

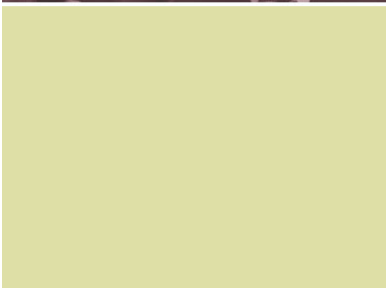
University of Alaska

Life and AD&D Insurance Benefits

AK 078200-0000



Your benefit booklet



Effective July 1, 2009

LIFEWISE

ASSURANCE COMPANY

Life | Disability | Stop Loss

INTRODUCTION

We are pleased to welcome you as an insured of LifeWise Assurance Company. This booklet describes your benefits under this program and replaces any other benefit booklet or certificate which you may have been given.

The benefits, limitations, exclusions, and other coverage provisions described on the following pages are subject to the terms and conditions of the contract we have issued to the Group. The complete contract is on file in the Group's office and at the headquarters of LifeWise Assurance Company.

Throughout the booklet, we use many terms that have a specific meaning under this program. These are defined in the "Definitions" section of this booklet. The terms "you" and "your" refer to the insureds under this program. The terms "we," "us," and "our" refer to LifeWise Assurance Company. We have the discretionary authority to determine eligibility for benefits and to construe the terms used in this program.

LifeWise Assurance Company



Rick Grover
President and Chief Executive Officer

Policyholder:	University of Alaska
Policy Number:	AK 078200-0000
Effective Date:	July 1, 2009
Form Number:	UAKC (01-2000)

TABLE OF CONTENTS

Section 1 – Schedule of Insurance	2
Life Insurance	2
Supplemental Life Insurance	3
AD&D Insurance	3
Section 2	5
Definitions	5
Section 3 – Insuring Provisions	7
Provisions for You	7
Provisions for Your Dependents	8
Section 4 – Benefit Provisions	9
Life Provisions for You - Conversion	9
Waiver of Premium Provisions	11
Accelerated Benefit Provisions	13
AD&D Provisions for You	15
Seat Belt Provisions	16
Higher Education Benefit	17
AD&D Provisions for Your Dependents	18
Section 5	20
Claim Provisions	20
Section 6	21
Beneficiary Provisions	21
Section 7	22
General Provisions	22

SECTION 1

SCHEDULE OF INSURANCE

ELIGIBLE CLASSES OF EMPLOYEES

If you are a regular full-time employee of the University of Alaska working a minimum of 40 hours per week or a regular part-time employee of the University of Alaska working a minimum of 20 hours per week, you are eligible for coverage. The employees are classified as follows:

Class	Designation
1	All Eligible Employees

SERVICE WAITING PERIOD

You are eligible for coverage on the date of active employment.

YOUR BASIC LIFE INSURANCE – Non-Contributory

<u>Class</u>	<u>Benefit Amount</u>
1	\$50,000

There is no reduction of benefits. Benefits end upon termination of your employment.

Accelerated Benefits are available for you. The minimum amount available is \$5,000. The maximum amount available is 50% of your combined Basic and Supplemental Life Insurance in force to a maximum of \$225,000. All benefits will be rounded to the next higher \$1,000 if not already a multiple thereof. Please refer to page 13 for further information.

YOUR SUPPLEMENTAL LIFE INSURANCE – Contributory

<u>Class</u>	<u>Benefit Amount</u>
1	\$25,000 increments to a maximum of \$400,000

Satisfactory evidence of insurability is required for amounts in excess of \$200,000 for all employees.

Your Supplemental Life elections are limited to \$25,000 at age 65.

Benefits end upon termination of employment.

The employee may also enroll or change the amount of Supplemental Life Insurance after a change in family status. The employee must make the request for change within 30 days of the change in family status. The effective date of the change will be the date of the request.

A change in family status means:

- the employee's marriage or divorce;
- the employee's birth or adoption of a child;
- the employee's spouse's termination of, commencement of, or change to part-time employment; or
- the employee's spouse's death.

Accelerated Benefits are available for you. The minimum amount available is \$5,000. The maximum amount available is 50% of your combined Basic and Supplemental Life Insurance in force to a maximum of \$225,000. All benefits will be rounded to the next higher \$1,000 if not already a multiple thereof. Please refer to page 13 for further information.

YOUR ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (AD&D) – Contributory

<u>Class</u>	<u>Benefit Amount</u>
1	\$100,000

There is no reduction of benefits. Benefits end upon termination of your employment.

Seat Belt Benefit: An amount equal to the AD&D insurance in effect at the time of loss.

Higher Education Benefit: \$3,000

Please refer to page 15 for your AD&D Provisions.

**YOUR DEPENDENT ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (AD&D) –
Contributory**

<u>Class</u>		<u>Benefit Amount</u>
1	Spouse only:	50% of your AD&D benefit
	Child only:	15% of your AD&D benefit
	Spouse and Child:	
	Spouse	40% of your AD&D benefit
	Child	10% of your AD&D benefit

You must be enrolled in AD&D in order for your spouse and children to be eligible for coverage.

You may enroll for Accidental Death and Dismemberment Insurance after a change in family status. You must make the request for change within 30 days of the change in family status. The effective date of the change will be the date of the request.

