor about circumstances under which you could receive the Accelerated Death Benefit excludable from income under federal law.

Receipt of the Accelerated Death Benefit payment may affect you, your spouse, or your family's eligibility for public assistance such as medical assistance (Medicaid), Aid to Families with Dependent children (AFDC), Supplementary Social Security Income (SSI), and drug assistance programs. You are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such payment will affect you, your spouse, or your family's eligibility for public assistance.

Group Insurance Certificate
Voluntary Term Life Insurance with Accelerated Death Benefits

*** IMPORTANT NOTICE ***

To obtain information or make a complaint:

You may call Fort Dearborn Life Insurance Company's toll-free number for information or to make a complaint at:

1-800-778-2281

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

1-800-252-3439

You may write the Texas Department of Insurance:

**P.O. Box 149104
Austin, TX 78714-9104
Fax # (512) 475-1771**

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the company first. If the dispute is not resolved you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

*** AVISO IMPORTANTE ***

Para informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Fort Dearborn Life Insurance Company para informacion o para someter una queja al:

1-800-778-2281

Puede comunicarse con el Departamento de Seguros de Texas para conseguir informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

**P.O. Box 149104
Austin, TX 78714-9104
Fax # (512) 475-1771**

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con al Departamento de Seguros de Texas.

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

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SCHEDULE OF BENEFITS (TX)

CLASS OF INSUREDS

DEFINITION

1-01

All active full-time employees of participating Independent School Districts

Employee Voluntary Term Life Benefit Amount, if elected: You may elect an amount in increments of \$10,000 to a maximum of either \$500,000 or five (5) times your Base Annual Salary, whichever is less. The amount of life insurance in force is the lesser of the amount elected on your enrollment form or the amount shown as approved on your Evidence of Insurability form, if EOI is required.

Spouse Voluntary Term Life Benefit Amount, if elected: Your spouse may elect an amount in increments of \$10,000 to a maximum of either \$500,000 or the amount of Employee Voluntary Term Life, whichever is less. The amount of life insurance in force is the lesser of the amount elected on your enrollment form or the amount shown as approved on your Evidence of Insurability form, if EOI is required.

Voluntary Accidental Death and Dismemberment Principal Sum, if elected: You may elect an amount in increments of \$10,000 to a maximum of either \$500,000.

Benefit Reduction: Benefits reduce by 35% at age 65 and further reduce by 50% of the original amount at age 70. Benefits terminate at retirement.

Portability Benefit Amount:

Employee: Up to the amount of Employee coverage in force on the date employment terminates.

Spouse: Up to the amount of Spouse coverage in force on the date the employee's employment terminates.

Dependent Child: Up to the amount of Dependent Child coverage in force on the date the employee's coverage terminates.

Additional Purchase Option Benefit Amount– Employee only: Up to the amount of Employee basic coverage, not to exceed a maximum of \$50,000.

Voluntary Term Life Child(ren) Benefit, if elected: You may elect a benefit of either \$5,000 or \$10,000. Please note that children age 15 days to 6 months will receive \$100 of coverage.

Benefit amounts may be subject to Guarantee Issue limits or underwriting requirements based on participation levels as determined by Us. Any Guarantee Issue limits established are only available during your group's initial enrollment and for new employees who have met the eligibility requirements. Employees must enroll within 31 days of their eligibility date to qualify for any established Guarantee Issue limits.

During annual enrollment, beginning January 1, 2004, Employees who chose not to sign up at initial enrollment are required to provide evidence of insurability for the full amount requested. Provided your Employer met participation requirements on the original effective date, Employees and/or spouses who currently have voluntary life coverage, and who apply for additional voluntary life coverage, will be eligible for up to \$10,000 of additional coverage, without evidence of insurability, up to the group's guarantee issue level.

Notice:

Your Voluntary Term Life Insurance has a portability option. This allows you the option of continuing your coverage after it terminates. The amount of coverage available to you is explained above in the Portability section.

In order to be eligible for this benefit, you must submit your application to us within 31 days of the date your coverage terminates. You may obtain your Portability Application from your employer before your coverage terminates. For a complete explanation of this benefit, including eligibility and termination provisions, please refer to the Portability section of this booklet.

DEFINITIONS (TX)

This section tells You the meaning of special words and phrases used in this Certificate. In addition, special words and phrases used only in specific sections of the Certificate are defined in those sections. To help You recognize these special words and phrases, the first letter of each word, or each word in the phrase, is capitalized wherever it appears.

Actively at Work or **Active Work** means that you are:

1. performing the normal duties of your occupation; and
2. working at least the number of hours per week shown in the Policyholder's Application/Change Form.

Application/Change Form means a Policyholder's written Application for Group Voluntary Benefits as first submitted or later amended. This form sets forth coverage(s), eligible classes, Waiting Periods, benefit amounts and other information relevant to the Policyholder's Voluntary Benefit program.

Base Annual Salary means the annual salary you earn from your normal occupation with the Policyholder. It does not include earnings from overtime, bonuses or any other form of extra pay. However, if your salary is based in whole or in part on commissions, Base Annual Salary will include the amount paid in commissions during the preceding twelve-month period.

Increases to Base Annual Salary which result in a benefit increase of \$50,000 or greater and are above the guarantee issue amount will be subject to evidence of insurability satisfactory to Us before the increased benefit can become effective. Receipt of premium before we have approved any evidence of insurability will not constitute acceptance and does not guarantee issuance of any benefit amount prior to our approval.

Employee means an Actively at Work full-time employee whose principal employment is with the Employer, at the Employer's usual place of business or such place(s) that the Employer's normal course of business may require, who is Actively at Work for the minimum hours per week as stated in the Application and is reported on the Employer's records for Social Security and withholding tax purposes.

Evidence of Insurability means a statement or proof of an employee's or eligible dependent's medical history upon which We will determine acceptance for insurance.

Insured means an Employee covered under the Policy.

Male Pronoun whenever used includes the female.

Plan means the Voluntary Life Plan selected by the Policyholder.

Policyholder means the person, firm or institution named on the face of this Certificate.

Principal Sum means the amount of Voluntary AD&D insurance selected by each Insured in his enrollment form.

Totally Disabled or **Total Disability** means you are completely unable to engage in any occupation for wage or profit because of sickness or injury.

Waiting Period means the number of days you must be Actively at Work before you are eligible to enroll in the Voluntary Benefit program. The waiting period is set forth on the Application/Change Form.

You or **Your** means the insured Employee to whom this certificate has been delivered.

ELIGIBILITY AND EFFECTIVE DATE PROVISIONS (TX)

ELIGIBILITY

You are eligible to enroll for Voluntary Benefits if you:

1. work at least the number of hours per week set forth on the Policyholder's Application/Change Form.
2. have completed the applicable Waiting Period;
3. are in a class shown on the Policyholder's Application/Change Form.

