

**Group Universal Life  
Plan for Employees of  
International Business  
Machines Corporation**



# Disclosure Notice

## **FOR FLORIDA RESIDENTS**

**The benefits of the policy providing your coverage are governed by the law of a state other than Florida.**

## **FOR MARYLAND RESIDENTS**

**The Group Insurance Contract providing coverage under this Certificate was issued in a jurisdiction other than Maryland and may not provide all of the benefits required by Maryland law.**

*This is not an employer-sponsored employee benefit plan that is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), but is instead a group or group-type insurance arrangement within the meaning of 29 C.F.R. §21510.3-1(j)*

**THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

# Group Insurance Certificate

**Prudential** certifies that insurance is provided according to the Group Contract for each insured Employee. Your Schedule of Benefits shows the Contract Holder, the Included Employer and the Group Contract Number.

**Insured Employee:** You are eligible to become insured under the Group Contract if:

- (1) you are in the Covered Classes of the Certificate's Schedule of Benefits; and
- (2) you meet the requirements in the Certificate's Who Is Eligible section.

The When You Become Insured section of the Certificate states how and when you may become insured for the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage. Your insurance will end when the rules in the When Your Insurance Ends section so provide.

**Beneficiary for Employee Death Benefits:** See the Certificate's Beneficiary Rules.

**Coverage and Amounts:** The Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, and the amounts of insurance are described in the Certificate.

If you are insured, this Group Insurance Certificate replaces any older certificates issued to you for the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage. All benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate.

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# Schedule of Benefits

**Covered Classes:** All regular full-time and part-time Employees and all long-term supplemental Employees on the U.S. payroll, other than those who reside in Arkansas, Idaho, Illinois, Minnesota, Mississippi, Montana, New York, North Carolina, Ohio, Oregon, South Carolina, South Dakota, Texas, Utah, Vermont, Wisconsin or West Virginia.

All Employees who are retired by the Employer, terminated by the Employer, receiving benefits under the Employer's long term disability plan, or on a leave of absence approved by the Employer as of September 1, 2006, as reported to Prudential, other than those who reside in Arkansas, Idaho, Illinois, Maryland, Minnesota, Mississippi, Montana, New York, North Carolina, Ohio, Oregon, South Carolina, South Dakota, Texas, Utah, Vermont, Wisconsin or West Virginia.

Regardless of any provisions of this Booklet to the contrary, each Employee covered on August 31, 2006 under a group policy issued by a prior carrier for universal life coverage shall be considered a Covered Person for Universal Life Coverage.

**Program Date:** September 1, 2006. This Certificate describes the benefits under the Group Program as of the Program Date.

## You should know...

- The Universal Life Coverage in this Certificate, including any of the additional provisions that may be a part of the Universal Life Coverage, is available to you if you are included in the Covered Classes. Only that Coverage and those additional provisions for which you become insured will apply to you. The rules for becoming insured are in this Certificate's When You Become Insured section.
- There is a Delay of Effective Date section. The rules of that section may delay the start of your insurance.
- The Delay of Effective Date section also applies to any change, including a change in class, unless otherwise stated.
- The Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, is described more fully on later pages of this Certificate. Be sure to read those pages carefully. They show when benefits are or are not payable under the Group Contract. They also outline when insurance ends and the conditions, limitations and exclusions that apply to the Coverage.
- A Definitions section is included in this Certificate. Many of the terms used in this Certificate are defined in that section.
- The Universal Life Coverage in this Certificate, including any of the additional provisions that may be a part of the Universal Life Coverage, is insured under a Group Contract issued by Prudential. All benefits are subject in every way to the entire Group Contract which includes the Group Insurance Certificate. It alone forms the agreement under which payment of insurance is made.

- To receive the tax treatment accorded life insurance under federal law, the Universal Life Coverage must meet the definition of life insurance as provided in the Internal Revenue Code, or any successor law. To make sure it qualifies, Prudential reserves the rights: (a) to refuse contributions, in whole or in part; to refuse to make changes to the Coverage; and to decline to make partial withdrawals that could cause it to fail to meet the definition of life insurance; (b) to increase your death benefit; or if directed by you, to make distributions to you from your fund, to the extent needed to qualify the Universal Life Coverage as life insurance; and (c) to make changes to the Group Contract or Certificates, or both, or to take any action to the extent needed to qualify the Universal Life Coverage as life insurance.

## Universal Life Coverage

### FOR YOU AND YOUR DEPENDENT SPOUSE OR DOMESTIC PARTNER

If you and your spouse or domestic partner are both Employees, you may each be covered as either: a) an Employee; or b) a spouse or Domestic Partner; but not as both an Employee and a spouse or Domestic Partner.

#### On You under Employee Insurance

You may enroll for a Face Amount of Insurance equal to one of the options below.

#### FACE AMOUNTS OF INSURANCE:

##### Amount For Each Benefit Class:

##### Benefit Classes

##### Face Amount of Insurance\*

All regular full-time and part-time Employees and all long-term supplemental Employees on the U.S. payroll

Any multiple of 25% of your annual Earnings\*\*.

Maximum Amount: The lesser of: 1) 800% of your annual Earnings\*\*; and 2) \$3,000,000.

Minimum Amount: \$30,000

All Employees who are retired by the Employer, terminated by the Employer, receiving benefits under the Employer's long term disability plan, or on a leave of absence approved by the Employer as of September 1, 2006, as reported to Prudential

An amount for which you were insured on August 31, 2006 under a group policy issued by a prior carrier for universal life coverage, as reported to Prudential

\* If this amount is not a multiple of \$1,000, it will be rounded to the next higher multiple of \$1,000.

\*\* The Definitions section explains what "Earnings" means. If your Earnings are not a multiple of \$1.00, your Earnings will be rounded to the next higher multiple of \$1.00. Any change to your amount of insurance due to a change in your Earnings will be effective on August 1 following the change in Earnings.

**Non-medical Limit on Face Amount of Insurance:** There is a limit on the amount for which you may be insured without submitting evidence of insurability. This is called the Non-medical Limit.

Non-medical Limit: The lesser of (1) 200% of your annual Earnings and (2) \$750,000.

If the face amount of insurance for your Class at any time is more than the Non-medical Limit, you must give evidence of insurability satisfactory to Prudential before the part over the Limit can become effective. This requirement applies: when you first become insured; when your Class changes; if you request an increase in your face amount of insurance; or if the face amount of insurance for your Class is changed by an amendment to the Group Contract. Even if you are insured for an amount over the Limit, you will still have to meet this evidence requirement before any increase in your face amount of insurance can become effective.

Your face amount of insurance will be increased on the first day of the month following the date Prudential decides the evidence is satisfactory and you meet the Active Work Requirement.

Note: The Non-medical Limit does not apply to any amount of insurance for which you were insured under another group contract providing universal life coverage for Employees of the Included Employer on the day prior to the Program Date.

**Increases and Decreases within 45 days of a Life Event:** You may elect to have your face amount of insurance under the Coverage changed within 45 days of a Life Event. You must do this in a manner approved by Prudential and agree to make any required contributions.

If you request an increase of more than 100% of your annual Earnings, you must give evidence of insurability. That change will become effective on the first day of the month following the date Prudential decides the evidence is satisfactory and your insurance is not being delayed under the Delay of Effective Date section.

If you request an increase which is 100% of your annual Earnings or less, and your insurance is not being delayed under the Delay of Effective Date section, that change will become effective on the first day of the month following the date of your written request.

If you request a lower face amount of insurance, that change will become effective on the first day of the month following the date of your written request.

Any Non-medical Limit will apply to an increased amount of coverage.

The "Definitions" section explains what "Life Event" and "Earnings" mean.

**Increases and Decreases at any other time:** You may elect to have your amount of insurance under the Coverage changed. You must do this in a manner approved by Prudential and agree to make any required contributions.

If you request an increase, you must give evidence of insurability. The amount of your insurance will be increased on the first day of the month following the date Prudential decides the evidence is satisfactory and you meet the Active Work Requirement.

If you request a decrease, the amount of your insurance will be decreased on the first day of the month following the date of your written request.

**Effect of Option to Accelerate Death Benefits Under Universal Life Coverage:** When you elect this option, the total amount of Universal Life Coverage otherwise payable on a person's death, including any amount under an extended death benefit, will be reduced by the Terminal Illness Proceeds. Also, any amount a person could otherwise have converted to an individual contract will be reduced by the Terminal Illness Proceeds.

## On Your Qualified Dependent Spouse or Domestic Partner under Dependents Insurance

You may enroll for a Face Amount of Insurance for your spouse or Domestic Partner equal to one of the options below.

Benefit Class	Face Amount of Insurance
Your spouse or Domestic Partner	Any multiple of \$10,000. Maximum Amount: \$200,000 Minimum Amount: \$30,000

**Non-medical Limit on Face Amount of Insurance for Your Spouse or Domestic Partner:** There is a limit on the amount for which you may be insured with respect to your spouse or Domestic Partner without submitting evidence of insurability. This is called the Non-medical Limit.

Non-medical Limit: \$50,000.

If the face amount of insurance for your spouse or Domestic Partner for your Class at any time is more than the Non-medical Limit, you must give evidence of insurability for your spouse or Domestic Partner satisfactory to Prudential before the part over the Limit can become effective. This requirement applies: when you first become insured with respect to your spouse or Domestic Partner; when your Class changes; if you request an increase in the face amount of insurance for your spouse or Domestic Partner; or if the face amount of insurance for your spouse or Domestic Partner for your Class is changed by an amendment to the Group Contract. Even if you are insured with respect to your spouse or Domestic Partner for an amount over the Limit, you will still have to meet this evidence requirement for your spouse or Domestic Partner before any increase in the face amount of insurance for your spouse or Domestic Partner can become effective.

Your face amount of insurance for your spouse or Domestic Partner will be increased on the first day of the month following the date Prudential decides the evidence is satisfactory and your spouse or Domestic Partner is not confined for medical care or treatment at home or elsewhere.