A change in family status means:

- your marriage or divorce;
- your birth or adoption of a child;
- your spouse's termination of, commencement of, or change to part-time employment; or
- your spouse's death.

Please refer to page 18 for your Dependent AD&D Provisions.

SECTION 2

DEFINITIONS

ACCIDENT means a sudden and unforeseen event, definite as to time and place.

ACTIVE WORK and **ACTIVELY AT WORK** mean the performance of the regular duties of your work for the University of Alaska on a full-time or part-time basis. Such work must be performed:

1. at your usual place of employment or as required by the University of Alaska; and
2. for not less than the minimum number of hours specified in the Schedule.

You will be deemed to be actively working on a full-time or part-time basis if you are not totally disabled on the policy effective date.

BENEFICIARY means the person or entity to whom benefits for loss of life are payable.

CHILD or **CHILDREN**: See "Dependent" definition.

CONTRIBUTORY means that you pay either all or part of the cost of the insurance.

CONVERSION PRIVILEGE means a policy of individual whole life insurance that may be issued to you by us when part or all of your group life insurance ends, as described in the Conversion Privilege provision on page 9.

DEPENDENT means:

1. your spouse; and
2. your unmarried child who is at least 14 days old and
 - a. who is less than 19 years of age; or
 - b. who is less than 24 years of age and is enrolled as a full-time student in an accredited school.
 - c. child or children includes any adopted children. A child will be considered adopted on the date of placement in your home. Stepchildren and foster children are also included if they depend on you for support and maintenance.

The term "spouse" shall also mean a financially interdependent partner. A "financially interdependent partner" is defined in the University of Alaska's "Statement of Financial Interdependence."

A person can be both an employee and a covered dependent. If you and your spouse are both employees, you both may be considered to have eligible dependents.

INJURY means bodily injury that is caused by an accident and which results directly from the accident and independently of all other causes.

NON-CONTRIBUTORY means that you do not pay any part of the cost of the insurance; the University of Alaska pays the entire premium.

PHYSICIAN means a person who:

1. is licensed to practice medicine, and prescribe and administer drugs or to perform surgery; and
2. is legally qualified as a medical practitioner and required to be recognized under this policy for insurance purposes according to the insurance statutes/regulations of the governing jurisdiction; and
3. is not you or your spouse, daughter, son, father, mother, sister or brother.

POLICY means the master document issued to the University of Alaska.

POLICYHOLDER means the University of Alaska, the employer to whom the policy is issued.

SCHEDULE means the Schedule of Insurance as set forth in this certificate.

SICKNESS means sickness, disease or pregnancy, or any condition that results in total disability beginning more than 60 days after an accident.

YOU or **YOUR** means a person who is employed and paid by the University of Alaska and who is eligible for insurance under this policy.

WE, US and **OUR** means LifeWise Assurance Company.

SECTION 3

PROVISIONS FOR YOU

Classes Of Eligible Employees

Only members of the classes shown in the Schedule are eligible.

When You Become Eligible

You will become eligible upon the date of employment in an eligible job class.

When You Become Insured

You shall become insured on the later of the following dates if you are actively at work on that date:

1. For Non-Contributory Insurance: the date you become eligible.
2. For Contributory Insurance:
 - a. the date you become eligible if your insurance enrollment form is received on or prior to the date of eligibility; or
 - b. the date your insurance enrollment form is received if it is received within 30 days after the date of eligibility.

If you do not enroll for Supplemental Life Insurance within the time specified above, you may not enroll for Supplemental Life Insurance until the next open enrollment date in April with an effective date of July first.

If you are not actively at work on the date insurance is to be effective, insurance will be effective on the date you return to active work.

Changes

Changes in coverage due to a change in age will become effective on the July first occurring on or after the date of age change. Changes in coverage due to a change in family status will become effective on the date of your request. If the amount of your insurance changes due to a change in election at open enrollment, the change will take place on July first following the election. But in the case of an increase, if you are not actively at work on that day, no increase will take effect until you return to active work.

Changes in rates due to age will take effect on July first following the change in age.

Termination Of Your Insurance

Your insurance will cease on the earliest date below:

1. the date you cease to be in a class eligible for insurance; or
2. the date the policy is changed to end the insurance for your eligible class; or
3. the date the policy is canceled; or
4. the date you fail to make a required premium contribution, if premium contributions are required; or
5. the date you cease to be on paid status; or
6. the date you cease to be actively at work, except if you cease active work as a result of:

Cause	Period of Time	Applicable Coverages
Layoff	Three Months	Basic and Supplemental Life
Leave of Absence	One Year	Basic and Supplemental Life
FMLA	18 Weeks	All Coverages
Sabbatical	Two Years	Basic and Supplemental Life
Sickness or Injury	Six Months	Basic and Supplemental Life

Upon written request from the University of Alaska, we may agree in writing to continue your insurance for an additional number of months during lay-off or leave of absence.

You may be required to submit premiums to the University of Alaska in order to continue your Life coverage.

SECTION 3

PROVISIONS FOR YOUR DEPENDENTS (Applies to AD&D Insurance Only)

ELIGIBILITY

Your dependent shall become eligible for dependent's insurance on the later of:

1. the date you become insured; or
2. the date you acquire an eligible dependent, if you are insured under the Life Insurance Provisions.

