

LIFE & ACCIDENT INSURANCE CERTIFICATE BOOKLET

GROUP INSURANCE FOR

PETOSKEY PUBLIC SCHOOLS
SCHOOL NUMBER 198

TEACHERS WITH AND WITHOUT HEALTH

The benefits for which you are insured are set forth in the pages of this booklet. Consult these pages for a further description of the terms and conditions of this coverage. Application must be made and signed by the individual before any coverage can become effective. If your plan requires contributions from you, the coverage will not become effective unless you are making the required contributions

Table of Contents

| | |
|--|----|
| SCHEDULE OF BENEFITS | 3 |
| WHEN YOUR INSURANCE BEGINS | 4 |
| BECOMING ELIGIBLE | 4 |
| BECOMING INSURED | 4 |
| LIFE INSURANCE | 6 |
| DEATH BENEFIT | 6 |
| PROTECTION WHILE DISABLED | 6 |
| PROTECTION AFTER TERMINATION | 8 |
| ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE | 9 |
| DEATH AND DISMEMBERMENT BENEFITS | 9 |
| NOT COVERED | 9 |
| GENERAL INFORMATION | 11 |
| BENEFICIARY | 11 |
| ASSIGNMENT OF LIFE INSURANCE | 11 |
| RIGHT OF RECOVERY | 11 |
| SUICIDE | 11 |
| WHEN INSURANCE TERMINATES | 12 |
| EMPLOYEE LIFE INSURANCE | 13 |
| PROTECTION AFTER TERMINATION | 13 |
| NOTICE OF CLAIM | 14 |
| PROOF OF CLAIM | 14 |
| EXAMINATIONS | 14 |
| LEGAL PROCEEDINGS | 14 |

Important Privacy Notice – Please Read



As a customer of a CIGNA company¹, we want to assure you that we recognize our obligation to keep our customers' protected information secure and confidential. This notice explains our privacy practices and it should answer questions about how we protect personal information. We will continue to safeguard the privacy of the information provided to us. Thank you for giving us the opportunity to serve you. (If you are an Employer or Group Sponsor, please make this information available for review by your employees or members as appropriate.)

This notice applies to insurance products underwritten, or administered by, the Life Insurance Company of North America and CIGNA Life Insurance Company of New York, Life and Disability products underwritten by Connecticut General Life Insurance Company, and insurance products underwritten by Insurance Company of North America administered by the CIGNA companies. Information is the key to our ability to provide you with best in class service. Regardless of whether you are a customer, applicant, insured, or former insured, we are committed to protecting and maintaining the privacy of any information in our possession.

COLLECTION AND USE OF INFORMATION

We may collect protected information about our customers for use in the processing and evaluation of applications or eligibility for insurance, investigating a claim for benefits, and in developing financial plans. This information will be used by authorized company personnel solely for these purposes, and it may be integrated into our databases for statistical and audit purposes. Protected information means any non-public, personally identifiable information including financial information, employment related information and medical information. Unless permitted by law, we will only collect information from sources other than our customers with authorization.

DISCLOSURE OF INFORMATION

We do not disclose any protected information about our customers or former customers to anyone except as permitted by law. We do not sell customer lists or other protected information. With some exceptions, we will not disclose protected information without written authorization. There are circumstances when we will disclose protected information related to medical underwriting or a claim investigation or other activities relating to your insurance plan without authorization to third parties or affiliates assisting us with these activities, as permitted by law. We will also disclose protected information to third parties without authorization as required by law, such as in the case of subpoenas and mandated governmental disclosures.

PROTECTING YOUR INFORMATION

We have internal policies to maintain the privacy of our customers' protected information. These include but are not limited to policies related to the transmission, storage and disposal of paper and electronic information; the prevention of unauthorized access and damage to systems, including damage due to environmental hazards; and assigning and terminating user IDs.

¹“CIGNA” is a registered trademark licensed for the use of insurance company subsidiaries of CIGNA Corporation. All products and services are provided by insurance company subsidiaries and not the corporation itself. As used herein, “CIGNA” refers to these subsidiaries, which include the Life Insurance Company of North America, CIGNA Life Insurance Company of New York and Connecticut General Life Insurance Company.