Note: The Non-medical Limit for your spouse or Domestic Partner does not apply to any amount of insurance for which you were insured under another group contract providing universal life coverage for spouses or Domestic Partners of Employees of the Included Employer on the day prior to the Program Date.

**Increases and Decreases:** You may elect to have your face amount of insurance for your spouse or Domestic Partner under the Coverage changed. You must do this in a manner approved by Prudential and agree to make any required contributions.

If you request an increase in your face amount of insurance on your spouse or Domestic Partner, you must give evidence of insurability for your spouse or Domestic Partner. Your face amount of insurance on your spouse or Domestic Partner will be increased on the first day of the month following the date Prudential decides the evidence is satisfactory and your spouse or Domestic Partner is not home or hospital confined for medical care or treatment.

If you request a lower face amount of insurance for your spouse or Domestic Partner, that lower amount will become effective on the first day of the month following the date of your written request.

Any Non-medical Limit will apply to an increased amount of coverage.

**Effect of Option to Accelerate Death Benefits Under Universal Life Coverage:** When you elect this option, the total amount of Universal Life Coverage otherwise payable on a person's death, including any amount under an extended death benefit, will be reduced by the Terminal Illness Proceeds. Also, any amount a person could otherwise have converted to an individual contract will be reduced by the Terminal Illness Proceeds.

## **Additional Provisions for Accidental Death and Dismemberment Coverage**

### **FOR YOU AND YOUR DEPENDENT SPOUSE OR DOMESTIC PARTNER**

**Amount of Insurance:** An amount equal to the face amount of insurance for which you or, with respect to your dependent spouse or Domestic Partner, your spouse or Domestic Partner is insured under the Universal Life Coverage as determined above. For this purpose only, that amount will be the amount, as determined above, except that if your or your dependent spouse's or Domestic Partner's Universal Life Coverage is reduced by any amount paid under the Option to Accelerate Payment of Certain Death Benefits Under Universal Life Coverage, that reduction will not apply to these provisions.

Your Accidental Death and Dismemberment Insurance for which you are insured will end when you reach age 70. Your Accidental Death and Dismemberment Insurance for which you are insured with respect to your spouse or Domestic Partner will end when your spouse or Domestic Partner reaches age 70.

### **ADDITIONAL BENEFITS UNDER EMPLOYEE AND DEPENDENTS INSURANCE:**

For the purposes of determining benefits under the Coverage, Amount of Insurance does not include any additional amount payable as shown below.

**Additional Amount Payable for a Person's Loss of Life as a Result of an Accident in a Four Wheel Vehicle While Using a Seat Belt:** An amount equal to the lesser of:

- (1) 10% of the Amount of Insurance on the person; and
- (2) \$10,000.

**Additional Amount Payable for a Person's Loss of Life as a Result of an Accident in a Four Wheel Vehicle Equipped with a Supplemental Restraint System:** An amount equal to the lesser of:

- (1) 10% of the Amount of Insurance on the person; and
- (2) \$10,000.

**Additional Amount Payable for Tuition Reimbursement for Your Spouse or Domestic Partner:** An amount equal to the least of:

- (1) the actual tuition charged for the program;
- (2) 1% of your Amount of Insurance; and
- (3) \$2,500.

**Additional Annual Amount Payable for Tuition Reimbursement for Your Dependent Child:** An amount equal to the least of:

- (1) the actual annual tuition, exclusive of room and board, charged by the School;

- (2) 1% of your or your spouse's or Domestic Partner's Amount of Insurance, depending upon whose Loss of life this additional benefit is payable; and
- (3) \$2,500.

This benefit is payable annually for up to four consecutive years, but not beyond the date the child reaches age 23.

If there is no dependent child eligible for this benefit, a benefit of \$1,000 will be paid.

**Additional Annual Amount Payable for Day Care Expenses for Your Dependent Child:** An amount equal to the lesser of:

- (1) the actual cost charged by such Day Care Center per year;
- (2) 1% of your or your spouse's or Domestic Partner's Amount of Insurance, depending upon whose Loss of life this additional benefit is payable; and
- (3) \$2,000.

This benefit is payable annually for up to four consecutive years, but not beyond the date the child reaches age seven.

If there is no dependent child eligible for this benefit, a benefit of \$1,000 will be paid.

**TO WHOM PAYABLE:**

Accidental Death and Dismemberment benefits are payable to you with these exceptions:

- (1) Benefits for tuition reimbursement for your spouse or Domestic Partner payable on account of your Loss of life will be paid to:
  - (a) your spouse or Domestic Partner, if living; or
  - (b) your spouse's or Domestic Partner's estate.
- (2) Benefits for day care expenses or tuition reimbursement for your dependent children will be paid to the person or institution appearing to Prudential to have assumed the main support of the children when such benefits are payable on account of:
  - (a) your Loss of Life; or
  - (b) your spouse's or Domestic Partner's Loss of life that are unpaid at your death.
- (3) Benefits for any other of your Losses that are unpaid at your death or become payable on account of your death will be paid to your Beneficiary or Beneficiaries. (See Beneficiary Rules.)
- (4) If you are not living, benefits for your spouse's or Domestic Partner's Losses are payable to your spouse or Domestic Partner. If your spouse or Domestic Partner is not living, the benefits will be paid to your spouse's or Domestic Partner's estate.

## **Additional Provisions for Dependents Term Life Coverage**

### **FOR YOUR DEPENDENT CHILDREN**

<b>Dependents</b>	<b>Amount of Insurance</b>
Your children	\$10,000

### **OTHER INFORMATION**

**Contract Holder:** TRUSTEE OF THE PRUDENTIAL GROUP LIFE INSURANCE TRUST

**Group Contract No.:** UG-1432

**Included Employer:** INTERNATIONAL BUSINESS MACHINES CORPORATION

**Included Employer's Control No.:** 16000

**Included Employer's Anniversary Date:** December 1 of each year, beginning in 2007.

**Cost of Insurance:** The Coverage describes the minimum premium contributions required, as well as the additional premium contributions you may make. You will be given additional information concerning the cost of the coverage when you are asked to enroll.

#### **Prudential's Address:**

The Prudential Insurance Company of America  
290 West Mount Pleasant Avenue  
Livingston, New Jersey 07039

**Reports:** Prudential will provide you with a detailed report of your fund, and your fund for your spouse or Domestic Partner, if any, under the Universal Life Coverage each plan year. You will receive it within three months after the end of the plan year, which runs from December 1 to November 30, beginning in 2007. You will also get a report of any paid-up insurance you have or your spouse or Domestic Partner has. You may request a report at other times by contacting Prudential's IBM GUL Contact Center at 877-4GUL-PRU. Fund balances will be valued by Prudential as of September 1, 2006 or later.

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### **WHEN YOU HAVE A CLAIM**

Each time a claim is made, it should be made without delay. Use a claim form and follow the instructions on the form. If you do not have a claim form, contact Prudential's IBM GUL Contact Center at 877-4GUL-PRU.

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# Table of Maximum Rates

## Guaranteed Maximum Monthly Rates per \$1,000 of Face Amount of Insurance by Attained Age

150% of 1980 Commissioners Standard Ordinary - Male - Age Last Birthday

Attained Age	COI/1,000	Attained Age	COI/1,000	Attained Age	COI/1,000
0	\$0.329	34	\$0.257	67	\$3.974
1	\$0.129	35	\$0.272	68	\$4.332
2	\$0.123	36	\$0.290	69	\$4.726
3	\$0.121	37	\$0.311	70	\$5.171
4	\$0.116	38	\$0.336	71	\$5.678
5	\$0.110	39	\$0.363	72	\$6.261
6	\$0.104	40	\$0.394	73	\$6.917
7	\$0.098	41	\$0.428	74	\$7.638
8	\$0.094	42	\$0.464	75	\$8.407
9	\$0.092	43	\$0.504	76	\$9.213
10	\$0.094	44	\$0.546	77	\$10.047
11	\$0.101	45	\$0.592	78	\$10.915
12	\$0.115	46	\$0.640	79	\$11.845
13	\$0.134	47	\$0.691	80	\$12.867
14	\$0.155	48	\$0.747	81	\$14.011
15	\$0.177	49	\$0.807	82	\$15.302
16	\$0.199	50	\$0.875	83	\$16.731
17	\$0.216	51	\$0.954	84	\$18.265
18	\$0.227	52	\$1.042	85	\$19.872
19	\$0.235	53	\$1.142	86	\$21.526
20	\$0.238	54	\$1.252	87	\$23.217
21	\$0.238	55	\$1.370	88	\$24.941
22	\$0.234	56	\$1.497	89	\$26.712
23	\$0.230	57	\$1.630	90	\$28.553
24	\$0.224	58	\$1.772	91	\$30.513
25	\$0.219	59	\$1.928	92	\$32.678
26	\$0.215	60	\$2.101	93	\$35.266
27	\$0.213	61	\$2.295	94	\$38.747
28	\$0.213	62	\$2.514	95	\$43.983
29	\$0.215	63	\$2.761	96	\$52.624
30	\$0.219	64	\$3.033	97	\$67.625
31	\$0.226	65	\$3.327	98	\$83.333
32	\$0.234	66	\$3.641	99	\$83.333
33	\$0.244				

The rates above are the maximum rates that may be charged for the Coverage, in accordance with regulations. Actual rates for your Coverage are available on the self-service website, or from Prudential's IBM GUL Contact Center at 877-4GUL-PRU.

# Who Is Eligible To Become Insured

## FOR EMPLOYEE INSURANCE

**You are eligible for Employee Insurance while:**

- You are a full-time, part-time or long-term supplemental Employee of the Included Employer; and
- You are less than age 100; and
- You are in a Covered Class; and

**You are full-time, part-time or long-term supplemental** if you are regularly working for the Included Employer at least the number of hours in the Included Employer's normal full-time, part-time or long-term supplemental work week for your class, but not less than 20 hours per week. If you are a partner or proprietor of the Included Employer, that work must be in the conduct of the Included Employer's business.