The Actively at Work requirement is waived for those employees who were covered on the day immediately preceding the effective date of this Policy and who were on layoff, non-medical leave of absence, or sabbatical who are being provided an extension of benefits with the prior carrier. Coverage shall be continued for the balance of the time provided for under the prior carrier, up to 12 months

ANNUAL ENROLLMENT

Once each year, a time period to be determined by the Policyholder will be designated as Annual Enrollment. Eligible Employees may enroll for Voluntary Life and AD&D insurance, apply for additional coverage, or request changes to their current Voluntary Benefit program only during Annual Enrollment.

ENROLLMENT AND EFFECTIVE DATES

All effective dates are subject to the Deferred Effective Date provision and the Eligible Employee's payment of or written consent to pay the applicable premium.

If Evidence Of Insurability Is Required: To enroll for Voluntary Life Insurance or request additional coverage amounts, an eligible Employee must complete an Enrollment Form and agree to pay the applicable premium. This form contains health questions, and no new or increased insurance will become effective until such written request is approved by Us. Coverage will be effective at 12:01 am. on the date of approval.

If Evidence Of Insurability Is Not Required: Eligible employees who were hired prior to the Policyholder's effective date may enroll for coverage during the initial Annual Enrollment, and coverage will become effective on the later of the Policyholder's effective date or the date the Employee signs the enrollment form. If an Employee declines coverage during the initial enrollment, he must wait until the next Annual Enrollment to enroll, and Evidence of Insurability may be required.

An eligible Employee hired on or after the Policyholder's effective date may enroll for Voluntary coverage when he is hired, and coverage will become effective as set forth below:

1. If the enrollment form is signed on or before the end of the Waiting Period, initial coverage will become effective on the day following completion of the Waiting Period.
2. If the enrollment form is signed after the end of the Waiting Period, but within 31 days after that day, initial coverage will become effective on the date the Employee signs the enrollment form.
3. If there is no Waiting Period, initial coverage will become effective on the date the Employee signs the form.

If an Employee does not enroll within 31 days of his eligibility date, he must wait until the next Annual Enrollment to enroll, and Evidence of Insurability may be required.

If an Employee elects additional coverage that is not subject to satisfactory Evidence of Insurability during a subsequent Annual Enrollment, the coverage will become effective on the date agreed to by the Policyholder and Us.

DEFERRED EFFECTIVE DATE

You must be Actively at Work on the date your initial coverage or any increases in coverage are scheduled to begin. If:

- 1. you are absent from Active Work on the date such coverage would otherwise become effective; and
- 2. your absence is caused by an injury, illness or layoff,

the effective date of any initial coverage or increased coverage will be deferred until the first day he returns to Active Work. You will be considered Actively at Work if you were actually at work on the day immediately preceding:

- 1. a weekend (except for one or both of these days if they are scheduled work days);
- 2. a holiday (except when such holiday is a scheduled work day);
- 3. a paid vacation;
- 4. any nonscheduled work day.

If a Spouse or a Dependent Child is hospital confined on the date his coverage would otherwise become effective, insurance will not become effective until the date the Spouse or Dependent Child is no longer hospital confined. However, coverage will be extended for those employees who have disabled dependents that have been approved under the prior carrier’s policy for extension of coverage.

ELIGIBILITY AFTER TERMINATION OF EMPLOYMENT

If an Employee's coverage ends due to termination of employment and he does not elect continued coverage under Portability, he must meet all the requirements of a new Employee if he is rehired at a later date.

PREMIUM PROVISION

Premiums are payable in United States dollars on or before their due dates. Your Employer has agreed to deduct from your pay any premiums payable for insurance on you and your dependent(s). Your Employer has agreed to remit such premiums for the entire time your coverage under the Policy is in effect.

Premium charges for additional or increased insurance becoming effective during a policy month will begin on the next premium due date. Premium charges for insurance terminating during a policy month will cease at the end of the month in which such insurance terminates. This method of charging premium is for accounting purposes only. It will not extend any insurance coverage beyond the date it would otherwise have terminated.

GENERAL PROVISIONS (TX)

STATEMENTS

In the absence of fraud, all statements made in any application are considered representations and not warranties (absolute guarantees). No representation by:

- 1. the Policyholder in applying for the Policy will make it void unless the representation is contained in the application; or
- 2. a Policyholder in applying for Voluntary Benefit coverage(s) will make it void unless the representation is contained in the Policyholder's Application/Change Form; or
- 3. an Employee in applying for Voluntary coverage will be used to reduce or deny a claim unless a copy of his Enrollment Form signed by the Insured is or has been given to him or to his beneficiary or personal representative.

COMPLETE CONTRACT - POLICY CHANGES

1. The Policy is the complete contract. It consists of:
 - a. all of the pages;
 - b. the application of the Policyholder;
 - c. the Application/Change Forms of the Policyholder; and
 - d. (unless prohibited by law) each Employee's Enrollment Form.
2. The Policy may be changed in whole or in part. Only an officer or a registrar of the Company can approve a change. The approval must be in writing and endorsed on or attached to the Policy.
3. No other person, including an agent, may change the Policy or waive any part of it.

INCONTESTABILITY

We will not contest the validity of the Policy, except for nonpayment of premium, after it has been in force for two (2) years from its effective date. We will not contest the validity of an Insured's insurance after his insurance has been in force for two (2) years during his lifetime.

MISSTATEMENT OF AGE

If an Insured has misstated his age, or the age of a Dependent, the true age will be used to determine:

1. the effective date or termination date of insurance; and
2. the amount of insurance; and
3. any other rights or benefits.

Premiums will be adjusted to reflect the premiums that would have been paid if the true age had been known.

CONFORMITY WITH STATE LAW

If any part of the Policy does not conform to a state statute in the state in which it is issued or delivered, it is amended to conform with the minimum requirements of the statutes of that state.

ASSIGNMENT

The life insurance benefits provided under the Policy are assignable by the Insured. In addition, the Insured may assign to anyone other than the Policyholder any incident of ownership he may possess. We are not responsible for the validity or legal effect of any assignment. Collateral assignments, by whatever name called, are not permitted.

The following provisions apply to Voluntary AD&D insurance only

NOTICE OF CLAIM

Written notice of a claim must be given within 20 days after the loss starts, or as soon as reasonably possible. The notice must be given to Us at Our administrative office. It should contain enough information so that We can identify the Insured.

CLAIM FORMS

When We receive written notice of a claim, We will send the claimant forms with which to file proof of loss. If these forms are not given to the claimant within 15 days, he will be excused from filing the forms provided he sends Us written proof of loss detailing the occurrence, the character and extent of the loss for which claim is made.

