

**GROUP CRITICAL ILLNESS INSURANCE POLICY**

**HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY**

One Hartford Plaza  
Hartford, Connecticut 06155  
(A stock insurance company)



The Hartford® is The Hartford Financial Services Group, Inc. and its subsidiaries.

Will pay benefits according to the conditions of this Policy.

**Policyholder:** Joshua Independent School District  
**Policy Number:** 884447  
**Premium Due Date:** first of each month

**Policy Effective Date:** September 1, 2018  
**Policy Issue State:** Texas  
**Policy Anniversary Date:** September 1<sup>st</sup>

**READ YOUR POLICY CAREFULLY.**

This is a legal contract between the Policyholder and Us. We agree to provide the rights and benefits of this Policy according to its conditions and provisions.

This Policy is issued to the Policyholder in consideration of the Policyholder's application, a copy of which is attached and made part of the Policy, and payment of premiums.

**Right to Return This Policy.** If, for any reason, you are not satisfied with this Policy, you can return it to us at Our home office within 30 days after you receive it. At that time, you should ask us in writing to cancel it. We will consider this Policy as if it never existed. Any premium paid will be refunded.

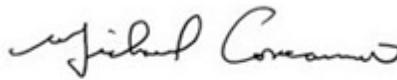
This Policy is delivered in and governed by the laws of the Policy Issue State.

The Policy may be inspected at the office of the Policyholder.

Signed for Hartford Life and Accident Insurance Company at Hartford, Connecticut.



*Lisa Levin, Secretary*



*Michael Concannon, President*

**Notice to buyer: The Policy is a specified disease policy. The Policy provides limited benefits. Benefits provided are not intended to substitute for medical coverage or disability insurance.**

**THIS IS NOT A POLICY OF WORKERS' COMPENSATION INSURANCE. THE EMPLOYER DOES NOT BECOME A SUBSCRIBER TO THE WORKERS' COMPENSATION SYSTEM BY PURCHASING THIS POLICY, AND IF THE EMPLOYER IS A NON-SUBSCRIBER, THE EMPLOYER LOSES THOSE BENEFITS WHICH WOULD OTHERWISE ACCRUE UNDER THE WORKERS' COMPENSATION LAWS. THE EMPLOYER MUST COMPLY WITH THE WORKERS' COMPENSATION LAW AS IT PERTAINS TO NON-SUBSCRIBERS AND THE REQUIRED NOTIFICATIONS THAT MUST BE FILED AND POSTED.**

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## **INCORPORATION PROVISION**

**Incorporation Provision:** The following forms are incorporated in and made part of this Policy:

Certificate(s) of Insurance

Rider(s)

Form GBD-2700 (TX) (GOV) (884447)  
VCI 1.01

If there is any conflict between the terms and conditions of this Policy and an attachment, this Policy shall be controlling.

The following provisions in the Certificate(s) and/or any Certificate amendments, endorsements or riders apply to the employees of the Policyholder:

- 1) the benefit plan provisions;
- 2) benefit amounts and limits;
- 3) the eligibility and effective date of insurance rules;
- 4) the termination of insurance rules;
- 5) general provisions;
- 6) exclusions; and
- 7) other Certificate provisions pertaining to state insurance requirements.

## PREMIUM PROVISIONS

**Payment of Premiums:** The Policyholder must pay premiums to The Company at the location chosen by Us. The first premium is due on the Policy Effective Date. Subsequent premiums are due on the Premium Due Date.

The premium for additional, increased or reduced or terminated insurance may cause a pro-rata adjustment on the next Premium Due Date.

**Initial Monthly Premium Rates:** The initial monthly premium rates to be charged for employee coverage and/or Dependent coverage, if applicable, are shown on the following pages.

Premiums are based on the employee's:

- 1) age on his or her effective date and thereafter on each Policy Anniversary date;
- 2) occupational class.

**Monthly Premium Rate Guarantee:** Initial Monthly Premium rates are guaranteed as follows:

<b>Benefit</b>	<b>Rate Guarantee Period</b>
Critical Illness	24 months

The Rate Guarantee supersedes only those provisions appearing elsewhere in this Policy which give Us the right to change premium rates, and then, only for the period of time for which the rates are guaranteed. However, we may change premium rates during the Rate Guarantee Period for the reasons disclosed in Our Right to Change Premium Rates section of the Policy.

**Our Right to Change Premium Rates:** The premium is based on the premium rate and the amount of insurance in effect for the month reported on the premium due date. We will furnish premium rates to the Policyholder with an explanation of how to apply them.

After the initial monthly premium rates have been in effect for 12 months from the Policy Effective Date, We have the right to recalculate any premium rate.