**Your class** is determined by the Included Employer. This will be done under its rules, on dates it sets. The Included Employer may not discriminate among persons in like situations. You cannot belong to more than one class for insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage. "Class" means Covered Class, Benefit Class or anything related to work, such as position or Earnings, which affects the insurance available.

**This applies if you are an Employee of more than one subsidiary or affiliate of an Included Employer under the Group Contract:** For the insurance, you will be considered an Employee of only one of those subsidiaries or affiliates. Your service with the others will be treated as service with that one.

The rules for obtaining Employee Insurance are in the When You Become Insured section.

## FOR DEPENDENTS INSURANCE

You are eligible for Dependents Insurance while:

- You are eligible for Employee Insurance; and
- You have a Qualified Dependent.

### **Qualified Dependents for the Additional Provisions for Dependents Term Life Coverage:**

- Your unmarried children 14 days old but less than 19 years old. But, the age 19 limit does not apply to a child who:
  - (a) wholly depends on you for support and maintenance;
  - (b) is enrolled as a full-time student in a school; and
  - (c) is less than age the Student Age Limit.

Student Age Limit: 23.

Your children include your legally adopted children and each of your stepchildren, Domestic Partner's children and foster children who depends on you for support and maintenance.

**Qualified Dependent for the Universal Life Coverage and the Option to Accelerate Payment of Certain Death Benefits Under Universal Life Coverage:**

- Your spouse or Domestic Partner who is less than age 100.

Your Domestic Partner is a person of the same or opposite sex who:

- (a) you report in an affidavit of domestic partnership satisfactory to Prudential; or for whom you provide a Civil Union Certificate; and
- (b) is an unmarried adult over the age of 18; and
- (c) has lived with you for at least 6 consecutive months prior to the person's enrollment in the Program; and
- (d) has a serious and committed relationship with you; and
- (e) is not legally married nor a Domestic Partner to anyone else; and
- (f) is financially interdependent with you; and
- (g) is not otherwise a Qualified Dependent under the Program.

Either a spouse or a Domestic Partner may be a Qualified Dependent under the Program at any one time, but not both at the same time.

**Exception:** Your spouse, Domestic Partner or child is not a Qualified Dependent while:

- (1) on active duty in the armed forces of any country; or
- (2) insured for Employee Insurance under the Group Contract.

**A child will not be considered the Qualified Dependent of more than one Employee.** If this would otherwise be the case, the child will be considered the Qualified Dependent of the Employee named in a written agreement of all such Employees filed with the Included Employer. If there is no written agreement, the child will be considered the Qualified Dependent of:

- (1) the Employee who became insured under the Group Contract with respect to the child, while the child was a Qualified Dependent of only that Employee; and otherwise
- (2) the Employee who has the longest continuous service with the Included Employer, based on the Included Employer's records.

The rules for obtaining Dependents Insurance are in the When You Become Insured Section.

# When You Become Insured

## FOR EMPLOYEE INSURANCE

Your Employee Insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, will begin on the first day of the month following the date on which you meet all of these requirements:

- You are eligible for Employee Insurance; and
- You are in a Covered Class for that insurance; and
- You have met any evidence requirement for the Employee Insurance; and
- Your insurance is not being delayed under the Delay of Effective Date Section below; and
- That Coverage is part of the Group Contract; and
- You have enrolled in a manner approved by Prudential and agreed to pay the required contributions. You may enroll for Contributory Insurance within 90 days of when you could first be covered, or within 45 days of a Life Event.

At any time, the benefits for which you are insured are those for your class, unless otherwise stated.

The "Definitions" section explains what "Life Event" means.

**When evidence is required:** In any of these situations, you must give evidence of insurability. This requirement will be met when Prudential decides the evidence is satisfactory.

- (1) You enroll more than 90 days after you could first be covered, or more than 45 days after a Life Event.
- (2) You enroll after any of your insurance under the Group Contract ends because you did not pay a required contribution.
- (3) You are enrolling for life insurance and have an individual life insurance contract which you obtained by converting your insurance under the Group Contract.
- (4) You apply to reinstate your Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage.
- (5) You have not met a previous evidence requirement to become insured under any Prudential group contract covering Employees of the Included Employer.

## FOR DEPENDENTS INSURANCE

Your Dependents Insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, for a person will begin on the first day of the month following the date on which the person is a Qualified Dependent and you meet all of these requirements:

- The person is your Qualified Dependent; and
- You are in a Covered Class for that insurance; and
- For your Qualified Dependent child, you or your spouse or domestic partner is covered for the Employee Insurance under the Universal Life Coverage; and
- You have met any evidence requirement for that Qualified Dependent; and
- Your insurance for that Qualified Dependent is not being delayed under the Delay of Effective Date Section; and
- Dependents Insurance under that Coverage is part of the Group Contract; and
- You have enrolled in a manner approved by Prudential and agreed to pay the required contributions. You may enroll for Contributory Insurance within 90 days of when you could first be covered, or within 45 days of acquiring a dependent.

At any time, the Dependents Insurance benefits for which you are insured are those for your class, unless otherwise stated.

**When evidence is required:** In any of these situations, you must give evidence of insurability for a Qualified Dependent spouse or Domestic Partner. This requirement will be met when Prudential decides the evidence is satisfactory. Evidence is not required for a Qualified Dependent child.

- (1) You enroll for Dependents Insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, more than 90 days after you are first eligible for Dependents Insurance, or more than 45 days after acquiring a dependent.
- (2) You enroll for Dependents Insurance after any insurance under the Group Contract ends because you did not pay a required contribution.
- (3) You apply to reinstate the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, for your Qualified Dependents.
- (3) The Qualified Dependent is a person for whom a previous requirement for evidence of insurability has not been met. The evidence was required for that person to become covered for an insurance, as a dependent or an Employee. That insurance is or was under any Prudential group contract for Employees of the Included Employer.

**Change in Family Status:** It is important that you inform Prudential promptly when you first acquire a Qualified Dependent, and when a Qualified Dependent is no longer eligible. To report these changes, contact Prudential's IBM GUL Contact Center at 877-4GUL-PRU.

# Delay of Effective Date

## **FOR EMPLOYEE INSURANCE**

Your Employee Insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, will be delayed if you do not meet the Active Work Requirement on the day your insurance would otherwise begin. Instead, it will begin on the day that you meet the Active Work Requirement and other requirements for the insurance. The same delay rule will apply to any change in your insurance that is subject to this section if you do not meet the Active Work Requirement on the day on which that change would take effect.

## **FOR DEPENDENTS INSURANCE**

If a Qualified Dependent is confined for medical care or treatment, at home or elsewhere, on the day your Dependents Insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, for that Qualified Dependent or any change in that insurance that is subject to this section, would take effect, it will not take effect until the Qualified Dependent's final medical release from such confinement. The other requirements for the insurance or change must also be met.

Newborn Child Exception for the Additional Provisions for Dependents Term Life Coverage: This section does not apply to a newborn child of yours if the child is born to you, becomes your Qualified Dependent when the child is 14 days old, and either:

- (1) is your first Qualified Dependent; or
- (2) becomes a Qualified Dependent while you are insured for Dependents Insurance under the Additional Provisions for Dependents Term Life Coverage for any other Qualified Dependent.

Also, this section does not apply to any age increase in the amount of insurance for a child under the Additional Provisions for Dependents Term Life Coverage.

# Universal Life Coverage

## **FOR YOU AND YOUR DEPENDENT SPOUSE OR DOMESTIC PARTNER**

Universal Life Coverage is life insurance which includes one or more of these three parts: face amount of insurance; a fund; and paid-up insurance. To be a Covered Person under the Universal Life Coverage, a person must first have become insured for the face amount of insurance. Under certain conditions, the fund may be applied to provide paid-up insurance. Paid-up insurance continues until death unless surrendered.

### **A. DEATH BENEFIT.**

If a person dies:

- (a) while a Covered Person under the Universal Life Coverage; or
- (b) within 31 days after the person's face amount of insurance under the Universal Life Coverage ends and while the person has the right to convert the face amount of insurance to an individual contract;

a death benefit is payable when Prudential receives written proof of death.

Unless the person's fund has been used to buy paid-up insurance, the amount of the death benefit on any date is the Insurance Amount less any outstanding loan and loan interest. The Insurance Amount is the greater of (a) and (b):

- (a) the face amount of insurance plus fund; and
- (b) the fund divided by the net single premium per \$1 at the person's attained age on that date. This net single premium will be based on the 1980 Commissioners Standard Ordinary Table, Male Mortality, Age Last Birthday, at the interest rates as described in Section 7702 of the Internal Revenue Code of 1986, as amended.

If the person's fund has been used to buy paid-up insurance, the amount of the death benefit is the amount of paid-up insurance in force on the date of the person's death.

When a person's face amount of insurance has ended, the amount of the death benefit includes any amount the person may have under the provisions for Conversion Privilege below.

### **B. FACE AMOUNT OF INSURANCE.**

A person's face amount of insurance under the Universal Life Coverage is determined as provided in the Schedule of Benefits.

## C. CONTRIBUTIONS

All contributions made by or for a person under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, are credited to the person's fund. A person's minimum contribution each month is the Monthly Deduction. In addition, Prudential will accept contributions in excess of Monthly Deductions and lump sum contributions, subject to a Maximum Monthly Contribution, as described below.

**Monthly Deductions:** Each month, Prudential will make a Monthly Deduction from a person's fund. A Monthly Deduction is equal to the sum of (1) and (2) below:

- (1) The cost of the insurance. This amount is the applicable monthly rate times the Net Amount at Risk. In no event will this amount be higher than 150% of the applicable amount under the 1980 Commissioners Standard Ordinary Mortality Table (Male, age last birthday).

The Net Amount at Risk is equal to the greater of (a) the face amount of insurance, and (b) the Insurance Amount less the fund.

- (2) The amount required to provide any of the additional provisions that may be a part of the Universal Life Coverage.