PROOF OF LOSS

We must receive written proof of loss within 91 days after the date of the loss for which claim was made. If it can be shown that it was not reasonably possible to furnish such proof and that such proof was furnished as soon as

reasonably possible, failure to furnish proof of loss within 91 days will not invalidate or reduce any claim. However, except in the absence of legal capacity, proof of loss must be furnished no later than one (1) year from the date such proof is required.

TIME OF PAYMENT OF CLAIMS

Payment for any loss will be made immediately upon receipt of due written proof of loss.

PAYMENT OF CLAIMS

Benefits for accidental loss of life will be paid in accordance with the beneficiary designation in effect at the time of payment. If none is then in effect, We will pay your estate. Any accrued benefits unpaid at death may be paid at Our option to the beneficiary or estate. All other benefits will be paid to you.

PHYSICAL EXAMINATION

We have the right and opportunity to examine you when and so often as it may be reasonably necessary during the pendency of a claim under the Policy, but not more frequently than once every three months.

LEGAL ACTIONS

No legal action may be brought to recover on the Policy within 60 days after written proof of loss has been given as required by the Policy. No such action may be brought after 3 years from the time written proof of loss must be given.

GROUP TERM LIFE INSURANCE BENEFIT (TX)

This provision only applies to you if you have elected Voluntary Term Life insurance, you have paid or agreed to pay the applicable premium, and your application for Term Life Insurance has been approved by Us.

THE BENEFIT

We will pay your beneficiary the amount of life insurance in force as of the date of your death provided:

1. you are insured under the Policy on the date of death, and
2. We receive proof of death.

The amount of life insurance in force on your life is that amount approved and recorded by Us.

SUICIDE EXCLUSION

Insurance benefits, including Waiver of Premium and Accelerated Death Benefit, will not be available for a loss which is caused by suicide or attempted suicide, while sane or insane, within one (1) year from the effective date of an Insured's or an insured Dependent's Voluntary Term Life Insurance. Our liability for a death claim by suicide will be limited to the return of premium paid for this life insurance.

This exclusion will not apply if an Insured or an insured Dependent:

1. was covered for voluntary life insurance under a prior carrier's policy; and
2. was insured under this Policy on its effective date; and
3. there was no lapse in coverage.

The death benefit, if payable under this provision, will be the lesser of the life insurance benefit under this Policy or the Insured's or insured Dependent's benefit under the prior carrier's policy.

INSTALLMENT PAYMENTS

You may elect to have the amount of insurance paid in installments. If you had not so elected, your beneficiary may elect to have the proceeds paid in installments. You or your beneficiary may choose any of the installment payment plans offered by Us.

NAMING A BENEFICIARY

Your beneficiary designation must be made on a form which We provide or on a form accepted by Us. If two or more beneficiaries are named, payment of proceeds will be apportioned equally unless you had specified otherwise. The Policyholder may not be named as beneficiary. You shall be the beneficiary of any proceeds from Spouse or dependent life insurance.

Unless you provided otherwise, if a beneficiary dies before you, We will divide that beneficiary's share equally between any remaining named beneficiaries.

If you do not name a beneficiary or if no named beneficiary survives you, We will pay the amount of insurance:

1. to your Spouse, if living; if not,
2. in equal shares to your then living children, if any; if none,
3. in equal shares to your father and mother, if living; if not,
4. to your estate.

If a designated beneficiary is a minor, or is not able to give a valid release for any payment of benefits made, We will not make payment until a claim is made by the person or entity which, by court order, has been granted control of the estate of such beneficiary. This provision does not prevent Us from making payment to or for the benefit of a minor beneficiary in accordance with the applicable state law.

If any benefits under this provision are to be paid to your estate, We may pay an amount not greater than \$250 to any person We deem to be entitled to such funds by reason of having incurred expenses in connection with your last illness or your death. Any and all payments made by Us shall fully discharge Us in the amount of such payment.

CHANGE OF BENEFICIARY

You may change your beneficiary at any time by completing a change request form, or a form approved by us, and giving it to the Policyholder. Your written request for change of beneficiary will not be effective until it is recorded by the Policyholder. After it has been so recorded, it will take effect as of the date it was signed or a date you specifically requested. If you die before We receive a change request form, We will not alter any payment that We have already made. Any prior payment shall fully discharge Us from further liability in that amount.

WAIVER OF PREMIUM

This provision is not applicable to spouse or child coverage(s).

We will continue your life insurance benefit under the Policy without the further payment of life insurance premium if you become Totally Disabled, provided:

1. you are insured under the Policy; and
2. you are under the age of 60; and
3. you provide Us with satisfactory written proof of Total Disability within 12 months after the date you became Totally Disabled; and
4. your Total Disability has continued without interruption for at least 6 months; and
5. you are still Totally Disabled when you submit the proof of disability.

The premium will be waived from the date We receive satisfactory written proof of Total Disability. Premium will continue to be waived provided you:

1. remain Totally Disabled; and
2. provide satisfactory written proof of continuing Total Disability upon request, but not more frequently than once every three months.

You are responsible for obtaining initial and continuing proof of Total Disability.

You will be covered for the amount of life insurance continued in force as of the date Total Disability commenced. The amount of life insurance continued in force will be subject to any reduction in benefits as a result of age or amendment to the Policy. We will continue this life insurance coverage until you are no longer Totally Disabled or reach age 65, whichever occurs first.

We may have you examined at reasonable intervals during the period of claimed Total Disability but not more frequently than once every 3 months during the first two years of Total Disability, and not more frequently than once a year after you have been Totally Disabled for two years. Continuation of life insurance under the Waiver of Premium provision shall end immediately and without notice if you refuse to be examined. We will pay the amount of life insurance in force to your designated beneficiary if you die before furnishing satisfactory proof of Total Disability provided:

1. you die within one year from the date you became Totally Disabled; and
2. We receive proof that you were continuously Totally Disabled until the date of death; and
3. We receive proof of death.

If continuation of life insurance under the Waiver of Premium provision ceases, and you are employed by the Policyholder, your life insurance will continue provided premium payments begin on the next premium due date.

If continuation of life insurance under the Waiver of Premium provision ceases and you are no longer employed by the Policyholder, life insurance may be continued by timely election of Portability or may be converted in accordance with the Conversion of Life Insurance provision of the Policy.

TERMINATION OF COVERAGE

Unless life insurance is continued under Portability, your insurance coverage will end at 12:00 midnight on the first to occur of:

1. the date the Policy is canceled; or
2. the end of the month following the date employment terminates or the premium due date following the date you are no longer eligible for insurance; or
3. the premium due date if you stop making any required contribution toward the payment of premiums; or
4. the date you cancel your Voluntary coverage(s); or
5. the end of the month following the date you are no longer Actively at Work, except as set forth in the *Note* below.
6. With respect to Dependent coverage, unless life insurance is continued under Portability,
 - a. the date an insured Dependent child reaches the limiting age;
 - b. the date an insured Spouse no longer meets the Policy definitions; or
 - c. the date you die.