Only the members of the classes shown in the Schedule are eligible.

WHEN AN ELIGIBLE DEPENDENT BECOMES INSURED

Each eligible dependent shall become insured on the later of the following dates if the dependent is not confined on that date:

1. the date you become insured, if insurance enrollment forms are received for both your insurance and your dependent's insurance prior to the date you become eligible or within 30 days after the date you become eligible; or
2. the date you acquire a dependent if you already have dependent insurance; or
3. the date you enroll for dependent insurance.

If a dependent is confined in a hospital or similar facility on the date the dependent would become insured, insurance will become effective on the date the dependent is no longer confined.

EXCEPTION TO DEPENDENT EFFECTIVE DATE

Dependent Insurance will not take effect until your insurance for the same coverage under the policy takes effect.

TERMINATION OF DEPENDENT'S COVERAGE

The insurance of a dependent will cease on the earliest of the following dates:

1. the date you become ineligible; or
2. the date the policy is changed to end dependent insurance; or
3. the date the person ceases to be a dependent as defined in this policy; or
4. the date the required contribution for dependent insurance is not received; or
5. the date the coverage or policy is canceled.

SECTION 4

YOUR LIFE INSURANCE PROVISIONS

BENEFIT

Upon receipt of due proof that you died while insured under this policy, we will pay the amount shown in the Schedule to your named beneficiary. Please refer to the Beneficiary Provisions on page 21.

CONVERSION PRIVILEGE FOR BASIC AND SUPPLEMENTAL LIFE INSURANCE

When all or part of your life insurance ends, as outlined below, you may apply for an individual whole life policy without submitting evidence of insurability.

- **Conversion upon termination of eligibility or reduction of benefits**

When all or part of your life insurance under this policy ends due to:

- 1 termination of employment; or
- 2 termination of membership in a class of eligible employees; or
- 3 reduction of benefits

you may convert to an individual whole life policy.

The amount of the individual whole life policy may not exceed the amount of insurance that ceased because of the termination of employment or membership, or the reduction of benefits.

- **Conversion upon termination or amendment of policy**

If this policy terminates or is amended to terminate life insurance on any class of employees, each employee meeting the following conditions may convert his or her life insurance to an individual whole life policy. You must be:

- 1 insured under this policy at the date of termination; and
- 2 continuously insured under this policy for at least five years on the date this insurance ends.

The amount converted cannot exceed the lesser of:

- 1 the life amount ending, less any amount for which you become eligible under any group life policy within 31 days after this insurance ends; or
- 2 \$10,000.

Conditions

1. Written application and payment of the first premium is made to us within 31 days after this insurance ends.
2. The individual policy shall be any one of the level premium plans then issued by us, except a policy containing term insurance, disability or supplementary benefits.
3. The individual policy shall be in an amount not in excess of the amount of life insurance terminated under this policy.
4. The individual policy effective date shall be 31 days after this insurance ends.
5. The initial premium will be based on:
 - a. the form of the policy; and
 - b. the amount of the policy; and
 - c. the class of risk to which you then belong; and
 - d. your attained age on the date the individual policy takes effect.

Insurance Continued Under Group Policy

If you have converted to an individual policy and again become insured under this Group Life Policy, the individual policy must be returned to us before you may be insured under this policy.

31 Day Continuance of Death Benefit

If you die during the 31 days in which the application for an individual policy may be made, we will pay to the named beneficiary the amount of life insurance that you could have converted. The death benefit is payable whether or not application was made for the individual policy. The individual policy, if you had applied for it, will not become effective.

Payment Of Benefits

The Beneficiary Provisions, Section 6, apply to this coverage.

SECTION 4

WAIVER OF PREMIUM PROVISIONS For Your Life Insurance

BENEFIT

We will waive the Basic and Supplemental life insurance premium for you if you become disabled. The amount of coverage continued will be determined from the Schedule in effect on your last day of active work. All amounts are subject to the reduction of benefits shown in the Schedule.

We must receive due proof that you:

1. became disabled prior to your 65th birthday; and
2. were insured for life insurance under this policy; and
3. have been continuously disabled for six months.

Premiums must be paid during the eighteen-week FMLA period. After the FMLA period ends, premiums will no longer be required but the employee must satisfy the remainder of the six month waiting period for the waiver of premium for the Life and Supplemental Life coverages. All other coverages will terminate at the end of the FMLA period.

Maximum Benefit Period

If you become disabled before your 60th birthday, your insurance will continue until age 65.

If you become disabled on or after age 60, but before age 65, your insurance may continue for up to one year, but not past age 65.

Notice of Disability

Notice of disability must be submitted in writing on a form approved by us. It must be received within the later of:

1. six months after you have been continuously disabled for six months; or
2. six months after you cease to be on paid status.

Continuation of Waiver of Premium

The waiver of premium benefit will be extended for further periods of one year if:

1. you remain disabled; and
2. you submit to us, during the three months before the end of each such one-year period, proof of continuing disability.

At any time during the waiver of premium period, we may, at our own expense, require you submit to a physical examination as often as reasonably necessary.