**Contributions in Excess of Monthly Deduction:** Each month, contributions toward premiums may be made in an amount in excess of the Monthly Deduction. The balance of such a contribution will remain in the person's fund, subject to the other provisions of the Universal Life Coverage.

**Lump Sum Contributions:** You may also contribute lump sum amounts toward a person's fund from time to time as you choose, subject to the following. You may not make lump sum contributions:

- (1) for an amount which would cause a person's fund to reach its limit; or
- (2) for an amount less than \$100.00.

The balance of such a contribution will remain in the person's fund, subject to the other provisions of the Universal Life Coverage.

**Maximum Monthly Contribution:** In any event, for all contributions, there is a limit on the amount, per person, which may be contributed each month. That limit is the Maximum Monthly Contribution. The Maximum Monthly Contribution is determined by Prudential, based upon certain factors. Those factors include, but are not limited to, the person's age and contributions which may already have been made to the person's fund. Notice of the amount of your and your spouse's or Domestic Partner's Maximum Monthly Contribution will be included in the reports provided to you under Section G of the Universal Life Coverage. You may change the amount of the monthly contribution to your fund, or to your fund for your spouse or Domestic Partner at any time. You may end your contribution or your contribution in excess of the Monthly Deduction for a person at any time. No contribution may be made after a person's face amount of insurance ends.

To receive the tax treatment accorded to life insurance under the federal law, the Universal Life Coverage must qualify under the Internal Revenue Code or successor law. To make sure the Universal Life Coverage qualifies, Prudential reserves the right: (a) to refuse contributions which would cause the Universal Life Coverage to fail to so qualify; and (b) to make changes in the Universal Life Coverage or to make distributions from a person's fund to the extent needed to continue to qualify the Coverage as life insurance.

**Default:** A Covered Person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, is in default if, on the date a Monthly Deduction from the person's fund is due, the amount of the person's fund, less any outstanding loan and loan interest, is less than the amount of the Monthly Deduction.

**Grace Period:** The grace period starts on the day the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage goes into default and extends to the later of: (a) 60 days after that date; and (b) 30 days from the date Prudential mails you a notice of default. During the grace period, Prudential will accept contributions and make the charges it has set. If the Monthly Deduction is not paid within the grace period, the person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, will end at the end of the grace period.

If a Covered Person dies during a grace period, Prudential will deduct any overdue Monthly Deduction from the death benefit.

**Reinstatement:** If a person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, is still in default after the grace period ends, it may be reinstated. To do so, these conditions must be met:

- (1) The Group Contract has not ended.
- (2) The person's fund must not have been used to buy paid-up insurance after the Included Employer's Inclusion Date under the Group Contract.
- (3) You must request reinstatement within three years from the end of the grace period.
- (4) You have given evidence of the person's insurability that satisfies Prudential.
- (5) You pay the amount, if any, needed to bring the person's fund up to zero as of the date the person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, went into default.
- (6) You pay the Monthly Deductions through the end of the grace period.
- (7) You pay an amount which is sufficient to keep the person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, in force for at least two months after the date of reinstatement.

If Prudential approves the reinstatement, the reinstatement will be effective on the first day of the month coinciding with or next following the approval date.

## **D. THE FUND.**

At any time the amount of your fund, or your fund for your spouse or Domestic Partner, is the net amount of:

- (1) your contributions under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, received by Prudential; plus
- (2) interest; minus
- (3) Monthly Deductions; minus
- (4) any amounts which have been withdrawn.

Interest determined by Prudential at a rate not less than 4% per year will be credited on a person's fund. Prudential will credit interest on the person's fund from the date Prudential receives the contribution.

**Withdrawals:** You may withdraw all or part of your fund, or your fund for your spouse or Domestic Partner, upon written request. But you may not withdraw that part of each fund equal to the balance of any loan on the fund and the interest charged to it.

If only part of a fund is withdrawn, the amount withdrawn must be at least \$200.

Prudential may defer a withdrawal for not more than six months.

**Loans:** You may borrow that part of your fund, or your fund for your spouse or Domestic Partner, equal to (1) minus (2):

- (1) 90% of the amount of your fund or your fund for your spouse or Domestic Partner.
- (2) one month's Monthly Deduction.

The loan amount may not be less than \$200. Prudential may defer a loan for not more than six months.

You can take only one loan per Calendar Year from each fund and can have only one loan in effect at any time from each fund.

Interest on a loan balance will be charged daily at a yearly rate not to exceed 2% plus the rate that interest is credited to the fund. Interest is due: on each anniversary of the Included Employer's Inclusion Date; when the loan or part of it is paid back; and when the loan becomes due and payable. Interest not paid when due is added to the loan balance.

A loan and the interest charged to it will be due and payable from a person's fund:

- (1) when all of the person's face amount of insurance under the Universal Life Coverage ends; or
- (2) when the person dies; or
- (3) any time the loan balance plus interest charged to it equals the amount of the person's fund.

When the amount credited to a person's fund is reduced to zero because the loan balance plus interest equals the amount of a person's fund, the person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, will continue until the date on which Prudential would make the next Monthly Deduction. If, on that date, the amount credited to a person's fund is less than the amount required for that Monthly Deduction, the person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, is in default, and a grace period will begin as described in Section C.

You may pay back all or part of a loan at any time. At your request, a loan may be cancelled, or reduced by no less than \$200, by deducting the amount needed from the fund from which it was borrowed.

The balance and interest for any loan due at a person's death will be deducted from the death benefit to be paid.

Before paid-up insurance under the Universal Life Coverage is provided by using your fund any loan will first be cancelled by deducting an amount from the fund as described in Section E below.

## **E. PAID-UP INSURANCE.**

Paid-up insurance may be provided under the Universal Life Coverage by using a person's fund to pay the net single premium for that insurance when the person's face amount of insurance under the Universal Life Coverage ends. But, if paid-up insurance is so provided, all other benefits under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, will end.

All or part of a person's fund, less the balance and interest due for any loan on the person's fund, may be used to provide the paid-up insurance, subject to both of these rules:

- (1) The minimum amount of the person's fund that may be applied to purchase paid-up insurance is \$1,000.
- (2) The maximum amount of paid-up insurance that may be purchased is the amount of the person's death benefit just before the purchase.

Any amount of a person's fund which exceeds the amount used to provide paid-up insurance will be returned to you in cash.

The net single premium used to provide paid-up insurance will not be more than it would be on the basis of the 1980 Commissioners Standard Ordinary Table at 4%.

All of a person's paid-up insurance may be surrendered for its cash value at any time. The cash value will be the net single premium at the person's attained age for the amount of insurance, using the same basis which determined that amount. Partial surrenders of a person's paid-up insurance are not permitted. Prudential may defer a surrender for not more than six months.

Paid-up insurance will not end when a person's insurance ends under other rules of the Group Contract. Unless surrendered, it will continue until the person's death.

**Premium Refunds:** Prudential will determine that part of any premium refund derived from a person's paid-up insurance. That part will be applied to increase the amount of the person's paid-up insurance. That part will not be considered in determining the disposition or effect of premium refunds under any other provision of the Group Contract.

## F. CONVERSION PRIVILEGE.

If a person's face amount of insurance under the Universal Life Coverage ends for the reason stated below, the person may convert to an individual life insurance contract. Evidence of insurability is not required. The reason is:

All face amount of insurance that applies to you or, with respect to your dependent spouse or Domestic Partner, to your dependent spouse or Domestic Partner under the Group Contract for your class ends by amendment or otherwise. But, on the date it ends:

- (1) you must have been insured for five years for that insurance (or for that insurance and any other Prudential rider or group contract replaced by that insurance); or
- (2) with respect to your dependent spouse or Domestic Partner, you must have been insured for that spouse or Domestic Partner for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section F.

Availability: A person must apply for the individual contract and pay the first premium by the later of:

- (1) the thirty-first day after the person's face amount of insurance ends; and
- (2) the fifteenth day after the person has been given written notice of the conversion privilege. But, in no event may insurance be converted to an individual contract if the person does not apply for the individual contract and pay the first premium prior to the ninety-second day after the person's face amount of insurance ends.

**Individual Contract Rules:** The individual contract must conform to the following:

**Amount:** Not more than:

- (1) the total amount of the person's insurance under this Universal Life Coverage (face amount of insurance plus fund) just before the face amount of insurance ends; minus
- (2) the amount of the person's fund needed to cancel any loan due; minus
- (3) the amount of the person's paid-up insurance under the Universal Life Coverage purchased by using the person's fund just after the face amount of insurance ends.

If the face amount of insurance ends because all face amount of insurance of the Group Contract for your class ends, the total amount of individual insurance which you or your dependent spouse or Domestic Partner may get in place of all life insurance then ending for you or your dependent spouse or Domestic Partner under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all life insurance then ending for that person under the Group Contract reduced by the sum of: (a) the amount of that person's fund needed to cancel any loan due; (b) the amount of that person's paid-up insurance; and (c) the amount of group life insurance from any carrier for which that person is or becomes eligible within the next 31 days.
- (2) \$10,000.

**Death During Conversion Period:** The amount a person had a right to convert to an individual contract is included in the death benefit if the person dies:

- (1) Within 31 days after the person's face amount of insurance ends; and
- (2) While the person has the right to convert the face amount of insurance to an individual contract.

It is included even if the person did not apply for conversion.

**Form:** Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

**Premium:** Based on Prudential's rate as it applies to the form and amount, and to the person's class of risk (other than gender) and age at the time.

**Effective Date:** The end of the 31 day period after which the person ceases to be insured for the face amount of insurance.

## **G. REPORTS.**

Prudential will provide you with a detailed report of your fund, and your fund for your spouse or Domestic Partner, if any, under the Universal Life Coverage each plan year. You will receive it within three months after the end of the plan year, which runs from December 1 to November 30. You will also get a report of any paid-up insurance you have or your spouse or Domestic Partner has. You may request a report at other times.

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Any death benefit provided under a section of the Universal Life Coverage is payable according to that section and the Beneficiary and Mode of Settlement Rules.