Dependents Voluntary AD&D coverage not otherwise terminated will end when your coverage ends.

Note: If you are no longer Actively at Work as the result of disability, layoff, or leave of absence, you may continue to be eligible as follows:

Disability Until the end of the twelfth month following the month in which the disability began, provided all premiums are paid when due.

Layoff Until the end of the month following the month during which the layoff began, provided all premiums are paid when due.

Leave of Absence Until the end of the month following the month in which the leave of absence began, provided all premiums are paid when due; or governed by the Employer's Human Resource policy on family and medical leaves of absence, for up to 12 weeks during a leave of absence elected under the federal Family and Medical Leave Act of 1993, provided the leave of absence was approved in advance and in writing by the Employer and all premiums are paid when due.

If coverage ends due to termination of employment and you later return to Active Work, you must meet all the requirements of a new Employee.

CONVERSION OF LIFE INSURANCE

Conversion if Eligibility Terminates:

You or your covered Dependent(s) may convert to an individual policy of life insurance if life insurance, or any portion of it, ceases because:

1. you are no longer employed by the Policyholder; or
2. your eligibility ceases; or
3. (with respect to Dependents) the Dependent no longer meets Policy definitions or you die.

In any of these situations, the maximum amount which can be converted shall be the amount in force on the date the insurance terminated. No evidence of insurability will be required.

Conversion if Policy is Terminated or Amended:

Any person covered under the Policy may convert to an individual policy of life insurance if life insurance ceases because:

1. the Policy is canceled; or
2. the Policy is amended making the covered person ineligible for life insurance.

In either of these situations, the insured person must have been insured under the Policy for at least five (5) years. The amount of insurance converted in any of these situations will be the lesser of:

1. the amount of life insurance in force, less any amount for which the Insured becomes eligible under this or any other group policy within 31 days after the date his life insurance ceased; or
2. \$10,000.

Conditions for Conversion: (amended by form no. FDL1-23-1100)

We must receive written application and the first premium for the individual life insurance policy within 31 days after insurance under the Policy ceases. No evidence of insurability will be required.

The individual policy will be a policy of whole life insurance. It will not contain any disability or other supplementary benefits.

The premium for the individual policy will be based on:

1. Our current rates based upon the applicant's attained age on his nearest birthday; and
2. the amount of the individual policy.

If application is made for an individual policy, the coverage under the individual policy will be effective on the day following the 31-day period during which the applicant could apply for conversion.

A beneficiary designation on the conversion application, if different from the designation under the Policy, shall constitute a change of beneficiary under the Policy.

If the Insured dies before application for an individual policy can be made, We will pay the beneficiary the greatest amount for which an individual policy could have been issued, provided:

1. the death occurred during the 31-day period within which he could have made application; and
2. We receive proof of death.

If life insurance benefits are paid under the Policy, payment will not be made under the converted policy, and premiums paid for the converted policy will be refunded.

If an Employee or Spouse has elected to exercise Portability, conversion is not available unless coverage under Portability terminates. Conversion from Portability will be specified under Portability.

PORTABILITY (TX)

THE BENEFIT

If Voluntary Term Life Insurance terminates, you and/or your insured Spouse may elect to continue Voluntary Group Life Insurance under the terms of the Policy by paying premiums quarterly, semiannually, or annually direct to Fort Dearborn. If you or your Spouse elect Portability, you may also elect to continue Dependent Child(ren)'s coverage. You may not apply for Spouse or Dependent Child(ren)'s benefits at the time you elect Portability.

The maximum amount of Voluntary Term Life Insurance which may be continued under Portability is the amount of Voluntary Term Life Insurance in force at the time the Portability Benefit is elected plus any life insurance to which you are entitled under the Additional Purchase Option below.

A beneficiary designation on the Portability election form, if different from the beneficiary designated in effect under the Policy, shall constitute a change of beneficiary.

The Waiver of Premium Benefit is not available if your Total Disability begins after coverage under Portability becomes effective. The Accelerated Death Benefit is not available if your Terminal Illness begins after coverage under Portability becomes effective.

ADDITIONAL PURCHASE OPTION

Each Employee who elects portable coverage may be entitled to purchase an additional amount of term life insurance, provided he provides evidence of insurability satisfactory to Us, and provided he has not converted under the basic group policy the amount of group life insurance he elects under the Additional Purchase Option. The amount available under this Additional Purchase Option is set forth on the Application/Change Form. We will bill this additional coverage at the same rate and in the same quarterly, semiannual or annual premium mode as coverage continued under Portability. The Additional Purchase Option does not apply to Spouse or Dependent Child coverage.

ELIGIBILITY FOR PORTABILITY

To be eligible for Portability, you must meet the following conditions:

1. you must have been insured under the Policy for at least one year prior to electing Portability; and
2. your Voluntary Term Life Insurance must have terminated; and

3. you must submit an application for Portability and the first premium within 31 days after the date your Voluntary Term Life Insurance terminated; and
4. you must not have exercised the right to convert under the Conversion of Life Insurance provision the amount of Voluntary Term Life Insurance you elect under the Portability Benefit. If you elect the Portability benefit, any amounts of Voluntary Term Life Insurance which are not ported may be converted in accordance with the terms of the Conversion of Life Insurance provision.

To be eligible for Portability, your Spouse must meet the following conditions:

1. he must have been insured under the Policy for at least one year prior to electing Portability; and
2. his Voluntary Term Life Insurance must have terminated; and
3. he must submit an application for Portability and the first premium within 31 days of the date his coverage terminated; and
4. your Spouse must not have exercised the right to convert under the Conversion of Life Insurance provision the amount of Voluntary Term Life Insurance he elects under the Portability Benefit. If your Spouse elects the Portability benefit, any amounts of Voluntary Term Life Insurance which are not ported may be converted in accordance with the terms of the Conversion of Life Insurance provision.

TERMINATION OF PORTABLE COVERAGE

Insurance under the Portability provisions of the Policy will terminate at the earliest of the following:

1. upon your return to work with the same Policyholder while the Policy is still in force; or
2. upon your failure to pay the required premiums when due; or
3. the date the covered Employee or covered Spouse reaches age 70; or
4. the Premium Due Date following the date a Spouse or Dependent Child ceases to be a Spouse or Dependent Child as defined herein.

CONVERSION

Upon termination of coverage under Portability, as set forth in item (3) or (4) above, the covered person may convert coverage to an individual policy subject to the Conversion of Life Insurance provision of this Policy. No Evidence of Insurability will be required. The amount of the conversion policy may not exceed the amount of life insurance which terminated as set forth in (3) or (4) above.