LM-615961d

SCHEDULE OF BENEFITS

To be attached to and made part of your Certificate Booklet

Participating Employer

PETOSKEY PUBLIC SCHOOLS

PLAN EFFECTIVE DATE: January 1, 2010

EMPLOYEES INCLUDED: TEACHERS

DATE OF ELIGIBILITY: You will be eligible on the Plan Effective Date, the date of your employment, or the day following completion of the eligibility waiting period as determined by your Employer, whichever is later.

Life Insurance\$20,000

Accidental Death and Dismemberment.....\$20,000

WHEN YOUR INSURANCE BEGINS

BECOMING ELIGIBLE

You will be eligible for insurance as determined in accordance with the sections entitled Employees Eligible for Insurance and Date of Eligibility in the Schedule of Benefits.

BECOMING INSURED

If you are not required to contribute toward the cost of your insurance, you will become insured on the day you become eligible.

If you are required to pay any portion of the cost of your insurance, you will become insured on the latest of:

- a) the day you become eligible, if you enroll for your insurance on or before the day you become eligible,
- b) the day you enroll for your insurance, if you enroll on or before the thirty-first (31st) day following the day you become eligible,
- c) the first day of the month following the date your evidence of insurability, to be obtained at your own expense, is approved by the Insurance Company, if you enroll for your insurance more than thirty-one (31) days following the day you become eligible.

You must be actively at work on the day that your insurance is to become effective. If you are absent from work because of bodily injury or sickness on that day, you will become insured on the day you return to active work. To be considered actively at work for insurance purposes, you must be physically able to perform your normal duties for a regularly scheduled workday at the time you report to work.

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LIFE INSURANCE

DEATH BENEFIT

In the event of your death from any cause, the amount of your Life Insurance as determined in accordance with the Schedule of Benefit, is payable to your beneficiary in a single sum or, if you desire, in installments. You may, at any time, change your beneficiary or the method of benefit payment.

PROTECTION WHILE DISABLED

If, before you reach age 60 and after the effective date of your insurance but prior to your termination of school employment, you become totally disabled by bodily injury or disease so as to be prevented from engaging in any occupation for compensation or profit, your Group Life Insurance protection will be extended. Your protection will be extended up to the first anniversary of the date the total disability is approved, so long as you remain totally disabled. In order for contributions to be waived while your protection is extended, the initial proof of disability must be furnished within one year of the onset of the disability. Contributions will be waived on the first of the month coincident with or next following the date that satisfactory proof of disability is received by the Insurance Company but in no event prior to 6 months from the date the disability commenced. Your protection may be extended further, without payment of contributions, if proof of your continued total disability is submitted to the Insurance Company within the 3-month period prior to each anniversary of the date the total disability was approved.

(Note: Accidental Death and Dismemberment Insurance may not be extended in accordance with this provision.)

Contact your Employer for the forms for filing proof of your total disability within six months following onset of disability.

If you have converted your Group Life Insurance, the individual policy must be surrendered to the Insurance Company when the Insurance Company approves continuance of your Group Life Insurance protection under this provision. Any premiums paid under the individual policy will be refunded.

The amount of your insurance protection while you are so disabled will be the amount for which you were last insured under the Group Life Insurance Plan prior to your discontinuance of active work.

The Insurance Company will have the right to have its medical representative examine you when it may reasonably require, but after your Group Life Insurance protection has been extended for two full years, not more than once a year.

Proof that total disability continued to death must be submitted to the Insurance Company within one year after the date of your death. Upon receipt of that proof, the Insurance Company will pay to your beneficiary the amount of your insurance protection reduced by any amount of Group Life Insurance payable as a death benefit under any other provision of the Group Policy.

This protection will be discontinued when you are no longer so disabled, fail to submit to an examination or fail to furnish required proof, whichever occurs first. You will have the

same rights on the date of the discontinuance as those described below in “Protection After Termination,” unless you become insured again under the Group Insurance Plan.