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# Option to Accelerate Payment of Certain Death Benefits Under Universal Life Coverage

## FOR YOU AND YOUR DEPENDENT SPOUSE OR DOMESTIC PARTNER

These provisions change the Universal Life Coverage (called Coverage below) to provide an option to accelerate payment of portions of your or your dependent spouse's or Domestic Partner's face amount of insurance and fund parts of the death benefit.

**You should know that election of this option may affect other benefits or entitlements for which a person may be eligible. It may also affect a person's income tax liability. Read these notes carefully:**

- (1) If you elect this option, the amount of Universal Life Coverage for the person is reduced by the Terminal Illness Proceeds described below.
- (2) Any payment made under this option may be taxable. You are advised to seek the help of a professional tax advisor for assistance with any questions that you may have.
- (3) If you elect this option, eligibility for Medicaid or other government programs may be affected. You are advised to seek the help of a professional legal advisor for assistance with any questions that you may have.

As used here:

"Face Amount" means a person's face amount of insurance under the Coverage on the day Prudential receives proof that the person is Terminally Ill.

"Fund Amount" means the amount of a person's fund part of the Coverage on the day Prudential receives proof that the person is Terminally Ill.

"Terminally Ill" means having a life expectancy that is 6 months or less.

"Terminal Illness Proceeds" mean the amount of the Universal Life Death Benefit placed under this option for a person.

**Terminal Illness Proceeds:** The Terminal Illness Proceeds are equal to:

- a portion of a person's Face Amount, as determined under (1) below; plus
  - a portion of a person's Fund Amount, as determined under (2) below.
- (1) You must elect the portion of a person's Face Amount that you want to place under this option. You may elect up to 50% of the person's Face Amount, but not more than \$500,000.

However, such portion may be reduced if, within 6 months after the date Prudential receives proof that a person is Terminally Ill, an Amount Limitation would have applied to the person's Face Amount. In that case, the portion of the person's Face Amount placed under this option will not exceed the person's Face Amount after applying the Limitation.

Based on your election and any Amount Limitation that may apply, Prudential will determine the Accelerated Payment Factor. The Accelerated Payment Factor is equal to:

- (a) the portion of a person's Face Amount that is placed under this option; over
  - (b) the person's total Face Amount.
- (2) The portion of a person's Fund Amount that will be placed under this option is equal to:
- (a) the person's total Fund Amount times the Accelerated Payment Factor; minus
  - (b) any outstanding loan balance, plus any interest due on the loan, times the Accelerated Payment Factor.

**Changes Made in the Coverage:** If a person is Terminally Ill while a Covered Person under the Coverage or while death benefit protection is being extended for the person under the Coverage, you may elect to have the person's Terminal Illness Proceeds placed under this option. That election is subject to the "Conditions" set forth below. The face amount of insurance and fund parts under the Coverage are affected as described in the "Effect on Coverage" section. Contributions are affected as described in the "Effect on Contributions" section.

**Conditions:** Your right to be paid under this option is subject to these terms:

- (1) You may elect this option for a person only once during the time the person is a Covered Person.
- (2) You must choose this option in writing in a form that satisfies Prudential.
- (3) You must furnish proof that satisfies Prudential that the person's life expectancy is 6 months or less, including a certification by a Doctor.
- (4) The Universal Life Coverage on the person must not be assigned.
- (5) Terminal Illness Proceeds will be made available to you on a voluntary basis only. Therefore, you are not eligible for this option if:
  - (a) law requires using this option to meet the claims of creditors, whether in bankruptcy or otherwise; or
  - (b) a government agency requires using this option in order to apply for, get or keep a government benefit or entitlement.
- (6) Once you elect this option for a person, you may no longer:
  - (a) increase the person's face amount of insurance under the Coverage;
  - (b) make a lump sum contribution to the fund for the person, except for the required Monthly Deduction; or
  - (c) increase the amount of contributions to the fund for the person, except to the extent an increase is needed to reflect an increase in the Monthly Deduction.

**Effect on Coverage:** When you elect this option, the total amount of Universal Life Coverage otherwise payable on a person's death, including any amount under an extended death benefit, will be reduced by the Terminal Illness Proceeds. Also, any amount a person could otherwise have converted to an individual contract will be reduced by the Terminal Illness Proceeds.

Prudential reserves the right to make a distribution from a person's Fund Amount when benefits under this option are paid. Any such distribution will be made only to the extent needed to continue to qualify the Universal Life Coverage as life insurance under the Internal Revenue Code.

**Effect on Contributions:** The amount of your contribution for a person will be adjusted based on the amount of the person's Universal Life Coverage remaining in force.

**Method of Payment:** If you elect this option, Prudential will pay the Terminal Illness Proceeds to you in one sum when it receives proof that a person is Terminally Ill. When Prudential pays an accelerated death benefit under this option, Prudential will send you a statement that shows the effect of the payment on the person's amount of Coverage and on your contribution for the person's Coverage.

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# Accidental Death and Dismemberment Coverage

## FOR YOU AND YOUR DEPENDENT SPOUSE OR DOMESTIC PARTNER

This Coverage pays benefits for accidental Loss.

Loss means the person's:

- (1) loss of life;
- (2) total and permanent loss of sight;
- (3) loss of hand or foot by severance at or above the wrist or ankle;
- (4) total and permanent loss of speech;
- (5) total and permanent loss of hearing in both ears;
- (6) loss of thumb and index finger of the same hand by severance at or above the metacarpophalangeal joint; or
- (7) loss due to Quadriplegia, Paraplegia, or Hemiplegia.

Quadriplegia means the complete and irreversible paralysis of both upper and both lower limbs.

Paraplegia means the complete and irreversible paralysis of both lower limbs.

Hemiplegia means the complete and irreversible paralysis of the upper and lower limbs on one side of the body.

### A. BENEFITS.

Benefits for accidental Loss are payable only if all of these conditions are met:

- (1) The person sustains an accidental bodily Injury while a Covered Person.
- (2) The Loss results directly from that Injury and from no other cause.
- (3) The person suffers the Loss within 365 days after the accident.

Not all such Losses are covered. See Losses Not Covered below.

**Benefit Amount Payable:** The amount payable depends on the type of Loss as shown below. All benefits are subject to the Limitation Per Accident below.

	Percent of the Person's Amount of Insurance
Loss of or by Reason of:	
Life .....	100
Both Hands .....	100
Both Feet .....	100
Sight of Both Eyes .....	100
One Hand and One Foot .....	100
One Hand and Sight of One Eye .....	100
One Foot and Sight of One Eye .....	100
Speech and Hearing .....	100
Quadriplegia .....	100
Paraplegia .....	75
One Hand .....	50
One Foot .....	50
Sight of One Eye .....	50
Speech .....	50
Hearing .....	50
Hemiplegia .....	50
Thumb and Index Finger of the Same Hand .....	25

**Limitation Per Accident:** No more than the Amount of Insurance on a person at the time of the accident will be paid for all Losses resulting from Injuries sustained in that accident.

**B. LOSSES NOT COVERED.**

A Loss is not covered if it results from any of these:

- (1) Suicide or attempted suicide, while sane or insane. **(Missouri Residents: See Benefit Modification for Missouri Residents.)**
- (2) Intentionally self-inflicted Injuries, or any attempt to inflict such Injuries.
- (3) Sickness, whether the Loss results directly or indirectly from the Sickness.
- (4) Medical or surgical treatment of Sickness, whether the Loss results directly or indirectly from the treatment.
- (5) Any infection. But, this does not include:
  - (a) a pyogenic infection resulting from an accidental cut or wound; or
  - (b) a bacterial infection resulting from accidental ingestion of a contaminated substance.
- (6) War, or any act of war. "War" means declared or undeclared war and includes resistance to armed aggression.

- (7) An accident that occurs while the person is serving on full-time active duty for more than 30 days in any armed forces. But this does not include Reserve or National Guard active duty for training.
- (8) Travel or flight in any vehicle used for aerial navigation. This includes getting in, out, on or off any such vehicle. This (8) applies only if:
  - (a) the person is riding as a passenger in any aircraft not intended or licensed for the transportation of passengers;
  - (b) the person is performing as a pilot or a crew member of any aircraft; or
  - (c) you are riding as a passenger in an aircraft owned, leased or operated by your Employer.
- (9) Commission of or attempt to commit a felony.
- (10) Being legally intoxicated or under the influence of any narcotic unless administered or consumed on the advice of a Doctor.
- (11) Participation in these hazardous sports: scuba diving; bungee jumping; skydiving; parachuting; hang gliding; or ballooning.

### **C. ADDITIONAL BENEFITS**

An additional benefit may be payable for a Loss for which a benefit is payable under the other terms of this Coverage or would be payable except for the Limitation Per Accident of those terms. Any such benefit is payable in addition to any other benefit payable under this Coverage. Any additional conditions that apply to an additional benefit are shown below. An additional benefit is payable only if those conditions are met.

**(1) Additional Benefit for Loss of Life as a Result of an Accident in a Four Wheel Vehicle While Using a Seat Belt:**

This additional benefit for the person's Loss of life is payable only if this test is met.

The person sustains an accidental bodily Injury resulting in the Loss while:

- (a) the person is a driver or passenger in a Four Wheel Vehicle; and
- (b) the person is wearing a Seat Belt in the manner prescribed by the vehicle's manufacturer; and
- (c) the actual use of a Seat Belt at the time of the Injury is verified in an official report of the accident, or is certified in writing by the investigating official(s).

Four Wheel Vehicle means a vehicle that is:

- (a) duly licensed for passenger use;
- (b) designated primarily for use on public streets and highways; and
- (c) in the list below:
  - (i) a private passenger automobile;
  - (ii) a station wagon;

- (iii) a van, jeep or truck-type vehicle which has a manufacturer's rated load capacity of 2,000 pounds or less; or
- (iv) a self-propelled motor home.