ACCELERATED DEATH BENEFIT (TX)
This provision is not applicable to spouse or child coverage(s).

Coverage under the Accelerated Death Benefit is subject to the Deferred Effective Date provision. An Insured Employee must be Actively at Work on the date his coverage under this benefit becomes effective. If he is not Actively at Work, the effective date of this coverage will be deferred until the first day he returns to Active Work.

DEFINITIONS

Accelerated Death Benefit means up to 50% of the Terminally Ill Insured's Group Term Life Insurance amount in force on the date We receive due proof of loss as described in this provision.

Physician means a licensed practitioner, practicing within the scope of his license. A Physician must be someone other than the Insured or his family member.

Physician's Statement means a written medical opinion of a Physician currently licensed to practice in the United States which:

1. is made at the Insured's expense; and
2. indicates that the Insured has a terminal condition; and

3. includes all medical test results, laboratory reports, and any other information on which the medical opinion is based; and
4. indicates the Insured's expected remaining life span; and
5. is acceptable to Us.

Terminally Ill Insured means an Insured has a non-correctable health condition that, with reasonable medical certainty, will result in the death of the Insured within 12 months from the date of the Physician's Statement.

THE BENEFIT

We will pay an Accelerated Benefit during the lifetime of a Terminally Ill Insured if he or his legal representative elects an Accelerated Benefit and provides due proof of loss as described in this provision. The benefit will be paid in one sum to the Insured. The Accelerated Benefit amount is limited to a maximum of \$150,000 and a minimum of \$10,000, and is payable only once to any one Insured. There is no cost for an Accelerated Death Benefit.

At the time of the payment of the Accelerated Death Benefit, We will send a statement to the Insured specifying the amount of benefits paid, the effect of the Accelerated Death Benefit payment on the death benefit face amount; and the amount of benefits remaining available for acceleration.

EXCEPTIONS

The Accelerated Death Benefit will not be payable:

1. if the Insured becomes a Terminally Ill Insured as a result of:
 - a. attempted suicide, while sane or insane; or
 - b. an intentionally self-inflicted injury; or
2. if the Insured's Voluntary Term Life Insurance benefit has been assigned; or
3. if the Insured's Voluntary Term Life Insurance benefit is payable to an irrevocable beneficiary including notification, to Us that such benefit or a portion of such benefit is to be paid to a former spouse as part of a divorce agreement. We will not be liable for payment of a benefit in violation of a divorce or legal separation agreement if such notice has not been filed with Us at Our Home Office; or
4. if the Terminally Ill Insured is required by law to use the Benefit to meet the claims of creditors, whether in bankruptcy or otherwise; or
5. if the Terminally Ill Insured is required by a government agency to use the Accelerated Death Benefit in order to apply for, receive or keep a government benefit or entitlement.

FURTHER PROVISIONS

Notice and Proof of Claim: The Insured must elect the Accelerated Death Benefit in writing in a form that is acceptable to Us. The Insured must furnish Proof that he is a Terminally Ill Insured, including a Physician's Statement, within 91 days of the notice of claim. If Proof is not given within 91 days, the claim will not be reduced or denied if Proof is given as soon as reasonably possible.

Examination: We, at Our own expense, have the right to have a Physician We designate examine the Insured. If the Insured's Physician and the Physician designated by the Company do not agree on the diagnosis of Terminal Illness, the opinion of the Company's Physician will govern.

Effect on Insurance: The Accelerated Death Benefit reduces the Voluntary Term Life Insurance benefit that is paid upon the Insured's death. When the Accelerated Death Benefit is paid:

1. the amount of Voluntary Term Life Insurance otherwise payable upon the Insured's death, is reduced by the amount of the Accelerated Death Benefit. Any portion of the death benefit remaining after reduction of the death benefit due to payment of an Accelerated Death Benefit shall be paid upon the death of the Insured.
2. Only the remaining amount of Voluntary Term Life Insurance may be converted to an individual policy; and

3. the premium due for Voluntary Term Life Insurance will be calculated on the amount of life insurance remaining in force after deducting the Accelerated Death Benefit.

The payment of an Accelerated Death Benefit and the balance of the death benefit under the Policy shall constitute full settlement of the face amount of the Policy.

DEPENDENT LIFE INSURANCE BENEFIT (TX)

This provision only applies to you if you have elected Voluntary Term Life insurance for your eligible Dependents, you have paid or agreed to pay the applicable premium, and your application for Dependent Life Insurance has been approved by Us.

Upon receipt of proof of death, We will pay proceeds to you on the life of your Dependent Spouse and/or child while insurance is in force. Payment of proceeds on the life of a Dependent child will be in one lump sum. Proceeds on the life of a Dependent Spouse may be paid in installments.

The following benefit information is set forth on your Enrollment Form:

1. the amount of Voluntary Dependent Life Insurance which We approved for your Spouse and/or child; and
2. the effective date of Voluntary Dependent coverage.

If you are not living at the time Voluntary Dependent Life Insurance benefits become payable, We will pay the proceeds to your estate.

You cannot be insured as an Employee and also as a Dependent. If both you and your Spouse are covered as Insured Employees under the Policy, only one may enroll for life insurance coverage on Dependent child(ren).

For the purposes of this provision, an Eligible Dependent means:

1. your lawful spouse; and/or
2. your unmarried child(ren) (whether natural, step, foster or adopted) who is:
 - a. at least 15 days but less than 18 years of age and dependent on you for support and maintenance; or
 - b. within another age range as specifically stated in the Application/Change Form and accepted by Us; and
 - c. not in active military service.

Eligibility will continue until age 25 years for Eligible Dependent children who are not employed full-time, are enrolled as full-time students in a recognized school and dependent on the Insured Employee for support and maintenance.

Eligibility will continue past the age limit for Eligible Dependent children who are primarily dependent upon you for support and who cannot work to support themselves due to physical or mental incapacity which began before the age limit was reached. Proof of such incapacity must be provided to Us upon request.

DEPENDENT CONVERSION PRIVILEGE

The Conversion of Life Insurance provisions set forth in the Group Term Life Insurance provision are applicable to Dependents.

ACCIDENTAL DEATH, DISMEMBERMENT, AND LOSS OF SIGHT BENEFIT AMENDATORY RIDER
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This Rider is made part of the Policy or Certificate to which it is attached. This Rider amends the Section entitled "Accidental Death and Dismemberment Benefit" and is subject to all the provisions of the Policy not in conflict with the provisions of this Rider.

COVERAGE PLANS AVAILABLE

Individual Plan: Eligible Employees who enroll in the Individual Plan may select a Principal Sum between \$10,000 and \$500,000, and they will be covered for that amount while coverage remains in force, subject to any adjustments resulting from an increase in age (see table on next page).