Cancellation of Individual Policy

If you have been issued an individual policy under the life coverage conversion privilege:

1. the individual policy must be returned to us without claim; and
2. we will refund the premiums paid for that policy.

Otherwise, there will be no waiver of premium.

Termination of Waiver of Premium

Waiver of premium will cease on the earliest of the following dates:

1. the date you are no longer disabled; or
2. the date you do not submit to examination when we required it; or
3. the date you fail to give proof of continuing disability; or
4. the date you attain age 65, if disabled prior to age 60; or
5. one year after you have been disabled if disabled after age 60, but not beyond age 65.

If your insurance reduces or ends while you are disabled, you can apply for an individual policy under the Conversion Privilege on page 9.

DEATH BENEFIT

If you die while life premiums are being waived, we will pay a death benefit. The amount payable will be the life amount you were insured for under the Schedule in effect on the date you became disabled, taking into account any age reduction shown on the schedule.

Payment of Death Benefit

The Beneficiary Provisions, Section 6, apply to this coverage.

CONTINUATION OF INSURANCE

Continuation under this policy

If you are no longer disabled, life insurance will be continued in force only if:

1. you return to work in an eligible class; and
2. premium payments are resumed on the date you cease to be disabled.

The amount of life insurance that will be continued will be the amount shown in the current Schedule.

Continuation under the Conversion Privilege

You may convert your life insurance under the Conversion Privilege if this waiver of premium ends and the insurance doesn't continue in force.

Effect of Termination of Policy or Coverage

Insurance continued under this provision for you while you are disabled will not end solely because:

1. this policy ends; or
2. the coverage to which this provision applies ends.

Definitions

"Disabled" or "disability" refers to any disability that results from a sickness or injury that completely prevents you from engaging in any occupation for wage or profit for which you are or become reasonably qualified due to education, training, or experience.

SECTION 4

YOUR ACCELERATED BENEFIT PROVISIONS

DISCLOSURE STATEMENT

1. The benefits payable under this provision may be considered taxable income to you. We suggests that you consult with a personal tax advisor.
2. The receipt of this benefit may adversely affect your eligibility for Medicaid or other government benefits or entitlements. You may be required to receive and spend all available funds in order to become eligible for these programs.
3. The life insurance benefit payable under the group life policy will be reduced by the amount paid under the Accelerated Benefit.

ACCELERATED BENEFIT PROVISIONS

We will make an Accelerated Benefit payment to you if you become terminally ill. The amount of the Accelerated Benefit payment will be determined from the Schedule in effect on your last day of active work, taking into account any age or retirement reductions shown in the Schedule.

Conditions

We must receive due proof that:

1. you were insured for life insurance under this group policy on the date of disability; and
2. your anticipated life expectancy is 12 months or less from the date of disability; and
3. you qualify and are approved for Waiver of Premium prior to age 65.

Proof of Diagnosis

You, or your legal representative if you are unable to submit the request, must submit, at your expense, satisfactory proof of diagnosis as terminally ill. This notice must be in the form of a Physician's signed statement. We may, at our option and expense, require a second opinion by a Physician to whom we refer you.

Benefit

The Accelerated Benefit will be the lesser of:

1. up to 50% of the amount shown in the Schedule on your last day of active work; or
2. \$225,000.

The Accelerated Benefit proceeds may be used for any purpose. It will be paid in one lump sum and will reduce the life benefit payable under the group policy by the amount of the Accelerated Benefit payment. If you should die after a request is submitted but before the Accelerated Benefit is paid, your life insurance benefit will be paid as it would have had no request been submitted.

Exceptions

The Accelerated Benefit will not apply:

1. if the required group life premium is due and unpaid; or
2. if you have irrevocably assigned the applicable group life insurance benefits or have named an irrevocable beneficiary, unless notarized permission is received from the assignee or beneficiary; or
3. when all or a portion of your life insurance benefits are paid as part of a divorce settlement; or
4. you have previously received an accelerated benefit payment under this policy; or
5. if the employer's group life policy has been in force for less than six months.

Termination of the Accelerated Benefit

These provisions will terminate on the earliest of the following dates:

1. the date the University of Alaska requests termination of the provisions; or
2. the date the group policy terminates; or
3. the date you retire; or
4. the date you die; or
5. the date of the Accelerated Benefit payment.

Definitions

"Accelerated Benefits" are benefits payable under your group life insurance policy during your lifetime in anticipation of death or upon occurrence of a life-threatening condition where your life expectancy is 12 months or less.

"Accelerated Benefit Payment" is the lesser of a percentage of your death benefit or a stated maximum, to be paid if you are eligible under this provision.

"Death Benefit" means the combined amount shown under the section entitled "Basic Life Insurance" and "Supplemental Life Insurance" on the Schedule of Insurance of your certificate issued under the group policy, taking into account any reductions due to age.

"Terminally Ill" means an illness which, in the medical judgment of a physician, and approved by us, will directly result in a life expectancy of 12 months or less.