Seat Belt means an unaltered lap restraint or lap and shoulder restraint. It includes a government approved child restraint device when used in accordance to the manufacturer's directions.

**Losses Not Covered under this Additional Benefit:** A Loss is not covered under this additional benefit if it results from driving or riding in any Four Wheel Vehicle used in a race or a speed or endurance test, or for acrobatic or stunt driving.

**Benefit Amount Payable for Loss of Life as a Result of an Accident in a Four Wheel Vehicle While Using a Seat Belt:** The additional amount payable is shown in the Schedule of Benefits.

(2) **Additional Benefit for Loss of Life as a Result of an Accident in a Four Wheel Vehicle Equipped with a Supplemental Restraint System:**

This additional benefit for the person's Loss of life is payable only if this test is met.

The person sustains an accidental bodily Injury resulting in the Loss while:

- (a) the person is a driver or passenger in a Four Wheel Vehicle equipped with a factory-installed Supplemental Restraint System; and
- (b) the person is in a seat designed to be protected by an air bag; and
- (c) the person is wearing a Seat Belt in the manner prescribed by the vehicle's manufacturer; and
- (d) the actual use of a Seat Belt at the time of the Injury is verified in an official report of the accident, or is certified in writing by the investigating official(s).

Four Wheel Vehicle means a vehicle that is:

- (a) duly licensed for passenger use;
- (b) designated primarily for use on public streets and highways; and
- (c) in the list below:
  - (i) a private passenger automobile;
  - (ii) a station wagon;
  - (iii) a van, jeep or truck-type vehicle which has a manufacturer's rated load capacity of 2,000 pounds or less; or
  - (iv) a self-propelled motor home.

Seat Belt means an unaltered lap restraint or lap and shoulder restraint.

Supplemental Restraint System means an air bag system intended to add protection to the head and chest areas.

**Losses Not Covered under this Additional Benefit:** A Loss is not covered under this additional benefit if it results from driving or riding in any Four Wheel Vehicle used in a race or a speed or endurance test, or for acrobatic or stunt driving.

**Benefit Amount Payable for Loss of Life as a Result of an Accident in a Four Wheel Vehicle Equipped with a Supplemental Restraint System:** The additional amount payable is shown in the Schedule of Benefits.

**(3) Additional Benefit for Tuition Reimbursement for Your Spouse or Domestic Partner:**

This additional benefit for tuition reimbursement for your spouse or Domestic Partner only applies if you suffer a Loss of life.

An additional benefit for tuition reimbursement is payable for the person who:

- (a) is your spouse or Domestic Partner on the date of your death; and
- (b) enrolls in any professional or trades program within 30 months after the date of your death for the purposes of obtaining an independent source of support or enriching that spouse's or Domestic Partner's ability to earn a living. Proof of enrollment must be given to Prudential.

**Benefit Amount Payable for Tuition Reimbursement for Your Spouse or Domestic Partner:** The additional benefit payable is shown in the Schedule of Benefits.

**(4) Additional Benefit for Tuition Reimbursement for Your Dependent Child:**

This additional benefit for tuition reimbursement for your dependent child only applies once. It applies if either: (a) you suffer a Loss of life; or (b) your Qualified Dependent spouse or Domestic Partner suffers a Loss of life. Date of death, as used below, refers to your or your spouse's or Domestic Partner's date of death depending upon whose Loss of life this additional benefit is payable.

An additional benefit for tuition reimbursement is payable for each dependent child less than age 23 who, on the date of death, is:

- (a) your child who wholly depends on you for support and maintenance; and
- (b) enrolled as a full-time student in a School; or
- (c) in the 12th grade and becomes a full-time student in a School within 365 days after that date.

Proof of enrollment must be given to Prudential.

School means an institution of higher learning. This includes, but is not limited to, a university, college or trade school.

**Benefit Amount Payable for Tuition Reimbursement for Your Dependent Child:** The additional amount payable is shown in the Schedule of Benefits.

(5) **Additional Benefit for Day Care Expenses for Your Dependent Child:**

This additional benefit for day care expenses for your dependent child only applies once. It applies if either: (a) you suffer a Loss of life; or (b) your Qualified Dependent spouse or Domestic Partner suffers a Loss of life. Date of death, as used below, refers to your or your spouse's or Domestic Partner's date of death depending upon whose Loss of life this additional benefit is payable.

This additional benefit is payable for each dependent child less than age 7 who:

- (a) is your child who is wholly dependent on you for support and maintenance on the date of death; and
- (b) is enrolled at a Day Care Center on the date of death; or
- (c) becomes enrolled at a Day Care Center within 90 days after the date of death.

Proof of enrollment must be given to Prudential.

A Day Care Center is a facility which:

- (a) is duly licensed, certified or accredited to provide child care by the jurisdiction in which it is located; and
- (b) is operating in compliance with applicable laws and regulation of that jurisdiction.

**Benefit Amount Payable for Day Care Expenses for Your Dependent Child:** The additional amount payable is shown in the Schedule of Benefits.

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The Claim Rules and the "To Whom Payable" part of the Schedule of Benefits apply to the payment of the benefits.

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# Additional Provisions for Dependents Term Life Coverage

## FOR YOUR DEPENDENT CHILDREN ONLY

### A. DEATH BENEFIT WHILE A COVERED PERSON.

If a dependent child dies while a Covered Person, the amount of insurance on that child under the Dependents Term Life Coverage is payable when Prudential receives written proof of death.

### B. DEATH BENEFIT DURING A CONVERSION PERIOD.

A death benefit is payable under this Section B if a dependent child dies:

- (1) within 31 days after ceasing to be a Covered Person; and
- (2) while entitled (under Section C) to a conversion of the insurance under the Dependents Term Life Coverage to an individual contract.

The amount of the benefit is equal to the amount of Dependents Term Life Coverage which could have been converted. It is payable even if conversion was not applied for. It is payable when Prudential receives written proof of death.

### C. CONVERSION PRIVILEGE.

This privilege applies if you cease to be insured for the Dependents Term Life Coverage of the Group Contract with respect to a dependent child. That child may have your insurance on the child under the Dependents Term Life Coverage, which then ends, converted to an individual life insurance contract. Evidence of insurability is not required. However, conversion is not available if the insurance ends for one of these reasons:

- (1) You fail to make any required contribution for insurance under the Group Contract.
- (2) All Dependents Term Life Coverage of the Group Contract for your class ends by amendment or otherwise. This (2) does not apply if, on the date it ends, you have been insured with respect to the dependent child for five years for that insurance (or for that insurance and any Prudential rider or group contract replaced by that insurance).

Any such conversion is subject to the rest of this Section C.

**Availability:** The individual contract must be applied for and the first premium must be paid by the later of:

- (1) the thirty-first day after you cease to be insured for Dependents Term Life Coverage with respect to the dependent child; and
- (2) the fifteenth day after you have been given written notice of the conversion privilege. But, in no event may the insurance be converted to an individual contract if it is not applied for and the first premium paid prior to the ninety-second day after you cease to be insured for Dependents Term Life Coverage with respect to the dependent child.

**Individual Contract Rules:** The individual contract must conform to the following:

Amount: Not more than the amount of Dependents Term Life Coverage on the dependent child ending under the Dependents Term Life Coverage. But, if it ends because all the Dependents Term Life Coverage of the Group Contract for your class ends, the total amount of individual insurance which may be obtained in place of all the Dependents Term Life Coverage on the dependent child then ending under the Group Contract will not exceed the lesser of the following:

- (1) The total amount of all your Dependents Term Life Coverage on the dependent child then ending under the Group Contract reduced by the amount of group life insurance from any carrier for which you are or become eligible with respect to the dependent child within the next 31 days.
- (2) \$10,000.

Form: Any form of a life insurance contract that:

- (1) conforms to Title VII of the Civil Rights Act of 1964, as amended, having no distinction based on sex; and
- (2) is one that Prudential usually issues at the age and amount applied for.

This does not include term insurance or a contract with disability or supplementary benefits.

Premium: Based on Prudential's rate as it applies to the form and amount, and to the dependent child's class of risk and age at the time.

Effective Date: The end of the 31-day period after you cease to be insured for Dependents Term Life Coverage with respect to the dependent child.

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Any death benefit provided under a section of the Dependents Term Life Coverage is payable to you. If you are not living at the death of a dependent child, the death benefit is payable to the dependent child's estate, or, at Prudential's option, to any one or more of these surviving relatives of the dependent child: wife; husband; mother; father; children; brothers; sisters.

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# General Information

## **BENEFICIARY RULES**

The rules in this section apply to insurance payable on account of your death, when the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, states that they do. These rules also apply to insurance payable on account of your spouse's or Domestic Partner's death, when the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, states that they do. But these rules are modified by any burial expenses rule in the Schedule of Benefits and, if there is an assignment, by the following Sections: Limits on Assignments; and Effect of Gift Assignment of Rights of Group Universal Life Insurance Under Another Group Contract.

"Beneficiary" means a person chosen, on a form approved by Prudential, to receive the insurance benefits.

You have the right to choose a Beneficiary.

If there is a Beneficiary for the insurance, it is payable to that Beneficiary.

Any amount of insurance for which there is no Beneficiary at your death will be payable to the first of the following: Your (a) surviving spouse; (b) surviving child(ren) in equal shares; (c) surviving parents in equal shares; (d) surviving siblings in equal shares; (e) estate. This order will apply unless otherwise provided in the Limits on Assignments.

You may change the Beneficiary at any time without the consent of the present Beneficiary. The Beneficiary change form must be filed through Prudential's Group Universal Life Administrative Unit. The change will take effect on the date the form is signed. But it will not apply to any amount paid by Prudential before it receives the form.

If there is more than one Beneficiary, but the Beneficiary form does not specify their shares, they will share equally. If a Beneficiary dies before you or, with respect to your spouse or Domestic Partner, before your spouse or Domestic Partner, that Beneficiary's interest will end. It will be shared equally by any remaining Beneficiaries, unless the Beneficiary form states otherwise.

