

READ YOUR POLICY CAREFULLY
This Policy is a Legal Contract between the Policyholder and the Company.



GOLDEN STATE MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE: 1999 W. ADAMS BOULEVARD • LOS ANGELES, CALIFORNIA 90018 • (213) 731-1131

In return for your Application, and for the payment of premiums as set forth in this Policy, we agree to pay the benefits described in this Policy. These benefits are subject to all of the terms of this Policy, including any riders, endorsements and amendments.

This Policy goes into effect on the Policy Effective Date, at 12:01 a.m., at your address. The Policy will stay in force as long as the premium is paid, until terminated by you or us.

This contract shall be governed by the laws of the state in which it is delivered.

IN WITNESS WHEREOF, We have signed this Policy at Los Angeles, California.

SECRETARY

COUNTERSIGNED

PRESIDENT

GROUP LIFE INSURANCE POLICY
(Participating)

This is a contract between us, GOLDEN STATE MUTUAL LIFE INSURANCE COMPANY, and you,

_____ (the Policyholder)

SCHEDULE OF BENEFITS

Group Policy No. _____

Policy Delivered In: _____

Policy Effective Date: _____

Policy Anniversary Date: _____

PLAN TYPE: Contributory Non-Contributory

INSURANCE COVERAGE:

MONTHLY PREMIUM

Life Insurance

\$

Accidental Death and Dismemberment Coverage

\$

Waiver of Premium

\$

Other

\$

\$

\$

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DEFINITIONS

When we use the following words, this is what we mean:

We, our or us refers to Golden State Mutual Life Insurance Company.

You, your or yours refers to the Policyholder.

ACTIVELY AT WORK: *Actively at work* means the Employee's attendance in person at the usual and customary place of business, acting in the full-time performance of the duties of that person's employment by the Policyholder for wages or profit.

AMOUNTS OF INSURANCE: The initial amounts of insurance for an Employee are shown in the Policy Application.

APPLICATION: The application for Group Insurance signed by the Policyholder. It is attached to this Policy.

BENEFICIARY: The person the Employee chooses to receive benefits under the Group Policy if he dies.

CHANGE IN AMOUNTS: Amounts of insurance may change at a certain age or time. They may also change if the Employee's class changes, or if the Plan is amended. Such changes in the amount of insurance will take effect as shown in the Application.

CONTRIBUTORY INSURANCE: The insured Employee pays part or all of the premium.

DISABILITY, DISABLED, TOTAL DISABILITY, TOTALLY DISABLED: An Employee will be considered Totally Disabled if, because of injury or sickness, he is unable to perform all the essential duties of his occupation. After 24 months, an Employee will be considered totally disabled only if, because of injury or sickness, he is unable to perform all the essential duties of any occupation for which he is or may reasonably become qualified based on his education, training or experience.

EFFECTIVE DATE: The Employee's insurance will become effective on the date shown in the Application as long as he is eligible under the Policy and he is actively at work on that date; or if not, then on the date he returns to work. For employees becoming eligible after the Policy Effective Date, insurance starts on the date first eligible. If the Policy is contributory, the Employee must enroll in writing. We may ask for proof of his insurability at his expense if:

1. he applies more than 31 days from the date he becomes eligible; or
2. his insurance stopped because he did not pay the last required premium due. In this case the Employee's insurance will become effective on the first day of the month coincident with or next following the date we approve the proof of his insurability provided he is then actively at work.

ELIGIBILITY: A member of the Eligible Class is any full-time permanent, active employee working at least 30 hours per week for this Policyholder.

ELIGIBILITY DATE: This is the date that the Employee first becomes eligible for insurance under this Policy. The conditions for eligibility are shown in the Policy Application.

EMPLOYEE: A full time, active employee in the service of the Policyholder.

HE, HIS: Wherever the masculine pronouns he, his are used they shall also refer to the feminine pronouns she and her.

NON-CONTRIBUTORY INSURANCE: The Policyholder pays all of the premiums.

POLICY: The Group Life Insurance policy we issued to the Group Life Insurance Policyholder.

POLICYHOLDER: The Policyholder named on the Schedule of Benefits page.

POLICY MONTH: The period that starts on a premium due date and ends on the day prior to the next premium due date.

POLICY YEAR: The first policy year starts on the Effective Date. If the Policy is renewed, future plan years start on the same date in each year after that.