Family Plan: Eligible Employees who enroll in the Family Plan may select a Principal Sum between \$10,000 and \$500,000, and they will be covered for that amount while coverage remains in force, subject to any adjustments resulting from an increase in age (see table on next page).

Under the Family Plan, an Employee's spouse will be insured for 50% of the Insured Employee's Principal Sum and an Employee's Eligible Dependent Child(ren) will be insured for 10% of the Insured Employee's Principal Sum.

For the purposes of this provision, **Eligible Dependent Child** means any unmarried child of the Insured (whether natural, step, foster or adopted) who is:

1. at least 15 days but less than 18 years of age and dependent on the Insured for support and maintenance; or
2. within another age range as specifically stated in a Participating Employer's Application/Change Form and accepted by Us; and
3. not in active military service.

Eligibility will continue to age 25 for Dependent Children who are not employed full-time and are enrolled as a full-time student in a recognized school and dependent on the Insured Employee for support and maintenance.

Eligibility will continue past the age limit for Dependent Children who are primarily dependent upon the Insured for support and who cannot work to support themselves due to a physical or mental incapacity which began before the age limit was reached. Proof of such incapacity must be provided to Us upon request.

Note: No eligible person may be covered more than once under this Policy. If a person is covered as an Employee, he cannot be covered as a Spouse or Dependent Child of another Employee.

THE BENEFIT

If, while insured under this Policy, an Insured suffers an Injury in an Accident, We will pay for those Losses set forth in the subsection entitled "Table of Losses" below. The amount paid will be as stated in the Table of Losses but not more than the Principal Sum set forth in the Application. The Loss must:

1. occur within 365 days of the Accident; and
2. be the direct and sole result of the Accident; and
3. be independent of all other causes.

TABLE OF LOSSES

Principal Sum for Loss of:	One-half of the Principal Sum for Loss of:	One-Quarter the Principal Sum for Loss of:
Life	Sight of One Eye	Thumb and Index Finger of Same Hand
Both Hands	One Hand	
Both Feet	One Foot	
One Hand and One Foot	Speech or Hearing	

Speech and Hearing		
Sight of Both Eyes		
One Hand and the Sight of One Eye		
One Foot and the Sight of One Eye		

With respect to hand or foot, loss means actual and permanent severance from the body at or above the wrist or ankle joint, as applicable. With respect to eyes, speech and hearing, loss means entire and irrecoverable loss of sight, speech or hearing. With respect to thumb and index finger, loss means complete severance of entire digit at or above joints.

The total amount of AD&D benefits payable for all Losses for any Insured resulting from any one Accident will not be greater than the Principal Sum set forth in the Application.

The Principal Sum for an Insured over age 64 will be equal to the percentage of Principal Sum shown in the following Schedule. Any reduction in benefits is effective on the group anniversary immediately following the date on which the Insured attains the stated age. The amount of benefits payable is the amount payable as of date of the Loss, if not the same as the date of the Accident. An Insured may not increase coverage once age 65 has been attained.

Attainment of Age	Principal Sum Equal to
65	65% of benefit
70	50% of benefit

SEAT BELT BENEFIT

We will pay an additional benefit, the Seat Belt Benefit, of the lesser of the Insured's Principal Sum or \$25,000 if the Principal Sum under the AD&D Benefit is payable for Loss of the Insured's life as the result of an Accident which occurs while the Insured is driving or riding in an automobile, if:

1. the automobile is equipped with Seat Belts;
2. the Seat Belt was in actual use and properly fastened at the time of the Accident;
3. the position of the Seat Belt is certified in the official report of the Accident or by the investigating officer. A copy of the police Accident report must be submitted with the claim; and
4. the Insured was driving or riding in an automobile driven by a licensed driver who was neither:
 - a. intoxicated or driving while impaired. Intoxication and impairment shall be determined by the law of the jurisdiction in which the Accident occurs, with or without conviction; nor
 - b. under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title II of the comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by a licensed physician and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence.

If such certification is not available and if it is unclear whether the Insured was properly wearing a Seat Belt, then We will pay an additional benefit of \$1,000.

Seat Belt means those belts that form an occupant restraint system.

AIR BAG BENEFIT

We will pay an additional benefit, the Air Bag Benefit, equal to 5% of the Principal Sum of the AD&D Benefit if the Principal Sum under the AD&D Benefit is payable for Loss of the Insured's life as the result of an Accident which occurs while the Insured is driving or riding in an automobile provided that:

1. the Insured was positioned in a seat that was equipped with a factory-installed Air Bag;

2. the Insured was properly strapped in the Seat Belt when the Air Bag inflated; and
3. the police report establishes that the Air Bag inflated properly upon impact.

The maximum Air Bag Benefit payable is \$5,000.00. If it is unclear whether the Insured was properly wearing Seat Belt(s) or if it is unclear whether the Air Bag inflated properly, then the Air Bag Benefit will be \$1,000.

Air Bag means an inflatable supplemental passive restraint system installed by the manufacturer of the Automobile, or proper replacement parts as required by the Automobile manufacturer's specifications, that inflates upon collision to protect an individual from Injury and death. An Air Bag is not considered a Seat Belt.

REPATRIATION BENEFIT

We will pay an additional benefit, the Repatriation Benefit, of up to \$5,000 of the Principal Sum of the AD&D Benefit for the preparation and transportation of an Insured's body to a mortuary if:

1. the Principal Sum under the AD&D Benefit is payable for Loss of the Insured's life; and
2. the Insured's death occurs at least 75 miles away from the Insured's principal residence.

EDUCATION BENEFIT

(Only available to Insured Employees with Family Plan coverage)

We will pay an additional benefit, the Education Benefit, to the Insured Employee's Dependent Student if the Principal Sum under the AD&D Benefit is payable for Loss of the Insured Employee's life.

Definitions which apply to the Education Benefit:

Student means a Dependent Child who, on the date of the Insured Employee's death, is:

1. A full-time post-high school student in a school of higher education; or
2. A student in the 12th grade but who becomes a full-time post-high school student in a school of higher education within 365 days after the Insured Employee's death.

School of higher education means an institution which:

1. is legally authorized by the State in which it is located; and
2. provides either a program for:
 - a. Bachelor's degrees or not less than a two year program with full credit towards a Bachelor's degree; or
 - b. Gainful employment as long as such program is at least one year of training; and
3. is accredited by an Agency or association recognized by the U.S. Department of Education under the Higher Education Assistance Act as may be amended from time to time.

Eligible Dependent Child means any unmarried child of the Insured (whether natural, step, foster or adopted) who is:

1. at least 15 days but less than 18 years of age and dependent on the Insured for support and maintenance; and
2. not in active military service.

Eligibility will continue to age 25 for Dependent Children who are not employed full-time and are enrolled as a full-time student in a recognized school and dependent on the Insured Employee for support and maintenance.