However, We also have the right to recalculate the initial or any subsequent monthly premium rate when any of the following occurs:

- 1) the terms of the Policy change;
- 2) the number of employees changes by more than 10% in a 12 month period;
- 3) one or more classes are added or deleted from this Policy;

Unless Our liability changes:

- 1) We will not change the rates more than once in any period of 12 consecutive months; and
- 2) We will give the Policyholder 60 days advance written notice of an increase in rates.

**Grace Period:** A Grace Period of 45 days will be granted for the payment of each premium falling due after the first premium, during the Grace Period the Policy shall continue in force. If the entire premium is not paid by the end of the Grace Period, this Policy will terminate.

If the Policyholder gives Us written advance notice of an earlier cancellation date, the Policy will terminate on the earlier date; but no such termination will take effect during any period for which the required premium has been paid to us.

## PREMIUM PROVISIONS

**Reinstatement:** If any premium after the first is not paid to Us by the end of the Grace Period, subsequent acceptance of premium by Us or any agent of Ours authorized by Us to accept such premium, without requiring an application for reinstatement, shall reinstate the Policy. However, if We or Our agent require an application for reinstatement and issue a conditional receipt for the premium paid, the Policy will be reinstated upon Our approval or, lacking such approval, upon the 45<sup>th</sup> day following the date of the conditional receipt unless We provide written notification to the Policyholder prior to that date that the application is disapproved. The reinstated Policy shall cover only a Critical Illness Diagnosed after the date of reinstatement. In all other respects We and the Policyholder shall have the same rights under the Policy as We had immediately before the due date of the defaulted premium, subject to the provisions of any rider which may be attached in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than 60 days prior to the date of reinstatement.

## TERMINATION

**Termination of Policy:** We may terminate this Policy if We do not receive any premium when due in accordance with the Grace Period provision of the Policy.

Either party may terminate this Policy upon 30 days advance written notice, if the other party breaches its obligations and fails to cure that breach to the other party's reasonable satisfaction within that 30 day notice period.

Either party may terminate this Policy, with or without prior notice, effective as of midnight prior to the date that the other party:

- 1) ceases doing business as a going concern;
- 2) makes an assignment for the benefit of creditors;
- 3) admits in writing that it is unable to pay debts as they come due; or
- 4) consents to the appointment of a trustee or receiver; or if a trustee or receiver is appointed pursuant to applicable Federal or State bankruptcy, insolvency or similar laws.

We may terminate this Policy, upon not less than 30 days written notice if the Policyholder fails to comply with a material plan provision relating to the Policyholder's premium contribution or group participation rules or if We determine there has been a material change affecting the risk assumed under this Policy.

Upon written notice, We may terminate or rescind the Policy or the coverage on a Covered Person for fraud or misrepresentation by the Policyholder or a Covered Person of material fact concerning the Policyholder or Covered Person.

After the Policy has been in force for 12 months, either party may terminate the Policy upon 30 days advance written notice.

**Termination of Policy Because of Inability to Perform Obligations:** The Policy may be immediately suspended or terminated by written notice to the other party if either party is unable to perform its obligations for reasons beyond its control, including:

- 1) complete or partial destruction of facilities or equipment;
- 2) lockout, strike, riot, war, act of God, or any ordinance, law, order or decree of any governmental authority.

Neither party will be required to perform its duties nor be liable for any damages arising from the suspension or termination of this Policy pursuant to this provision.

Once this Policy terminates, the insurance it provides will end automatically.

## POLICY PROVISIONS

**Entire Contract:** The contract between the parties consists of:

- 1) the Policy and any amendments; and
- 2) the application of the Policyholder, a copy of which is attached to and made a part of the Policy when issued; and
- 3) the Certificates, and the endorsements or Riders which are attached to and made a part of the Policy when issued; as may be amended during the term of this Policy; and
- 4) the individual applications, if any, of each Covered Person.

All statements made by the Policyholder and persons insured under the Policy will be deemed representations and not warranties. No statement will be used in any contest unless it is in writing, signed by the person making it and a copy of it is given to the person who made it, or, in the event of the death or incapacity of the Covered Person, to the Covered Person's beneficiary or personal representative.

**Incontestability:** The validity of this Policy shall not be contested, except for nonpayment of premium, after it has been in force for two years from the Policy Effective Date.

**Certificate:** We will give individual Certificates of Insurance to the Policyholder, in electronic or paper form, for delivery to persons covered under the Policy, which will explain the important features of the Policy, who is covered under the Policy, and to whom benefits are payable.