SECTION 4

ACCIDENTAL DEATH AND DISMEMBERMENT PROVISIONS For You

BENEFIT

We will pay the percentage of the benefit amount shown below when it receives due proof that:

1. you sustained a loss as a result of an injury which occurred while insured under this policy; and
2. the loss was due to accidental bodily injuries; and
3. the loss occurred within 365 days after the date of the injury. This 365-day limit will not apply if you are in a coma or being kept alive by an artificial life support system at the end of the 365 days.

BENEFIT AMOUNT

The benefit amount for each loss will be the benefit amount shown in the Schedule multiplied by the percentage shown below for that loss:

Loss	Your Percent of the Benefit Amount
Loss of life	100%
Loss of one hand, one foot, sight of one eye, the hearing in one ear	50%
Loss of two hands, two feet, sight of two eyes, speech & hearing, one hand and one foot, one hand and sight of one eye, one foot and sight of one eye	100%
One thumb and index finger of same hand	25%

LIMITATION

The total amount payable for more than one of the above losses in any one accident will not be more than the benefit amount shown in the Schedule.

Accidental Death and Dismemberment Insurance does not continue if you become disabled. You may not convert the Accidental Death and Dismemberment Insurance to an individual policy.

Exclusions

Accidental Death and Dismemberment benefits will not be paid for a loss that results directly or indirectly from:

1. war or any act of war, whether declared or not; or
2. taking part in a riot or insurrection, or an act of riot or insurrection; or
3. service in the armed forces of any country, combination of countries, or international organization at war, whether declared or not; or
4. any physical or mental disease; or
5. any infection, except a pyogenic infection that occurs from an accidental wound; or
6. an assault or felony the employee commits; or
7. suicide or attempted suicide, while sane or insane; or
8. intentionally self-inflicted injury, while sane or insane; or
9. the use of any drug, unless you use it as prescribed by a doctor; or
10. intoxication; this is limited to you operating a passenger vehicle while you are intoxicated.

DEFINITIONS

1. "Loss of hand or foot" means the actual severance of a hand or foot at or above the wrist or ankle joint. Loss does not mean the loss of function of a hand or foot due to injury.
2. "Severance" means the complete amputation of a hand or foot at or above the wrist or ankle joint.
3. "Loss of sight" of the eye means total and permanent loss of sight.
4. "Intoxication" and "intoxicated" mean your blood alcohol level at death or dismemberment exceeds the legal limit for operating a passenger vehicle in the jurisdiction in which the loss occurs.
5. A "passenger vehicle" means a four-wheel car of the private passenger type including pick-up trucks, motor homes, and vans with a load capacity of one ton or less.

PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death and Dismemberment benefit will be paid to you, if living; otherwise, to the beneficiary.

The Claim Provisions, Section 5, and Beneficiary Provisions, Section 6, apply to this coverage.

SEAT BELT BENEFIT

The accidental death benefits provided under the group policy will be increased if, as a result of driving or riding in a passenger vehicle, you die as a result of an automobile accident.

The additional benefit payable will be 100% of the benefit amount shown in the Schedule.

The insurance will be paid only if death occurs within 365 days after the automobile accident. This 365-day limit will not apply if you are in a coma or being kept alive by an artificial life support system at the end of the 365 days.

CONDITIONS

We must receive proof that:

1. you were insured for Accidental Death and Dismemberment benefits under this policy; and
2. according to the official vehicle accident report, you were wearing a properly installed seat belt or lap and shoulder restraint, or any other National Highway Traffic Safety Administration approved restraint at the time of the accident.

DEFINITIONS

1. "Passenger automobile" means a four-wheel car of the private passenger type including pickup trucks, motor homes, and vans with a load capacity of one ton or less.
2. "Automobile accident" means an accident that occurs when you are driving or riding in an automobile.

EXCLUSIONS

This additional benefit will not be paid if the automobile accident:

1. occurs when the passenger vehicle is being used for racing, stunting, exhibition work, sport, or test driving; or
2. occurs when you or the driver of the passenger vehicle in which you are riding is breaking any traffic laws of the jurisdiction in which the passenger vehicle is being operated; or
3. occurs when you are not properly wearing an unaltered seat belt installed by the automobile's manufacturer.

The exclusions listed under the Accidental Death and Dismemberment Insurance coverage for you will also apply to the Seat Belt Benefit.

PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death benefit will be paid to the beneficiary.

The Claim Provisions, Section 5, and Beneficiary Provisions, Section 6, apply to this coverage.

HIGHER EDUCATION BENEFIT

We will pay a "Higher Education Benefit" if you:

1. have insured your family under the Dependent Accidental Death and Dismemberment Insurance Provisions; and
2. die as a result of a covered accident or injury; and
3. are survived by a dependent child who:
 - a. on the date of accident, was enrolled as a full-time student in any school beyond the 12th grade level; or
 - b. was at the 12th grade level and later enrolls as a full-time student at an accredited school within 365 days after the accident.

The "Higher Education Benefit" is payable for each child who qualifies:

1. in the amount of \$3,000; and
2. once a year for not more than four straight years; and
3. only while the child continues as a full-time student at an accredited school; and
4. in addition to all other policy benefits.

DEFINITION

1. "Accredited school" means a state accredited institution of higher learning, including but not limited to a college, university, trade school or vocational school.
2. "Full-time student" means full-time as defined by the accredited school.