POLICY BENEFITS

LIFE INSURANCE

If the Employee dies while insured, we will need to receive satisfactory proof of his death and will pay the Beneficiary the amount of life insurance in force under the Plan. This will be called the Life Amount. The initial Life Amount for each class of employees is shown in the Policy Application.

ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE (AD&D)

If this insurance is included and if the Employee has an accident:

1. while he is insured;
2. and suffers a loss shown below, we will pay:
 - a. the full AD&D Amount for the loss of:
 - life;
 - both hands or both feet;
 - sight of both eyes;
 - one hand and one foot;
 - one hand and sight of one eye;
 - one foot and sight of one eye; or

- b. one-half the AD&D Amount for the loss of:
- one hand or one foot; or
 - sight of one eye.

The initial AD&D Amount for each class of employee is shown in the Policy Application. The loss of hands or feet must be by severance at or above the wrists or ankles. The loss of sight must be total and not recoverable.

We will pay the AD&D Amount to the Beneficiary for the loss of life or to the Employee for any other loss. We will not pay more than the full AD&D Amount for any one or more losses for the same accident.

We must receive satisfactory proof that the loss occurred:

1. as a result of an accidental bodily injury and independently of all other causes; and
2. within 90 days after a covered loss starts or as soon as reasonably possible.

We will not pay any AD&D Amount if the loss results from:

1. bodily injury which occurred before the Employee was insured by the Policy;
2. intentionally self-inflicted injury or suicide;
3. voluntary taking of any drugs (except those prescribed by a doctor); poison, gas or fumes voluntarily administered, absorbed or inhaled.
4. committing or attempting to commit a felony;
5. travel in or descent from any moving aircraft aboard which:
 - a. the Employee is giving or receiving training;
 - b. the Employee has any duties; or
 - c. the Employee is being flown for the purpose of his descent from such aircraft while it is in flight;
6. war or any act of war, whether declared or not;
7. disease or infirmity of the body or mind or from its medical or surgical treatment;
8. bacterial infection unless the result of an accident.

RIGHT TO EXAMINE

We, at our expense, have the right to examine the Employee's person:

1. as often as it is reasonably required;
2. while a claim is pending.

We may require an autopsy:

1. in case of death;
2. unless it is not allowed by law.

WAIVER OF PREMIUM

If this insurance is included, premium for an Employee will be waived if the Employee becomes totally disabled while he is insured under the Policy and prior to age 60.

We will keep his Life Insurance in force subject to the terms of this clause. We will need to receive proof of his disability. The proof must be received by us:

1. at our Home Office;
2. in writing;
3. while the Employee is still disabled.

Satisfactory proof of the claim must be received within one year from the start of the disability. Once we approve a claim, his Life Insurance will be kept in force:

1. with no further premium cost to him or the Policyholder;
2. for the Life Amount in effect at that time;
3. for as long as he is disabled;
4. whether or not the Policy remains in force.

Premiums will not be waived for the first six months of total disability.

If the Plan states that his Life Amount would:

1. stop; or
2. reduce at a certain age or time, then the same will be true under this disability clause.

We have the right to have proof that he is still disabled:

1. at any reasonable time during the first two years of disability; and
2. once a year after that.

His insurance will stop under this clause if:

1. he fails to give us the proof we ask for;
2. he ceases to be disabled; or
3. he converts his Group Life Insurance.

RIGHT TO CONVERT

A. If the Policy is still in force, the Employee has the right to convert his Group Life insurance:

1. if all or part of it stops for any reason; unless
2. it stops because the Employee or Employer did not pay any required premium.

The Employee will not have to give us proof of his health at that time.

To convert his Group Life insurance, he must apply to us:

1. in writing;
2. by paying the first premium for the new policy;
3. within 31 days from when it stops.

The new policy will be an individual conversion Whole Life policy (not Term). This individual policy will not have waiver of premium, AD&D or Term insurance coverages.

The new policy the Employee chooses will be issued:

1. as of the end of the 31st day after his insurance stops;
2. on a form we use as of its effective date for:
 - a. his age last birthday at that time; and
 - b. the amount he applied for.

The amount the Employee may apply for may not be more than:

1. the Life Amount then in force; or
2. that part of the Life Amount which has stopped, whichever is less.

B. If the Policy stops, the Employee may still convert his insurance:

1. if he has been insured continuously under this Policy for at least 5 years;
2. for \$2,000

The Employee will not have to give us proof of his health at that time.

To convert his Group Life insurance, he must apply to us:

1. in writing;
2. by paying the first premium for the new policy;
3. within 31 days from when it stops.