PROTECTION AFTER TERMINATION

- A. If your Group Life Insurance terminates because you leave school employment or because of your termination of membership in the class or classes of employees insured under the Group Policy, you may, within sixty-two (62) days after such termination of insurance, make application for any type of Individual Life Insurance policy then customarily issued by the Insurance Company (except a policy of term insurance, a policy providing universal or variable insurance or a policy providing benefits in the event of total and permanent disability or additional benefits for accidental death). No medical examination is required and the policy will become effective sixty-two (62) days after your Group Life Insurance terminates, provided the premium is paid to the Insurance Company not later than such date. The amount you may convert may, at your option, be equal to or less than the amount terminated under the Group Policy. However, if you cease to be a member of an eligible class of employees but continue to be employed by the Employer, the amount you convert will be reduced by the amount for which you are or become eligible under any other Group Policy within thirty-one (31) days after such termination.

You also have a conversion privilege with respect to any portion of your Life Insurance terminated due to retirement under the conditions set forth in the above paragraph.

If you die within sixty-two (62) days following termination of insurance as described in the section A, the Insurance Company will pay to your beneficiary the amount of Group Life Insurance you could have converted, even if you have not applied for conversion.

- B. If your Group Life Insurance terminates because your Employer is no longer a Participating Employer under the Group Policy or the Group Policy is terminated or amended so as to terminate the insurance for the class of employees to which you belong, and you have been continuously insured under the Group Policy or any the Insurance Company policy it replaced, for at least five (5) years, you may also make application to convert your Group Life Insurance to an Individual Life Insurance policy upon the same conditions described in section A above. However, the maximum amount you may convert shall be the amount terminated under the Group Policy less any amount for which you may become eligible under any other Group Policy which replaces it within thirty-one (31) days after the Group Life Insurance terminates, but in no event shall the amount you may convert be more than \$10,000.

If you die during the sixty-two (62) day period following the termination of your insurance as described in the section B, the Insurance Company will pay to your beneficiary the amount of Group Life Insurance you could have converted, even if you have not applied for conversion.

**ACCIDENTAL DEATH AND
DISMEMBERMENT INSURANCE**

DEATH AND DISMEMBERMENT BENEFITS

Benefits are payable according to the following table if you suffer a loss as a result of accidental injury, while insured, whose cause is external, violent and purely accidental. The accident must happen while you are insured and the loss must occur within one hundred eighty (180) days after the date of the accident. All benefits other than benefits for loss of life are payable to you. Benefits for loss of life are payable to your beneficiary. You may change your beneficiary at any time.

The amount set forth in the Schedule of Benefits is payable for loss of:

| | The Benefit will be: |
|---|----------------------|
| Life | Full Amount |
| Both hands or both feet | Full Amount |
| Sight of both eyes | Full Amount |
| One hand and one foot..... | Full Amount |
| One hand and sight of one eye | Full Amount |
| One foot and sight of one eye | Full Amount |
| One hand | ½ of Full Amount |
| One foot | ½ of Full Amount |
| Sight of one eye | ½ of Full Amount |
| Speech or hearing..... | ½ of Full Amount |
| Thumb and index finger of same hand | ¼ of Full Amount |

NOTE: Loss of hand or foot means loss by severance at or above the wrist or ankle joint, and loss of sight, speech or hearing means total and irrecoverable loss of sight, speech or hearing; loss of thumb and index finger means loss by severance at the proximal phalangeal joint.

If you suffer more than one loss due to any one accident, payment will be made only for that loss for which the greatest benefit is payable. Payment will be made for the specific loss resulting from the accident without considering any previous loss.

NOT COVERED

Losses resulting from, or caused directly or indirectly, wholly or partly by:

1. bodily or mental infirmity, bacterial infections (except infections caused by pyogenic organisms which shall occur with and through an accidental cut or wound) or disease or illness of any kind,
2. intentional self-destruction while sane or intentional self-inflicted injury,
3. participation in an insurrection or riot, war or an act of war, or service in any military or naval organization, unless such injuries are sustained while you are off-duty, or
4. participation in, or in consequence of having participated in, the committing of a felony.
5. riding in or descending from any aircraft as a pilot or crew member.

See also "General Information."