SECTION 4

ACCIDENTAL DEATH AND DISMEMBERMENT PROVISIONS For Your Dependents

BENEFIT

We will pay the percentage of the benefit amount shown below when it receives due proof that:

1. your covered dependent sustained a loss as a result of an injury which occurred while insured under this policy; and
2. the loss was due to accidental bodily injuries; and
3. the loss occurred within 365 days after the date of the injury. This 365-day limit will not apply if the dependent is in a coma or being kept alive by an artificial life support system at the end of the 365 days.

BENEFIT AMOUNT

The benefit amount for each loss will be the benefit amount shown in the Schedule multiplied by the percentage shown below for that loss:

Loss	Your Percent of the Benefit Amount
Loss of life	100%
Loss of one hand, one foot, sight of one eye, the hearing in one ear	50%
Loss of two hands, two feet, sight of two eyes, speech & hearing, one hand and one foot, one hand and sight of one eye, one foot and sight of one eye	100%
One thumb and index finger of same hand	25%

LIMITATION

The total amount payable for more than one of the above losses in any one accident will not be more than the applicable Dependent benefit amount shown in the Schedule.

Dependent Accidental Death and Dismemberment Insurance does not continue if you become disabled. The dependent may not convert the Accidental Death and Dismemberment Insurance to an individual policy.

EXCLUSIONS

Accidental Death and Dismemberment benefits will not be paid for a loss that results directly or indirectly from:

1. war or any act of war, whether declared or not; or
2. taking part in a riot or insurrection, or an act of riot or insurrection; or
3. service in the armed forces of any country, combination of countries, or international organization at war, whether declared or not; or
4. any physical or mental disease; or
5. any infection, except a pyogenic infection that occurs from an accidental wound; or
6. an assault or felony the employee commits; or
7. suicide or attempted suicide, while sane or insane; or
8. intentionally self-inflicted injury, while sane or insane; or
9. the use of any drug, unless the dependent uses it as prescribed by a doctor; or
10. intoxication; this is limited to the dependent operating a passenger vehicle while the dependent is intoxicated.

DEFINITIONS

1. "Loss of hand or foot" means the actual severance of a hand or foot at or above the wrist or ankle joint. Loss does not mean the loss of function of a hand or foot due to injury.
2. "Severance" means the complete amputation of a hand or foot at or above the wrist or ankle joint.
3. "Loss of sight" of the eye means total and permanent loss of sight.
4. "Intoxication" and "intoxicated" mean the dependent's blood alcohol level at death or dismemberment exceeds the legal limit for operating a passenger vehicle in the jurisdiction in which the loss occurs.
5. A "passenger vehicle" means a four-wheel car of the private passenger type including pick-up trucks, motor homes and vans with a load capacity of one ton or less.

PAYMENT OF BENEFITS

Upon receipt of due proof of loss, the Accidental Death and Dismemberment benefit will be paid to you.

The Claim Provisions, Section 5, apply to this coverage.

SECTION 5

CLAIM PROVISIONS FOR ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE

NOTICE OF CLAIM

Written notice of claim must be given within 90 days after a covered loss occurs or begins or as soon after that as possible. The notice must be sent to us at our Home Office at 7001 – 220th Street SW in Mountlake Terrace, Washington 98043-2124. The terms of the notice shall clearly identify you.

CLAIM FORMS

When we receive a notice of claim, it will furnish forms for filing proofs of loss. If the forms are not furnished within 15 days after receipt of such notice, a written statement from you as to the nature and extent of the loss sent to use within the time limit stated in the Proof of Loss section below, will be deemed proof of loss.

PROOF OF LOSS

You must give us written proof of loss within 90 days after the date of loss.

Failure to furnish proof within the time frame required will not void or reduce a claim if the proof is furnished as soon as it is reasonably possible to do so. Except in the event of legal incompetence, this extension of the time limit shall in no event exceed one year.

TIME OF PAYMENT OF CLAIM

All payments will be made when we receive proof of loss.

PHYSICAL EXAMINATION AND AUTOPSY

We will, at our own expense, have the right to examine the insured for whom claim is pending as often as it may reasonably require. We will also have the right to have any autopsy performed unless forbidden by law.

SECTION 6

BENEFICIARY PROVISIONS

BENEFICIARY PROVISIONS

Benefits for loss of life will be paid to the beneficiary named by you. If more than one beneficiary is named, payment will be made in equal amounts unless otherwise stated in writing.

BENEFICIARY DESIGNATION

Beneficiary

You will name a beneficiary. This designation will be filed with the University of Alaska.

Change of Beneficiary

You may change a beneficiary at any time by filing a Beneficiary Designation form with the University of Alaska. Once received by the University of Alaska, the change will take effect as of the date of the request. If you die before the University of Alaska receives the form, We will not be liable for any payment that was made before receipt.

Consent of Beneficiary

If you do not initially name the spouse as beneficiary, we will require written consent of the spouse to name or change the beneficiary in community property states.

Preferential Beneficiary

If you have died and no beneficiary is living or named, we may, at our option, pay the benefits in the following order of preference:

- Your:
1. lawful spouse;
 2. living child or children, in equal shares;
 3. parent(s) in equal shares; or
 4. executors or administrators of the employee's estate.