**Changes to the Policy:** The Policyholder owns the Policy. We may change any or all of the provisions of this Policy by notifying the Policyholder. We must give the Policyholder at least 31 days advance written notice of any change, unless the Policyholder accepts an amendment during that period. The Policy may also be changed in whole or in part when there is any change in laws or regulations which affect Our obligations under the Policy. A change must be approved by one of Our executive officers. No agent can change the Policy or waive any of its provisions. Payment of the applicable premium following any change of this Policy in accordance with this section shall constitute acceptance of that change.

**Data to Be Furnished:** The Policyholder will give us all information We need regarding matters pertaining to the insurance. At any reasonable time while the Policy is in force and for one year after that, We may inspect any of the Policyholder's documents, books, or records which may affect the insurance or premiums of this Policy.

If the Policyholder gives us any incorrect information, the relevant facts will be reviewed to establish if insurance is in effect and in what amount.

No person will be deprived of insurance to which he is otherwise entitled or have insurance to which he is not entitled, because of any misstatement of fact by the Policyholder or covered individual. Any required adjustment may be made in coverage, premiums or benefits. However, payment of premium by or on behalf of an ineligible person will not entitle that person to coverage.

**Right to Audit:** The Company reserves the right to audit, once every 2 years, the Policyholder's billing records and premium accounting practices. If The Company discovers:

- 1) an underpayment of premium by the Policyholder, the Policyholder will be obligated to remit, in a timely manner, the underpayment amount; or
- 2) an overpayment of premium, The Company will return any overpayment amount in a timely manner; for the previous 2 year period.

## **POLICY PROVISIONS**

**No Replacement for Workers' Compensation:** The Policy does not replace Workers' Compensation or affect any requirement for Workers' Compensation coverage.

**Time Periods:** All periods begin and end at 12:01 a.m., standard time, at the Policyholder's address.

**IMPORTANT INFORMATION ABOUT COVERAGE UNDER THE  
TEXAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION  
(For insurers declared insolvent or impaired on or after September 1, 2011)**

Texas law establishes a system to protect Texas policyholders if their life or health insurance company fails. The Texas Life and Health Insurance Guaranty Association ("the Association") administers this protection system. Only the policyholders of insurance companies that are members of the Association are eligible for this protection which is subject to the terms, limitations, and conditions of the Association law. (The law is found in the *Texas Insurance Code*, Chapter 463.)

**It is possible that the Association may not protect all or part of your policy because of statutory limitations.**

**Eligibility for Protection by the Association**

When a member insurance company is found to be insolvent and placed under an order of liquidation by a court or designated as impaired by the Texas Commissioner of Insurance, the Association provides coverage to policyholders who are:

- Residents of Texas (**regardless of where the policyholder lived when the policy was issued**)
- Residents of other states, **ONLY** if the following conditions are met:
  1. The policyholder has a policy with a company domiciled in Texas;
  2. The policyholder's state of residence has a similar guaranty association; and
  3. The policyholder is *not eligible* for coverage by the guaranty association of the policyholder's state of residence.

**Limits of Protection by the Association**

***Accident, Accident and Health, or Health Insurance:***

- For each individual covered under one or more policies: up to a total of \$500,000 for basic hospital, medical-surgical, and major medical insurance, \$300,000 for disability or long term care insurance, or \$200,000 for other types of health insurance.

***Life Insurance:***

- Net cash surrender value or net cash withdrawal value up to a total of \$100,000 under one or more policies on a single life; or
- Death benefits up to a total of \$300,000 under one or more policies on a single life; or
- Total benefits up to a total of \$5,000,000 to any owner of multiple non-group life policies.

***Individual Annuities:***

- Present value of benefits up to a total of \$250,000 under one or more contracts on any one life.

***Group Annuities:***

- Present value of allocated benefits up to a total of \$250,000 on any life; or
- Present value of unallocated benefits up to a total of \$5,000,000 for one contractholder regardless of the number of contracts.

***Aggregate Limit:***

- \$300,000 on any one life with the exception of the \$500,000 health insurance limit, the \$5,000,000 multiple owner life insurance limit, and the \$5,000,000 unallocated group annuity limit.

These limits are applied for each insolvent insurance company.

**Insurance companies and agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance. When you are selecting an insurance company, you should not rely on Association coverage. For additional questions on Association protection or general information about an insurance company, please use the following contact information.**

Texas Life and Health Insurance  
Guaranty Association  
515 Congress Avenue, Suite 1875  
Austin, Texas 78701  
800-982-6362 or [www.txlifega.org](http://www.txlifega.org)

Texas Department of Insurance  
P.O. Box 149104  
Austin, Texas 78714-9104  
800-252-3439 or [www.tdi.texas.gov](http://www.tdi.texas.gov)