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GENERAL INFORMATION

BENEFICIARY

You may change the beneficiary for your insurance for loss of life at any time. The change in beneficiary will take effect only upon its entry on the insurance records maintained in connection with the Group Policy.

Any part of your insurance for loss of life for which there is no designated beneficiary living at your death, will be payable in a single sum to the first surviving class of the following classes of successive preference beneficiaries: your (a) widow or widower; (b) surviving children; (c) surviving parents; (d) executors or administrators.

In the absence of the appointment of a legal guardian, any minor's share may be paid at a rate not exceeding \$50 a month to such adult or adults as have in the Insurance Company's opinion assumed the custody and principal support of such minor.

ASSIGNMENT OF LIFE INSURANCE

No assignment by you of your Life Insurance under the Group Policy shall be valid except an assignment which recites that it is without consideration and that it is made to a named beneficiary. Such an assignment may be made without the consent of any beneficiary; however, such an assignment shall not be deemed to be effective unless in writing and accepted by the Insurance Company, and upon such acceptance it shall become effective as to the Insurance Company as of the date of assignment. Once such an assignment has been accepted and while it remains in force the assignee shall have the sole right to exercise any of the rights and privileges under the Group Policy theretofore granted to you (including, but not limited to, the conversion privilege), and shall become entitled to receive all claim payments under the insurance assigned with respect to which no beneficiary is designated by the assignee, anything in the Group Policy to the contrary notwithstanding.

Acceptance of an assignment by the Insurance Company shall be without further liability as to any action or any payment or other settlement made by the Insurance Company before such acceptance.

No assignment by you of your Accidental Death and Dismemberment Insurance shall be valid.

RIGHT OF RECOVERY

If an overpayment is made due to any reason, including but not limited to clerical error or misstatement of age, the Insurance Company shall have the right to recover such overpayment from the insured person, or his/her beneficiary(ies).

SUICIDE

If Accidental Death and Dismemberment Insurance is provided in the Schedule of Benefits, suicide while insane is no defense to payment under the Accidental Death provisions of the Group Policy if you are a Missouri resident unless the Insurance Company can show that you intended suicide when you applied for the insurance, regardless of any language to the contrary in the Group Policy. Suicide while sane is a defense.

WHEN INSURANCE TERMINATES

Your insurance terminates when you leave school employment, when you are no longer a member of an eligible class of employees, when your Employer is no longer a Participating Employer under the Group Policy, when the Group Policy terminated or upon cessation of contribution for the cost of your insurance, whichever happens first. A dependent's insurance terminates when your insurance terminates or when that dependent is no longer an eligible dependent, whichever happens first.

EMPLOYEE LIFE INSURANCE

Upon receipt of due proof of your death, the amount of Life Insurance for which you are insured under the Group Policy shall be payable to the beneficiary designated by you, as entered on the insurance records maintained in connection with the insurance under the policy. Any part of such insurance for which no beneficiary is designated or surviving at your death will be payable in accordance with the terms of the policy.

PROTECTION AFTER TERMINATION

- A. If your Group Life Insurance terminates because you leave school employment or because of your termination of membership in the class or classes of employees insured under the Group Policy, you may, within sixty-two (62) days after such termination of insurance, make application for any type of Individual Life Insurance policy then customarily issued by the Insurance Company (except a policy of term insurance, a policy providing universal or variable insurance or a policy providing benefits in the event of total and permanent disability or additional benefits for accidental death). No medical examination is required and the policy will become effective sixty-two (62) days after your Group Life Insurance terminates, provided the premium is paid to the Insurance Company not later than such date. The amount you may convert may, at your option, be equal to or less than the amount terminated, under the Group Policy. However, if you cease to be a member of an eligible class of employees but then continue to be employed by the Employer, the amount you may convert will be reduced by the amount for which you are or become eligible under any other Group Policy within thirty-one (31) days after such termination.

You also have a conversion privilege with respect to any portion of your Life Insurance terminated due to retirement under the conditions set forth in the above paragraph.

If you die within sixty-two (62) days following termination of insurance as described in this section A, the Insurance Company will pay to your beneficiary the amount of Group Life Insurance you could have converted, even if you have not applied for conversion.