We will not be liable to the extent of any payment so made, unless it receives written notice of a valid claim by some other person before payment is made.

Minor Beneficiary

If the beneficiary is a minor or, in our opinion, is not able to give valid release for any payment due, we may, at our option and until claim is made by the duly appointed guardian, pay the benefit to the person or entity who appears to have assumed the care and support of the beneficiary. Benefits in this event will be made in monthly payments of not more than \$50 each.

We will not be liable to the extent of any payment so made.

Facility of Payment

If no beneficiary is living or named, we may, at our option, pay up to \$4,000 to any person it believes is entitled to receive payment. To be entitled, such person must have incurred expense in connection with your last illness or burial. We will not be liable to the extent of the amount so paid.

SECTION 7

GENERAL PROVISIONS

EXECUTION OF POLICY

The policy is executed at our Home Office in Mountlake Terrace, Washington.

INCONTESTABILITY

We will not contest the policy after two years from the date of onset of issue except for failure to pay premium. No statement made by an insured will be used to deny a claim after that person's coverage has been in force for a period of two years during the life of the insured; then only if the statement is made in writing and signed by the insured.

STATEMENTS NOT WARRANTIES

All statements made by the University of Alaska or by you will, in the absence of fraud, be deemed representations and not warranties. No statement made by the University of Alaska or by you to obtain insurance will be used to avoid or reduce the insurance unless:

1. it is made in writing; and
2. it is signed by the University of Alaska or you; and
3. a copy is sent to the University of Alaska, you or your beneficiary.

BOOKLETS

We will issue booklets to the University of Alaska for delivery to each employee. The University of Alaska will be responsible for giving the booklet to the employee. The booklet will show the benefits provided under the policy. It will set forth any changes in benefits due to age, to whom benefits will be paid and the terms of the Conversion Privilege. Nothing in the booklet will change or void the terms of the policy.

CLERICAL ERROR

Clerical error will not void insurance otherwise validly in force nor will it keep in force insurance which otherwise would cease.

ASSIGNMENT

You may assign all rights in and to the life insurance. An assignment will transfer your interest and the interest of any beneficiary to the assignee. Any such assignment will remain in force until changed by the assignee. No assignment will be in effect until a copy is filed with the University of Alaska. We are not responsible for the validity or sufficiency of any assignment. The Beneficiary Provisions will not apply for coverage that has been assigned.

MISSTATEMENT OF AGE

If your age has been misstated, an equitable adjustment will be made in the premium. If the amount of the benefit is dependent upon your age, as shown in the Reduction Schedule, the amount of the benefit will be the amount you would have been entitled to if your correct age were known.

WORKERS' COMPENSATION NOT COVERED

The policy is not in lieu of Workers' Compensation coverage and does not relieve any employer of the need to provide such coverage.

LEGAL ACTIONS

No attempt to recover on the policy through legal actions may be made until at least 60 days after written proof of loss has been furnished as required by the policy. No such action may be started later than three years from the time written proof of loss is required to be furnished.

CONFORMITY WITH LAWS

Any policy provision which, on the policy effective date, is in conflict with the law of the place of issue is amended to comply.

POLICY TERMINATION

The University of Alaska may terminate the policy by giving us at least 31 days prior written notice.

We may terminate the policy as of any premium due date by giving at least 31 days advance written notice to the University of Alaska if any of the following occurs:

1. If, on a non-contributory plan, less than 100% of the eligible employees are insured under the policy.
2. If less than 10 eligible employees are insured under the policy.
3. If less than the minimum required by law are insured under the policy.

We may terminate the policy at any time after it has been in effect for 12 months by giving advance written notice to the University of Alaska.

Termination will take effect on the later of the date stated in the notice or 31 days from the date of mailing such notice.

This policy will terminate at the end of the grace period if premiums have not been paid by that date.

Summary Concerning Coverage, Limitations, and Exclusions under the Alaska Life and Health Insurance Guaranty Association Act

A resident of Alaska who purchases life insurance, annuities, or accident and health insurance should know that an insurance company licensed in this state to write these types of insurance is a member of the Alaska Life and Health Insurance Guaranty Association. The purpose of this association is to assure that a policyholder will be protected within statutory limits if a member insurer becomes financially unable to meet its obligations. If this should happen, the guaranty association will assess its other member insurance companies for the money to pay the claims of insured persons who live in this state, and in some cases, to keep coverage in force. However, the valuable extra protection provided by these insurers through the guaranty association is not unlimited. This protection is not a substitute for your care in selecting a company that is well managed and financially stable.

Important Disclaimer

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

Coverage is NOT provided for your policy or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk.

Your insurance company or its agent is required by law to give or send you this notice. However, your insurance company and its agents are prohibited by law from using the existence of the guaranty association to induce you to purchase any kind of insurance policy.

The state law that provides for this safety net coverage is called the Alaska Life and Health Insurance Guaranty Association Act. The full text of the act can be found in AS 21.79.010 – 21.79.990. Provided below is a brief summary of this law's coverages, exclusions, and limits. This summary does not cover all provisions of the law, nor does it in any way change your rights or obligations under the act or the rights or obligations of the guaranty association.