Eligibility will continue past the age limit for Dependent Children who are primarily dependent upon the Insured for support and who cannot work to support themselves due to a physical or mental incapacity which began before the age limit was reached. Proof of such incapacity must be provided to Us upon request. Note: No eligible person may be covered more than once under this Policy. If a person is covered as an Employee, he cannot be covered as a Spouse or Dependent Child of another Employee.

Amount of Benefit: The maximum Dependent Education Benefit for each dependent Student shall equal the lesser of the Insured Employee's Principal Sum or \$12,000.

Payment of Benefit: We will pay the Dependent Education Benefit in four equal annual installments. We will only pay one Dependent Education Benefit to any one dependent Student during any one school year. If the dependent Student is a minor, We will pay the benefit to the legal representative of the minor.

When Benefit Ends: A dependent Student will no longer be eligible to receive the Dependent Education Benefit upon the earlier of the following:

1. Our payment of the fourth installment of the Dependent Education Benefit on behalf of or to the dependent Student; or
2. At the end of the period during which Due Proof must be submitted if no Due Proof is submitted.

Special Child Education Benefit: If the Insured Employee's Eligible Dependent Child does not qualify as a Student, but is enrolled in an elementary or high school, We will pay a Child Education Benefit in the amount of \$1,000. This benefit is payable once upon proof that the Insured Employee has died as a result of an accident for which the Accidental Death & Dismemberment benefit is payable and that, within 12 months after the Insured Employee's death, the Insured Employee's Eligible Dependent Child is a full-time student in an elementary or high school.

COMMON DISASTER BENEFIT

(Only available to Insured Employees with Family Plan coverage)

We will pay an additional benefit, the Common Disaster Benefit, if:

1. the Insured and the Insured's spouse die as the result of Injury received in the same Accident; and
2. Death occurs for both the Insured employee and Insured's spouse within 90 days of the Accident; and
3. a Principal Sum is payable under the AD&D Benefit for the death of the Insured employee and the Insured's spouse, then

the Principal Sum under the AD&D Benefit for the Insured's spouse (the "Spousal AD&D Benefit") shall equal the Principal Sum under the Insured Employee's AD&D Benefit, if greater than the Spousal AD&D Benefit. The Spousal AD&D Benefit under this Common Disaster Benefit may not exceed \$150,000.

LIMITATIONS

We will not pay any benefit for any Loss that, directly or indirectly, results in any way from or is contributed to by:

1. any disease or infirmity of mind or body, and any medical or surgical treatment thereof; or
2. any infection, except a pus-forming infection of an accidental cut or wound; or
3. suicide or attempted suicide, while sane or insane; or
4. any intentionally self-inflicted Accident; or
5. war, declared or undeclared, whether or not the Insured is a member of any armed forces; or
6. travel or flight in an aircraft while a member of the crew, or while engaged in the operation of the aircraft, or giving or receiving training or instruction in such aircraft; or
7. commission of, participation in, or an attempt to commit an assault or felony; or
8. being under the influence of any narcotic, hallucinogen, barbiturate, amphetamine, gas or fumes, poison or any other controlled substance as defined in Title II of the comprehensive Drug Abuse Prevention and Control Act of 1970, as now or hereafter amended, unless as prescribed by the Insured's licensed physician and used in the manner prescribed. Conviction is not necessary for a determination of being under the influence; or
9. intoxication as defined by the laws of the jurisdiction in which the accident occurred. Conviction is not necessary for a determination of being intoxicated; or
10. active participation in a riot. "Riot" means all forms of public violence, disorder, or disturbance of the public peace, by three or more persons assembled together, whether with or without a common intent and whether or not damage to person or property or unlawful act is the intent or the consequence of such disorder.

(Amended by FDL1-2230AD-1002)

FORT DEARBORN LIFE INSURANCE COMPANY
(herein called We, Us, Our)

AMENDATORY RIDER

This Amendment is a part of the Policy or Certificate to which it is attached and applies only to Voluntary Term Life Insurance coverage issued under the Policy on and after April 1, 2003. This amendment is subject to all the provisions of the Policy not in conflict with the provisions of this Amendment.

Evidence of Insurability is required on amounts of life insurance elected under the Additional Purchase Option, and coverage will be subject to the Evidence of Insurability provisions of the Policy.

Item 4 shall be added to the Termination of Portable Coverage provision as follows:

4. the date the covered employee or covered spouse reaches age 70.

Nothing contained in this Amendment shall be held to alter or affect any provision or condition of the Policy other than as stated above.



President

***ERISA INFORMATION STATEMENT**

The benefits described in your certificate and this ERISA Information Statement (collectively the "Summary Plan Description" a/k/a the SPD) are insured by a Policy issued by Fort Dearborn Life Insurance Company. This SPD describes the provisions of the Plan in effect as of the Effective Date of the Policy. It is not the intention of the SPD to cover all situations that may arise, but to provide you with a general understanding of your benefits. In the case of any item not covered by the SPD, or in the event of any conflict between the SPD and the Policy, the Plan will always control. You should not rely on any oral explanation, description, or interpretation of the Plan because the written terms of the Plan will govern. Your right to any benefit depends on the actual facts and terms and conditions of the particular Plan; no rights accrue by reason of or arising out of any statement shown in or omitted from, this SPD.

A. ADMINISTRATION OF THE PLAN

The Plan Administrator is responsible for the administration of the Plan. The Plan Administrator has full discretionary authority and control over the Plan. This authority provides the Plan Administrator with the power necessary to operate, manage and administer the Plan. This authority includes, but is not limited to, the power to interpret the Plan and determine who is eligible to participate, to determine the amount of benefits that may be paid to a participant or his or her beneficiary, and the status and rights of participants and beneficiaries. The Plan Administrator also has the authority to prescribe the rules and procedures under which the Plan shall operate, to request information, and to employ or appoint persons to aid the Plan Administrator in the administration of the Plan.

Failure by the Plan or the Plan Administrator to insist upon compliance with any provisions of the Plans at any time or under any set of circumstances shall not operate to waive or modify the provision or in any manner render it unenforceable as to any other time or as to any other occurrence, whether the circumstances are or are not the same. No waiver of any term or condition of the Plan shall be valid unless contained in a written memorandum expressing the waiver and signed by the person authorized by the Plan Administrator to sign the waiver.

The Plan may be amended, terminated or suspended in whole or in part, at any time without the consent of the employees or beneficiaries. Any amendment, termination or suspension shall be in writing, and attached to the Plan. Any amendment, termination or suspension shall be executed according to the Employer's authorized procedures. Any such authorization may be specific to the Plan or persons authorized to act on behalf of the Employer or may be general as to duties of such person. Except for termination or suspensions, any amendments affecting the Policy must also be approved in writing by an officer of Fort Dearborn Life Insurance Company (the "Insurer") and shall be effective as of the date agreed to, in writing by the Plan Sponsor and the Insurer. Notwithstanding anything to the contrary in this document, the Policy shall terminate according to the provisions in the Policy.