## **MODE OF SETTLEMENT RULES**

The rules in this Section apply to Employee or Dependents Insurance payable on account of your death or, with respect to your spouse or Domestic Partner, on account of your spouse's or Domestic Partner's death, when the Universal Life Coverage states that they do. But these rules are subject to the Limits on Assignments and Effect of Gift Assignment of Rights of Group Universal Life Insurance Under Another Group Contract Sections.

"Mode of Settlement" means payment other than in one sum.

Employee or Dependents Life Insurance is normally paid to the Beneficiary in one sum. But a mode of settlement may be arranged with Prudential for all or part of the insurance, as stated below.

**Arrangement for Mode of Settlement:** You may arrange a Mode of Settlement by proper written request to Prudential. If, at your death or, with respect to your spouse or Domestic Partner, at your spouse's or Domestic Partner's death, no Mode of Settlement has been arranged for an amount of Employee or Dependents Life Insurance, the Beneficiary and Prudential may mutually agree on a Mode of Settlement for that amount.

**Conditions for Mode of Settlement:** The Beneficiary must be a natural person taking in the Beneficiary's own right. A Mode of Settlement will apply to secondary Beneficiaries only if Prudential agrees in writing. Each installment to a person must not be less than \$20.00. A change of Beneficiary will void any Mode of Settlement arranged before the change.

**Choice by Beneficiary:** A Beneficiary being paid under a Mode of Settlement may, if Prudential agrees, choose (or change the Beneficiary's choice of) a payee or payees to receive, in one sum, any amount which would otherwise be payable to the Beneficiary's estate.

Information about Modes of Settlement is available from Prudential.

## **INCONTESTABILITY OF INSURANCE**

This limits Prudential's use of your statements in contesting an amount of insurance under the Universal Life Coverage and any of the additional provisions that may be a part of the Universal Life Coverage for which you are insured. These are statements made to persuade Prudential to accept you for insurance. They will be considered to be made to the best of your knowledge and belief. These rules apply to each statement:

- (1) It will not be used in the contest unless:
  - (a) It is in a written instrument signed by you; and
  - (b) A copy of that instrument is or has been furnished to you or, in the event of your death or incapacity, to your Beneficiary or personal representative.
- (2) If it relates to a person's insurability:
  - (a) it will not be used to contest the validity of the insurance which has been in force, before the contest, for at least two years during the person's lifetime; or, if later, two years during the person's lifetime from the date the person's insurance was reinstated.
  - (b) with respect to an increase in that person's face amount of insurance, it will not be used to contest the validity of the increase in the insurance which has been in force, before the contest, for at least two years during the person's lifetime.

## LIMITS ON ASSIGNMENTS

Unless not allowed in the Schedule of Benefits, you may assign your Employee or Dependents Insurance under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage. Unless the Schedule of Benefits states otherwise, any rights, benefits or privileges that you have as an Employee may be assigned only as a gift assignment. This includes any right to choose a Beneficiary or to convert to another contract of insurance. An assignment must be in a signed writing. Prudential will not decide if an assignment does what it is intended to do. Prudential will not be held to know that one has been made unless it or a copy is filed with Prudential through its Group Universal Life Administrative Unit.

This paragraph applies only to insurance for which you have the right to name a Beneficiary, when that right has been assigned. If an assigned amount of insurance becomes payable on account of the Covered Person's death, and at the Covered Person's death there is no Beneficiary chosen by the assignee, it will be payable to:

- (1) the assignee, if living; or
- (2) the estate of the assignee, if the assignee is not living.

It will not be payable as stated in the Beneficiary Rules.

## EFFECT OF GIFT ASSIGNMENT OF RIGHTS OF GROUP UNIVERSAL LIFE INSURANCE UNDER ANOTHER GROUP CONTRACT

If you are eligible for the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, of the Group Contract on the Included Employer's Inclusion Date, you will have no rights, benefits or privileges under such Coverage if, on the day before the Inclusion Date, all of the following were true:

- (1) You were insured for group universal life insurance under another group contract, and that contract was issued by Prudential or another insurance carrier to cover Employees of the Included Employer.
- (2) Your group universal life insurance under the other group contract ended.
- (3) An irrevocable and absolute gift assignment previously made by you: (a) was in effect; (b) was made before the other group contract ended; and (c) was of all of your rights, benefits and privileges of the group universal life insurance under the other group contract.
- (4) Those rights, benefits and privileges were owned by the assignee or the assignee's successor.

The owner of those rights of the group universal life insurance under the other group contract on the day before the Included Employer's Inclusion Date will be the owner of the rights, benefits and privileges you would have had under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, to the same extent ownership existed under the other group contract, if this section did not apply. This includes, but is not limited to, any right of assignment you would have had under the Limits on Assignments section above. The term "assignee" as used in that section includes such an owner.

The term "group universal life insurance", as used above, means only group universal life insurance provided under a group contract in effect on the day before the date the Included Employer became included under the Group Contract.

## AGE ADJUSTMENT

If an age is used to determine your contributions for the Universal Life Coverage, including any of the additional provisions that may be a part of that Coverage, and the age used is found to be in error, Prudential will adjust the amount of any death benefit payable. The death benefit will be increased or decreased to reflect the benefit that the contributions you made would have provided at the correct age.

## DEFINITIONS

**Active Work Requirement:** A requirement that you be actively at work at the Included Employer's place of business, or at any other place that the Included Employer's business requires you to go. You are considered actively at work during normal vacation if you were actively at work on your last regular scheduled workday.

**Coverage:** A part of the Certificate consisting of:

- (1) A benefit page labeled as a Coverage in its title.
- (2) Any page or pages that continue the same kind of benefits.
- (3) A Schedule of Benefits entry and other benefit pages or forms that by their terms apply to that kind of benefits.

**Covered Person** under the Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage: An Employee who is insured for Employee Insurance under that Coverage; a Qualified Dependent for whom an Employee is insured for Dependents Insurance under that Coverage.

**Dependents Insurance:** Insurance on the person of a dependent.

**Doctor:** A licensed practitioner of the healing arts acting within the scope of the license.

**Earnings:** This is the gross amount of money paid to you by the Employer in cash for performing the duties required of your job. Annual Earnings are determined on the basis of your base salary as of the last day you worked. Bonuses, performance bonuses, overtime pay, or Earnings for more than 40 hours per week, and all other benefits are not included.

**Employee:** A person employed by the Included Employer; a proprietor or partner of the Included Employer. The term also applies to that person for any rights after insurance ends. Employee includes: regular full-time and part-time Employees, long-term supplemental Employees and Employees who are retired by the Employer, terminated by the Employer, receiving benefits under the Employer's long term disability plan, or on a leave of absence approved by the Employer as of September 1, 2006, as reported to Prudential.

**Employee Insurance:** Insurance on the person of an Employee.

**Included Employer:** An employer who:

- (1) has made a written request to Prudential to be included under the Group Contract; and
- (2) has agreed to make required payments to the Contract Holder for the insurance; and
- (3) has been approved by Prudential for inclusion under the Group Contract.

**Injury:** Injury to the body of a Covered Person.

**Life Event:** Any of the following which constitute a change in family status:

- (1) your marriage, divorce or legal separation;
- (2) becoming or ceasing to be a Domestic Partner;
- (3) the death of your spouse, Domestic Partner or child;
- (4) the birth or adoption of your child, including attainment of legal custody or legal guardianship of a child;
- (5) employment or termination of employment of your spouse or Domestic Partner;
- (6) switching from part-time to full-time Employee status (or vice versa) by you or your spouse or Domestic Partner;
- (7) you or your spouse or Domestic Partner taking an unpaid leave of absence;
- (8) a significant change in your health coverage that is attributable to your spouse's or Domestic Partner's employment.

**Plan Year:** A year from December 1 to November 30, beginning in 2007.

**Prudential:** The Prudential Insurance Company of America.

**Sickness:** Any disorder of the body or mind of a Covered Person, but not an Injury.

**You:** An Employee.

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## CLAIM RULES

These rules apply to the payment of benefits under Additional Provisions for Accidental Death and Dismemberment Coverage.

**Proof of Loss:** Prudential must be given written proof of the loss for which claim is made under the Additional Provisions for Accidental Death and Dismemberment Coverage. This proof must cover the occurrence, character and extent of that loss. It must be furnished within 90 days after the date of the loss. A claim will not be considered valid unless the proof is furnished within this time limit. However, it may not be possible to do so. In that case, the claim will still be considered valid if proof is furnished as soon as possible.

**When Benefits are Paid:** Benefits are paid when Prudential receives written proof of the loss.

A benefit unpaid at your death will be paid to your estate. But this does not apply if the Additional Provisions for Accidental Death and Dismemberment Coverage or the Limits on Assignments section on an earlier page states otherwise.

**Physical Exam:** Prudential, at its own expense, has the right to examine the person whose loss is the basis of claim. Prudential may do this when and as often as is reasonable while the claim is pending.

**Legal Action:** No action at law or in equity may be brought to recover on the Group Contract until 60 days after the written proof described above is furnished. No such action may be brought more than three years after the end of the time period within which proof of loss is required.

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# When Insurance Ends

## EMPLOYEE AND DEPENDENTS INSURANCE

Your Employee and Dependents Insurance under the Universal Life Coverage and any of the additional provisions that may be a part of the Universal Life Coverage under the Group Contract will end on the first of these to occur:

- (1) The date the Group Contract ends.
- (2) The date the Employee's Employer ceases to be an Included Employer.
- (3) The last day of the month in which Prudential receives notice that the Employee ceases to be in the Covered Classes for the insurance because the Employee's employment ends (see below) or for any other reason.
- (4) The last day of the month in which Prudential receives notice that the Employee's class has been removed from the Covered Classes for the insurance.
- (5) The last day of the month in which you fail to pay, when due any contribution that is required to keep your insurance in force. If your insurance is in default, you fail to pay the Monthly Deduction required to provide your Universal Life Coverage during the grace period. But failure to pay for Dependents Insurance will not cause your Employee Insurance to end.
- (6) With respect to an Employee's dependent spouse or Domestic Partner who is insured for Universal Life Coverage, the last day of the month in which that spouse's or Domestic Partner's Universal Life Coverage and any of the additional provisions that may be a part of the Universal Life Coverage ends as a result of your death or divorce or your Domestic Partner ceasing to be a Qualified Dependent.