COVERAGE

Generally, an individual will be protected by the life and health insurance guaranty association if the individual lives in Alaska and holds a life or health insurance contract or annuity contract, or if the insured is insured under a group insurance contract issued by a member insurer. The beneficiary, payee, or assignee of an insured person is protected as well, even if a non-resident of Alaska.

EXCLUSIONS FROM COVERAGE

The association does not protect a person holding a policy if

- the individual is eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- the insurer was not authorized to do business in this state;
- the policy is issued by an organization that is not a member of the Alaska Life and Health Insurance Guaranty Association.

The association does not provide coverage for:

- a policy or portion of a policy which is not guaranteed by the insurer or for which the individual has assumed the risk, such as a variable contract sold by prospectus; a policy of reinsurance (unless an assumption certificate was issued);
- an interest rate yield that exceeds an average rate;
- a dividend;
- a credit given in connection with the administration of a policy by a group contract holder;
- an employer's plan to the extent that it is self-funded (that is, not insured by an insurance company, even if an insurance company administers the plan);
- an unallocated annuity contract issued to an employee benefit plan protected under the United States Pension Benefit Guaranty Corporation;
- that part of an unallocated annuity contract not issued to a specific employee, union, association of natural persons benefit plan, or a government lottery;
- any portion of a policy or contract to the extent that the required assessments are preempted by federal or state law;
- an obligation that does not arise under the express written terms of the policy or contract issued by the insurer;
- certain obligations to provide a book value accounting guaranty for defined contribution benefit plan participants;
- that part of a policy or contract that provides for interest or other changes in value to be determined by the use of an index or other external reference stated in the policy or contract.

LIMITS ON AMOUNT OF COVERAGE

The act also limits the amount the association is obligated to pay. The association cannot pay more than what the insurance company would owe under a policy or a contract. Also, for any one insured life, no matter how many policies or contracts were issued by the same company, even if such contracts provided different types of coverages, the association will pay a maximum of

- \$300,000 in net life insurance death benefits and no more than \$100,000 in net cash surrender and net cash withdrawal values for life insurance;
- for health insurance benefits, \$100,000 for coverages not defined as disability, basic hospital, medical, and surgical, or major medical insurance, including any net cash surrender and net cash withdrawal values;
- \$300,000 for disability insurance;
- \$500,000 for basic hospital, medical, and surgical or major medical insurance;
- \$100,000 in the present value of annuity benefits, including new cash surrender and net cash withdrawal value;
- with respect to a structured settlement annuity, \$100,000 in present value annuity benefits, in the aggregate, include net cash surrender and net cash withdrawal values;
- \$100,000, in the aggregate, of present-value annuity benefits, including net cash surrender and net cash withdrawal values with respect to an individual participating in a governmental retirement plan established under 26 U.S.C. 401, 26 U.S.C. 403 (b), or 26 U.S.C. 457 and covered by an unallocated annuity contract, or to a beneficiary of the individual if the individual is deceased;
- \$5,000,000 in unallocated annuity contract benefits, irrespective of the number of contracts held by that contract holder, with respect to any one contract holder or plan sponsor whose plan owns, directly or in trust, one or more unallocated annuity contracts.

Note to benefit plan trustees or other holders of unallocated annuities (GICs, DA Cs, etc.) covered by the act: for the unallocated annuities that fund governmental retirement plans under sections 401(k), 403(b), or 457 of the Internal Revenue Code, the limit is \$100,000 in present value of annuity benefits including net cash surrender and net cash withdrawal per participating individual. In no event shall the association be liable to spend more than \$300,000 in the aggregate per individual. For covered unallocated annuities that fund other plans, a special limit of \$5,000,000 applies to each contract holder, regardless of the number of contracts held the same company or number of persons covered. In all cases, the contract limits also apply.

COMPLAINTS AND COMPANY FINANCIAL INFORMATION

A written complaint to allege violation of any provision of the Alaska Life and Health Insurance Guaranty Association Act must be filed with the Alaska Division of Insurance, 3601 C Street, Suite 1324, Anchorage, Alaska 99503-5948; telephone (907) 269-7900. Financial information for an insurance company, if the insurance information is not proprietary, is available at the same address and telephone number. The guaranty association should not be contacted regarding the financial information of an insurance company.

This information is provided by:

Alaska Life and Health Insurance Guaranty Association
P. O. Box 103415
Anchorage, Alaska 99510-3415
(907) 243-2311

Alaska Division of Insurance
3601 C Street, Suite 1324
Anchorage, Alaska 99503-5948
(907) 269-7900

The statements contained in this booklet are an explanation of the salient features of this coverage offered through LifeWise Assurance Company and do not constitute a contract.

The full terms and conditions of this coverage are set forth in a master policy between your employer and LifeWise Assurance Company. Claims payment is based solely on that policy. Copies are maintained with your employer and at LifeWise Assurance Company's headquarters, located in Mountlake Terrace, and are available for your examination.

No agent is authorized to make any oral changes, additions or deletions to that policy. Changes can be done only by endorsement rider or an acceptance form issued over the signature of an officer of LifeWise Assurance Company.

LifeWise Assurance Company

P.O. Box 2272

Seattle, WA 98111-2272

425-918-4575

1-800-258-0394

www.lifewiseac.com