The new policy will be an individual conversion Whole Life policy (not Term). This individual policy will not have Waiver of Premium, AD&D or Term insurance coverages.

The new policy the Employee chooses will be issued:

1. as of the end of the 31st day after his insurance stops;
2. on a form we use as of its effective date for:
 - a. his age last birthday at that time; and
 - b. the amount he applied for.

C. Death Benefit During Right to Convert Period:

We will pay the Life Amount:

1. if the Employee dies within the 31 day right to convert period;
2. whether or not he has applied to us.

TERMINATION OF BENEFITS

The Employee's insurance will stop on the first of the following dates:

1. when the Policy stops;
2. when he chooses the Policy to stop;
3. when he is no longer eligible for insurance under the Policy;
4. at the end of the 31st day from when the last premium was paid if the Employee is required to pay part or all of the cost of his insurance;
5. when he leaves his job.

If the Employee is in active service in the armed forces of a country at war, declared or not, his insurance will stop.

We may stop all coverage under the Policy at the start of any insurance month by giving 30 days written notice to the Policyholder.

GENERAL PROVISIONS

ENTIRE CONTRACT

This Contract is made up of: (1) the Policy; (2) the Application of the Policyholder, a copy of which is attached; and (3) if required, the individual application of the Insured Person.

The Policy is a legal contract. Nothing else which has been said or written is part of it unless it is attached. Only our President, Vice President or Secretary may agree to a change. The change must be in writing.

All statements made in the Application, except for fraud, are representations and not warranties. We will not use any statement to void the Policy nor to deny a claim unless such statements are contained in the Application(s).

OWNER OF THIS INSURANCE

The Policy is owned by the Policyholder. Each Employee owns his or her own insurance unless we are told otherwise in writing by the Employee.

Ownership of an Employee's insurance can be changed at any time. It must be done on our form and sent to us. The form must be signed by the current owner of that insurance. We will record the change, and it will take effect on the date the form was signed. A change of owner does not change the Beneficiary.

BENEFICIARY DESIGNATION

The Beneficiary is named by the Employee on our records to receive benefits with the Employee dies. If, when the Employee dies, there is no Beneficiary, or he did not name one, then we may pay benefits to one of the classes of survivors in the following order:

1. current spouse;
2. surviving children in equal shares;
3. mother or father;
4. brother or sister; or
5. the estate.

CHANGE OF BENEFICIARY

The Beneficiary may be changed at any time before the Employee dies. A change must be done on our form and sent to us. The form must be signed by the Employee. If the change is approved by us, it will take effect on the date it was signed. An irrevocable beneficiary must consent to the change.

PREMIUMS

Premiums are payable at our Home Office. They are due by the first day of each month. Premiums start on the Policy Effective Date for all persons insured on that date; or on the first premium date on or after the date insurance starts for all others. Premiums for a person will stop on the first premium due date on or after the date the insurance stops for that person.

We have the right to change the premium rate. We will not make a change before the Policy is one year old. We will write and tell the Policyholder 31 days before the change takes place.

GRACE PERIOD

If a premium is not paid when due, there is a 31-day Grace Period. If a premium is not paid in that time, this insurance will stop.

ASSIGNMENT

The Insured may assign his rights in the Policy while he is alive. We will not be bound by the assignment until the original has been filed at our Home Office. When it is filed, it will affect his rights and the rights of any beneficiary. We are not responsible for the validity of any assignment.

PROOF OF CLAIM

Written proof of a Life Insurance claim, Accidental Death and Dismemberment Insurance claim or a Waiver of Premium claim must be given to us in accordance with the **Policy Benefits** section of this Policy.

INCONTESTABILITY

We will not contest this Policy after it has been in force for two years from its Effective Date, except for non-payment of premium.

MISSTATEMENT OF AGE

If an Employee's age has been misstated, the amount payable will be what the premiums paid would have bought at the correct age. Premiums will be changed to those at the true age of the Employee.

STATE LAW CONTROL

The Policy is ruled by the laws of the state where the Policyholder's Application was signed. If part of it does not follow that law, it will be treated as if it did.

INDIVIDUAL CERTIFICATES

We will give the Policyholder a Certificate to be given to each insured Employee which will show:

1. the insurance benefits; and
2. the conversion privileges.

If there is any change to the Policy affecting the Employee's benefits, a notice of change will be issued. Any conflict between terms of the Certificate and the Policy will be decided in favor of the Policy.