Your Dependents Insurance for a Qualified Dependent under the Additional Provisions for Dependents Term Life Coverage will end on the last day of the month in which that dependent ceases to be a Qualified Dependent for those provisions.

**Paid-up Insurance:** If a person's fund has been used to provide paid-up insurance, as described in the Paid-up Insurance Section of the Universal Life Coverage, the paid-up insurance will not end when a person's insurance ends under other rules of the Group Contract. Unless surrendered, it will continue until the person's death.

**End of Employment:** For insurance purposes, the Employee's employment will end when the Employee is no longer a full-time, part-time or long-term supplemental Employee actively at work for the Included Employer. But, the Included Employer may consider the Employee as still employed in the Covered Classes during certain types of absences from full-time, part-time or long-term supplemental work. The Included Employer decides which Employees with those types of absences are to be considered employed, and for how long. In doing so, the Included Employer must not discriminate among persons in like situations.

For the purpose of your life insurance under the Group Contract, the Employee's employment in the covered Classes will not be considered to end while the Employee: (1) is absent from work for the Included Employer on account of your disability; and (2) has been so absent for less than six months; and (3) is not working at any other job for wage or profit.

If an Employee stops active full-time, part-time or long-term supplemental work for any reason, the Employee should contact Prudential's IBM GUL Contact Center at 877-4GUL-PRU at once to see what arrangements, if any, have been made to continue your insurance during such absences.

**Continued Coverage Under the Group Contract:** If a person's face amount of insurance under the Universal Life Coverage and any of the additional provisions made a part of the Universal Life Coverage would, but for these provisions, end because:

- (1) the Employee ceases to be in the Covered Classes for the insurance; or
- (2) the Employee's class has been removed from the Covered Classes for the insurance; or
- (3) the Employee's employer is no longer an Included Employer; or
- (4) with respect to a person who is a dependent spouse or Domestic Partner, the Employee dies or are divorced from that spouse or your Domestic Partner ceases to be a Qualified Dependent;

the person's Universal Life Coverage and any of the additional provisions made a part of the Universal Life Coverage will be continued beyond the date it would have ended above.

But, this will not apply if the person's Universal Life Coverage under the Group Contract ends because the Employee's employer is no longer an Included Employer and, within 31 days, the person becomes eligible through the Employee's employer for group life insurance coverage, issued by another carrier, that provides for the accumulation of cash value.

**Rules:** The Universal Life Coverage and any additional provisions that may be a part of the Universal Life Coverage will be continued, subject to the following rules.

**Effective Date:** The effective date is the first day of the month after Prudential receives notice that the person's Universal Life Coverage, including any of the additional provisions that may be a part of the Universal Life Coverage, under the Group Contract would have ended.

**Contributions:** The amount of the contributions required to keep the insurance in force will be different than the amount you have been contributing. Contributions will be payable directly to Prudential.

**End of Continued Coverage:** Insurance under the Universal Life Coverage and any of the additional provisions that may be a part of the Universal Life Coverage will end when the first of these occurs:

- (1) The Group Contract ends.
- (2) You fail to pay, when due any contribution that is required to keep the person's insurance in force. If the person's insurance is in default, you fail to pay the Monthly Deduction required to provide the person's Universal Life Coverage during the grace period. But failure to pay for Dependents Insurance will not cause your Employee Insurance to end.

Your Dependents Insurance for a Qualified Dependent under the Additional Provisions for Dependents Term Life Coverage will end on the last day of the month in which that dependent ceases to be a Qualified Dependent for those provisions.

**Continued Coverage under the Group Contract for a Child Who Reaches the Age Limit:** Your child has the right to enroll for Universal Life Coverage under the Group Contract if the child:

- (1) reaches the age limit in the definition of Qualified Dependent while insured as your Qualified Dependent under the Additional Provisions for Dependents Term Life Coverage of the Group Contract; and

- (2) has not converted your insurance on that child under the Additional Provisions for Dependents Term Life Coverage of the Group Contract to an individual life insurance contract; and
- (3) is not covered as an Employee of the Included Employer, or is not the spouse or Domestic Partner of an Employee of the Included Employer, under the Universal Life Coverage of the Group Contract.

For the purpose of the Group Contract, a child who has this right is called an Adult Child.

Any such right is subject to the following rules.

**Rules:** These rules apply.

**Availability:** The Adult Child must enroll for the Universal Life Coverage in a manner approved by Prudential and pay the first premium within 90 days after the Additional Provisions for Dependents Term Life Coverage for that child ends. Evidence of insurability will not be required.

**Face Amount of Insurance:** The Adult Child will be covered for a Face Amount of Insurance equal to any multiple of \$10,000, up to \$50,000.

**Contributions:** Contributions will be payable directly to the Prudential.

**Certificate:** Prudential will issue a Certificate to the Adult Child.

**Attainment of Age 100:** When a Covered Person attains age 100, the person's death benefit will be equal to the fund, less any loan and any interest due on the loan and any past due monthly charges. The face amount of insurance ends, the Monthly Deduction will no longer be required and Prudential will no longer accept contributions.

Any additional provisions that may have been a part of the Universal Life Coverage will end.

# Benefit Modification for Missouri Residents

Regardless of any provisions of the Group Contract that affect term life and accident coverages to the contrary, the following provisions modify the term life and accident Coverages for Missouri residents:

Suicide is no defense to the payment of life insurance benefits, unless Prudential can show that you intended suicide when you enrolled for the coverage.

Suicide while insane is no defense to the payment of accidental death benefits, unless Prudential can show that you intended suicide when you enrolled for the coverage. Suicide while sane is a defense.

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*This is not an employer-sponsored employee benefit plan that is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), but is instead a group or group-type insurance arrangement within the meaning of 29 C.F.R. §21510.3-1(j)*

**This Section  
is not part of the  
Group Insurance Certificate.**

## **Plan Benefits Provided by**

The Prudential Insurance Company of America  
751 Broad Street  
Newark, New Jersey 07102

This Group Contract underwritten by The Prudential Insurance Company of America provides insured benefits under the Contract Holder's plan. For all purposes of this Group Contract, the Policyholder acts on its own behalf or as an agent of its Members. Under no circumstances will the Contract Holder be deemed the agent of The Prudential Insurance Company of America, absent a written authorization of such status executed between the Contract Holder and The Prudential Insurance Company of America. Nothing in these documents shall, of themselves, be deemed to be such written execution.

The Prudential Insurance Company of America as Claims Administrator has the sole discretion to interpret the terms of the Group Contract, to make factual findings, and to determine eligibility for benefits. The decision of the Claims Administrator shall not be overturned unless arbitrary and capricious.

## **Claim Procedures**

### **1. Determination of Benefits**

Prudential shall notify you of the claim determination within 45 days of the receipt of your claim. This period may be extended by 30 days if such an extension is necessary due to matters beyond the control of the plan. A written notice of the extension, the reason for the extension and the date by which the plan expects to decide your claim, shall be furnished to you within the initial 45-day period. This period may be extended for an additional 30 days beyond the original 30-day extension if necessary due to matters beyond the control of the plan. A written notice of the additional extension, the reason for the additional extension and the date by which the plan expects to decide on your claim, shall be furnished to you within the first 30-day extension period if an additional extension of time is needed. However, if a period of time is extended due to your failure to submit information necessary to decide the claim, the period for making the benefit determination by Prudential will be tolled (i.e., suspended) from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If your claim for benefits is denied, in whole or in part, you or your authorized representative will receive a written notice from Prudential of your denial. The notice will be written in a manner calculated to be understood by you and shall include:

- (a) the specific reason(s) for the denial,
- (b) references to the specific plan provisions on which the benefit determination was based,
- (c) a description of any additional material or information necessary for you to perfect a claim and an explanation of why such information is necessary,
- (d) a description of Prudential's appeals procedures and applicable time limits, and

- (e) if an adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination will be provided free of charge upon request.

## **2. Appeals of Adverse Determination**

If your claim for benefits is denied or if you do not receive a response to your claim within the appropriate time frame (in which case the claim for benefits is deemed to have been denied), you or your representative may appeal your denied claim in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

A full review of the information in the claim file and any new information submitted to support the appeal will be conducted by Prudential, utilizing individuals not involved in the initial benefit determination. This review will not afford any deference to the initial benefit determination.

Prudential shall make a determination on your claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to an additional 45 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date that Prudential expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled (i.e., suspended) from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If the claim on appeal is denied in whole or in part, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include:

- (a) the specific reason(s) for the adverse determination,
- (b) references to the specific plan provisions on which the determination was based,
- (c) a statement that you are entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to your benefit claim upon request,
- (d) a description of Prudential's review procedures and applicable time limits,
- (e) a statement that you have the right to obtain upon request and free of charge, a copy of internal rules or guidelines relied upon in making this determination, and
- (f) a statement describing any appeals procedures offered by the plan.

If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

If the appeal of your benefit claim is denied or if you do not receive a response to your appeal within the appropriate time frame (in which case the appeal is deemed to have been denied), you or your representative may make a second, voluntary appeal of your denial in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your second appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

Prudential shall make a determination on your second claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to an additional 45 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date by which Prudential expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

Your decision to submit a benefit dispute to this voluntary second level of appeal has no effect on your right to any other benefits under this plan. If you elect to initiate a lawsuit without submitting to a second level of appeal, the plan waives any right to assert that you failed to exhaust administrative remedies. If you elect to submit the dispute to the second level of appeal, the plan agrees that any statute of limitations or other defense based on timeliness is tolled during the time that the appeal is pending.

If the claim on appeal is denied in whole or in part for a second time, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include the same information that was included in the first adverse determination letter. If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