- B. If your Group Life Insurance terminates because your Employer is no longer a Participating Employer under the Group Policy or the Group Policy is terminated or amended so as to terminate the insurance for the class of employees to which you belong, and you have been continuously insured under the Group Policy or any the Insurance Company policy it replaced, for at least five (5) years, you may also make application to convert your Group Life Insurance to an Individual Life Insurance policy upon the same conditions described in section A above. However, the maximum amount you may convert shall be the amount terminated under the Group Policy less any amount for which you may become eligible under any other Group Policy which replaces it within thirty-one (31) days after this Group Life Insurance terminates, but in no event shall the amount you may convert be more than \$10,000.

If you die during the sixty-two (62) day period following the termination of your insurance as described in this section B, the Insurance Company will pay to your beneficiary the amount of Group Life Insurance you could have converted, even if you have not applied for conversion.

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**GENERAL PROVISIONS APPLICABLE TO
ACCIDENTAL DEATH AND DISMEMBERMENT
INSURANCE**

Upon receipt of due proof of claim, Accidental Death and Dismemberment benefits are payable to you, if living, otherwise to the beneficiary designated by you, as entered on the insurance records maintained in connection with the insurance under the policy. If no such designation is then effective, such benefits will be payable in accordance with the terms of the policy.

NOTICE OF CLAIM

Written notice of the event upon which claim may be based must be given to the Insurance Company within twenty (20) days after the date of the loss for which claim is made. Failure to give notice within the time required by the policy shall not invalidate or reduce any claim if it shall be shown not to have been reasonably possible to give such notice within the required time and that notice was given as soon as was reasonably possible.

Upon receipt of such notice, you will be furnished forms for filing proof of claim. If such forms are not furnished within fifteen (15) days after the receipt of notice the claimant shall be deemed to have complied with the requirements of the policy as to proof of claim upon submitting within ninety (90) days after the date of the loss for which claim is made, written proof covering the occurrence, character and extent of the loss for which claim is made.

PROOF OF CLAIM

Written proof of claim must be furnished to the Insurance Company, on the Insurance Company's forms within ninety (90) days after the date of the loss for which claim is made. Failure to furnish written proof of loss within the time required by the policy shall not invalidate or reduce any claim if it shall be shown not to have been reasonably possible to furnish such proof within the required time and that proof was furnished as soon as was reasonably possible.

EXAMINATIONS

The Insurance Company shall have the right and opportunity through its medical representative to examine any person when and so often as it may reasonably require during the pendency of claim under the policy and also the right and opportunity to make an autopsy in case of death where it is not forbidden by law.

LEGAL PROCEEDINGS

No action at law or in equity shall be brought to recover under the policy prior to the expiration of sixty (60) days after proof of claim has been furnished in accordance with the requirements of the policy, nor shall any such action be brought at all unless commenced within ten (10) years from the expiration of the time within which proof of claim is required by the provisions thereof.

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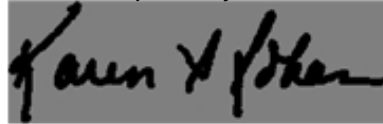
LIFE INSURANCE COMPANY OF NORTH AMERICA

hereby certifies that employees of the Participating Employer indicated in the Schedule of Benefits who are insured under Group Policy No. FLI-980011 issued by Life Insurance Company of North America to

**THE TRUSTEES OF THE NATIONAL CONSUMER INSURANCE TRUST
(Herein called the Policyholder)**

are, subject to the terms and conditions of said policy, insured for the benefits described in the pages of the booklet.

This Certificate, which is furnished in accordance with, and subject to, the terms of the Group Policy, replaces any and all Certificates previously issued to you by the Insurance Company under the Group Policy specified above covering the insurance described herein. This is not the contract of insurance. Each policy and the application of the Policyholder for it constitute the entire contract. This Certificate is merely evidence of insurance provided under the Group Policy. The insurance is effective only after the person concerned is eligible for insurance and becomes and remains insured in accordance with the terms, provisions and conditions of the Group Policy.

A handwritten signature in black ink on a grey rectangular background. The signature appears to read "Karen S. Rohan".

Karen S. Rohan, President

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