The Plan has other fiduciaries, advisors and service providers. The Plan Administrator may allocate fiduciary responsibility among the Plan's fiduciaries and may delegate responsibilities to others. Any allocation or delegation must be done in writing and kept with the records of the Plan. The Plan's life benefits are provided pursuant to an insurance policy issued to the Company. The Insurer's services shall be limited to, and the Plan Administrator has the full discretionary and final authority to:

- resolve all matters when a review pursuant to the claims procedures has been requested;
- interpret, establish and enforce rules and procedures for the administration of the Policy and any claim under it; and
- determine eligibility of Employees and Dependents for benefits and their entitlement to and the amount of benefits.

Each fiduciary is solely responsible for its own improper acts or omissions. Except to the extent required by ERISA, no fiduciary has the duty to question whether any other fiduciary is fulfilling all of the responsibilities imposed upon the other fiduciary by law. Nor is a fiduciary liable for a breach of fiduciary duty committed before it became, or

***This ERISA addendum only applies if the Policy is part of or is an ERISA Plan.**

11/1/03

after it stopped being, a fiduciary. However, a fiduciary may be liable for a breach of fiduciary responsibility of any Plan fiduciary, to the extent provided in ERISA Section 405(a).

The Employer makes no promise to continue these benefits in the future and rights to future benefits will never vest. Retirement does not give any retiree any vested right to continue to participate or receive Plan benefits.

B. CLAIMS PROCEDURE

***Disability Insurance Plans**

***(Applies to the Waiver of Premium based on disability in Life Certificates).**

When you or your Beneficiary are eligible to receive benefits, you or your Beneficiary, or your authorized representative (collectively, "you") must notify the Plan Administrator by submitting the proper form. You may do this by sending notice of your claim to the Plan Administrator who has been appointed to assist Fort Dearborn in the claims processing for this Plan or by contacting Fort Dearborn directly at:

Claims Department
Fort Dearborn Life Insurance Company
2400 Lakeside Blvd.
Richardson, TX. 75082-7399
1-800-778-2281

Fort Dearborn will give you a written response to your claim, usually within 45 days. The time for decision may be extended for two additional 30 day periods provided that, prior to any extension period, Fort Dearborn notifies you in writing that an extension is necessary due to matters beyond the control of the Plan, identifies those matters and gives the date by which it expects to render its decision. If your claim is extended due to your failure to submit information necessary to decide your claim, the time for decision shall be tolled from the date on which we send you notice of the extension until the date we receive your response to our request. This period will be no longer than 45 days after we have requested the information. At that time we will decide your claim based on the information we have at that time.

If the claim is denied, in whole or in part, you will receive a written notice giving the following:

- the reason for the denial;
- the Policy provisions on which the denial is based;
- an explanation of what other information, if any, may be needed to process the claim and why it is needed;
- the steps that you have to follow to have the claim reviewed;
- a statement that you have the right to bring a civil action under section 502(a) of ERISA after you appeal our decision and after you receive a written denial on appeal; and
- if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the denial, either (i) the specific rule, guideline, protocol or other similar criterion; or (ii) a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the denial and that a copy will be provided free of charge to you upon request; and
- if denial is based on medical judgement, either (i) an explanation of the scientific or clinical judgement for the determination, applying the terms of the Plan to your medical circumstances, or (ii) a statement that such explanation will be provided to you free of charge upon request.

If the claim has been denied, in whole or in part, you can appeal the denial to us for a full and fair review. You have at least 180 days to appeal from the claim denial.

You may:

- a) request a review upon written application within 180 days of the claim denial;
- b) request, free of charge, copies of all documents, records and other information relevant to your claim; and
- c) submit written comments, documents, records and other information relating to your claim, without regard to whether such information was submitted or considered in the initial benefit determination.

Fort Dearborn will make a decision no more than 45 days after we receive your appeal. The time for decision may be extended for one additional 45 day period provided that, prior to the extension, Fort Dearborn notifies you in writing that an extension is necessary due to special circumstances, identifies those circumstances and gives the date by which it expects to render its decision. If your claim is extended due to your failure to submit information necessary to decide your claim on appeal, the time for your decision shall be tolled from the date on which the notification of the extension is sent to you until the date we receive your response to the request. The written decision will include specific references to the Plan provisions on which the decision is based and any other notice(s), statement(s) or information required by applicable law.

Life Insurance Plans

A decision will be made by Fort Dearborn no more than 90 days after receipt of due proof of loss, except in special circumstances (such as the need to obtain further information), but in no case more than 180 days after the due proof of loss is received. The written decision will include specific reasons for the decision and specific references to the Plan provisions on which the decision is based.

If the claim is denied, in whole or in part, you will receive a written notice giving the following:

- the reason for the denial;
- the Policy provisions on which the denial is based;
- an explanation of what other information, if any, may be needed to process the claim and why it is needed;
- the steps that you have to follow to have the claim reviewed;
- a statement of your right to bring a civil action on denial of your appeal.

Any denied claim may be appealed to Fort Dearborn for a full and fair review. You may:

- a) request a review upon written application within 60 days of receipt of claim denial;
- b) review pertinent documents; and
- c) submit issues and comments in writing.

A decision will be made by Fort Dearborn no more than 60 days after receipt of the request for review, except in special circumstances (such as the need to obtain additional evidence), but in no case more than 120 days after the request for review is received. The written decision will include specific reasons for the decision and specific references to the Plan provisions on which the decision is based.

C. ERISA NOTICE OF YOUR RIGHTS

As a participant in the Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan participants shall be entitled to:

Examine, without charge, at the Plan Administrator's office and at other locations, such as work sites and union halls, all Plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions.

Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies. Receive a summary of the Plan's annual financial report. The Plan Administrator is required to furnish each participant with a copy of this summary annual report.

In addition to creating rights for the Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including your employers, your union, or any other persons, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce your rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file a suit in federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court. The court will decide who should pay costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, United States Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefit Security Administration, United States Department of Labor, 200 Constitution Avenue, NW Washington DC 20210.

D. PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute a contract between the Company and any participant or to be consideration or an inducement for the employment of any participant or employee. Nothing contained in this Plan shall be deemed to give any participant or employee the right to be retained in the service of the Company or to interfere with the right of the Company to discharge any participant or employee at any time regardless of the effect which such discharge shall have upon him or her as a participant of this Plan.



**FORT DEARBORN LIFE
INSURANCE COMPANY**

Administrative Office:

2400 Lakeside Blvd. • Richardson, Texas 75082-7399