

Colonial Life & Accident Insurance Company  
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## **Group Term Life Insurance Disclosure**

Applicable to policy form GTL 1.0 – P and certificate form GTL 1.0 – C, including state abbreviations where applicable.

Please Read Your Certificate Carefully. This document provides some important disclosures concerning the group policy. This is not an insurance contract and only the actual policy provisions will control. The policy sets forth in detail the rights and obligations of the policyholder, you and us. The certificate describes the features of the coverage, lists any limitations or exclusions on coverage and explains how to file a claim against the coverage. It is, therefore, important that you READ YOUR CERTIFICATE CAREFULLY.

### *Accelerated Death Benefit*

The accelerated death benefit allows an advancement of a portion of the death benefit if any covered person is diagnosed with a terminal illness after the coverage effective date. Terminal illness means an injury or sickness which results in any covered person having a life expectancy of 12 months or less and from which there is no reasonable prospect for recovery.

An amount of up to 75% of the life coverage face amount payable for the covered person who has the terminal illness can be requested up to a maximum of \$150,000. The minimum accelerated death benefit payment is \$5,000. This certificate must be in force on the date of payment and must have a life coverage face amount of at least \$10,000.

The amount paid under this benefit may be taxable. We are not responsible for any tax on or other effects of any benefit paid. As with all tax matters, consult your personal tax advisor to assess the impact of this benefit.

### **Life Insurance Benefit Exclusions and Limitations:**

#### *Suicide*

Your life insurance benefit does not cover any losses where death is caused by, contributed to by, or results from:

- suicide occurring within 24 months after a covered person's initial effective date of insurance, whether sane or insane; and
- suicide occurring within 24 months after the date any increases or additional insurance benefit becomes effective, whether sane or insane.

#### *Benefit Reduction*

The amount of insurance for a covered person will reduce when the covered person reaches age 70 and 75. See the certificate for details concerning the amount of the reductions.

### *Delayed Effective Date*

The effective date of your coverage will be delayed if you are not a member of an eligible class on the coverage effective date shown on the Certificate Schedule. The coverage will be effective on the date that you return to status as a member of an eligible class. If coverage includes spouse and/or dependent children, coverage on your spouse or dependent children will be effective on the date that you return to a status as a member of an eligible class.

### *Conversion*

A covered person who has not attained age 85 may convert the term insurance provided by the certificate to a whole life policy of insurance issued by Colonial Life, without evidence of insurability when coverage ends under the certificate due to your ceasing to be a member of an eligible class or another covered person no longer being eligible for coverage. The covered person must apply for conversion and pay the first premium within 31 days after coverage ends. The face amount of the new policy may not exceed the face amount of the term life coverage at the time of conversion.

### *Portability*

If you cease to be a member of an eligible class as defined in the Policy Rate Schedule, you may apply for portable coverage. Portable coverage becomes effective the date following the date you cease to be a member of an eligible class. You must apply for portability coverage and pay the first premium within 31 days after the date you are no longer a member of an eligible class.

### *Misstatement of Age*

If there is an error in any covered person's age, we will adjust the benefits to the amount of benefits which the total premiums paid would have bought at the correct issue age.

### *Misstatement of Tobacco Status*

If there is a misstatement in the application of the named insured's tobacco status, we will adjust the benefits payable to the amounts which would have been purchased at the correct tobacco status in consideration of the most recent premium. We will not make such an adjustment after this policy has been in force for two years from the coverage effective date.

### *Statements in Application*

We consider any statements you or the policyholder make in a signed application for coverage or an evidence of insurability form, if applicable, a representation and not a warranty. If any of the statements you or the policyholder make are not complete and true at the time they are made, we can:

- reduce or deny any claim; or
- cancel your coverage from the Coverage Effective Date.

We cannot take this action after your coverage has been in effect during the lifetime of the covered person for two years from the Coverage Effective Date.

### **Accidental Death & Dismemberment Insurance Benefit Exclusions & Limitations, if applicable**

The certificate does not cover losses caused by or resulting from:

- an attempt to commit or commission of suicide or intentional self-inflicted injury while sane or insane;
- active participation in a riot;

- an attempt to commit or commission of a felony or engaging in an illegal occupation;
- voluntary use of any drugs, poisonous substance, intoxicant or narcotic, except any drugs taken as prescribed by a physician and taken as prescribed. Accidental exposure to any poisonous substance will not be excluded;
- the presence of that percentage of alcohol in the covered person's blood which raises a presumption that the covered person was under the influence of alcohol. The blood-alcohol level which raises this presumption is governed by the laws of the state in which the accident occurred;
- disease of the body, mental infirmity or diagnostic, medical or surgical treatment; or
- being exposed to war or any act of war, declared or undeclared, or serving in the armed forces of any country or authority. Losses as a result of acts of terrorism or nuclear release committed by individuals or groups will not be excluded from coverage unless the covered person who suffered the loss committed the act of terrorism or nuclear release; or
- if applicable, occupational injury sustained by your covered spouse. **Occupational injury** means an injury that was caused by or aggravated by any employment for pay or profit or otherwise occurring within the course of employment; or
- if applicable, travel or flight in any aircraft or device for aerial navigation, including boarding or alighting from it, owned by or on behalf of your employer; or
- if applicable, travel or flight in any vehicle or device for aerial navigation, including boarding or alighting from it while:
  - it is being used for test or experimental purposes;
  - any covered person is operating, learning to operate or serving as a member of the crew; or
  - it is being operated by or for or under the direction of any military authority.

This exclusion does not apply to:

- transport type aircraft operated by the Military Airlift Command of the United States
- similar air transport service of any other country; or
- if applicable, investigational or experimental procedures, surgery, or drugs, including complications arising from having experimental or investigative procedures, surgeries, or drugs.

**Waiver of Premium, if applicable**

Insurance coverage on the covered persons may be continued for a specific time and the insurance premium will be waived if the named insured becomes disabled for longer than the elimination period shown on the Certificate Schedule.

The premium waiver will begin if the elimination period has ended and you meet conditions outlined in the certificate. The policyholder may continue premium payments until we notify them of the date your premium waiver begins.

**Spouse and/or Dependent Children Coverage, if applicable**

If spouse term coverage and/or dependent children term coverage is selected, all terms, explanation of terms, conditions and limitations stated in the policy and certificate will apply to the coverage unless stated otherwise.

*If Your Spouse or Dependent Child is Disabled*

If your eligible spouse or dependent child is totally disabled, your spouse or dependent child's coverage will begin on the earlier of:

- the first premium due date after he is no longer totally disabled; or
- two years after the date that coverage would have otherwise become effective for the spouse or dependent child.

This provision does not apply to a newborn child who is born while dependent child coverage is in effect.

For purposes of this provision, *Totally Disabled* means that, as a result of an injury or a sickness, your spouse or dependent child:

- is confined in a hospital or similar institution;
- is unable to perform two or more activities of daily living (ADLs) because of a physical or mental incapacity resulting from an injury or a sickness;
- is unable to attend school outside of the home, provided your dependent child is of school age (ages 5-26 years of age); or
- is at a developmental age which is less than half his chronological age by milestones or other pediatric developmental testing (e.g., Denver Developmental Test or similar test) provided your dependent child is of pre-school age (up to six years of age).