Lloyd's

This insurance is underwritten by certain underwriters at Lloyd's, London

Insured:

Certificate Number:

GUARANTEED ISSUE DISABILITY INCOME INSURANCE

We, Certain Underwriters at Lloyd's, agree to pay the benefits indicated on the Schedule of Benefits page of this Certificate and according to the Certificate provisions. We issued this Certificate to the Owner in consideration of: (1) The statements made in the application; and (2) Payment of the premium. A copy of the application is attached to and made part of the Certificate.

As long as the Owner pays the premiums for this Certificate by the end of each grace period, We cannot change any part of this Certificate until the expiry date unless agreed by You and Us. Coverage under this Certificate will begin on the effective date at 12:01 AM. Coverage will end on the expiry date at 12:01 AM. All times will be the Local Standard Time at the address stated on the Declaration Page.

To become effective, this Certificate must have been issued, the initial premium must have been paid and there must not have been any material changes in Your health, occupation or income since the date of signing the application for this insurance. If there have been changes to any of the above mentioned items, the Certificate must be immediately returned to Us with a written description of such changes for Our review and consideration.

The Owner has the right to return this Certificate if not satisfied for a full refund of any premium paid provided the Owner does so within ten (10) days after the receipt of this Certificate. The Certificate must be returned to Us. The Certificate will then be void from inception.

Read this Certificate carefully. It is a legal contract between the Owner and Us.

Executed By
Petersen International Underwriters
23929 Valencia Boulevard, Second Floor, Valencia, CA 91355
800-345-8816

DECLARATIONS

Certificate Number:

Name of Owner:

Address:

Name of Insured:

Occupation:

Loss Payee:

Employer:

Geographical Location:

Effective Date:

Expiry Date:

Issue Date:

Application Date:

Premium:
ESL Tax:
Stamping Fee:
Processing Fee:
Total:

Payment Mode:

Binding Authority Number:
Unique Market Reference:

SCHEDULE OF BENEFITS

SECTION 1:

Monthly Disability Benefits Covering Sickness and Injury

A) Monthly Benefit Amount $_____
B) Elimination Period _____
C) Maximum Benefit Period _____
D) Percentage of Prior Earned Income _____
E) Automatic Benefit Increase $_____
F) Residual Disability Benefit Rider _____
G) Cost of Living Adjustment Rider _____

SECTION 2:

Lump Sum Disability Benefit Covering Sickness and Injury

A) Principal Sum Amount $_____
B) Elimination Period _____
C) Automatic Benefit Increase _____

Forms and Endorsements that apply: Assoc040115.

Executed by Petersen International Underwriters on:

_____ By _____
Date W. Harold Petersen, President

DEFINITIONS

Automatic Benefit Increase is an optional rider. Please refer to the attached rider for definitions if this optional rider was purchased.

Cost of Living Adjustment is an optional rider. Please refer to the attached rider for definitions if this optional rider was purchased.

Earned Income means all Earned Income received from Your Occupation. Earned Income includes all income from any vocational activity of Yours including but not limited to;

1) Salary and fees; (gross income less business expenses, but before income taxes)
2) Commissions and bonuses; and
3) Non-passive income reported on Your personal tax return.

Elimination Period means the period of time that a disability must last before benefits become payable. The Elimination Period can be satisfied by either Total Disability or Residual Disability if the Residual Disability Rider was purchased. The Elimination Period can be satisfied by two or more successive periods of disability. These periods must be due to the same or related causes and must not be separated by a period longer than the Elimination Period or six months, whichever is less.

Injury means a bodily injury which causes a disability while this insurance Certificate is in force.

Loss Payee is the person or entity named in the Declarations. If no Loss Payee is named, the Owner is the Loss Payee. All disability benefits under this Certificate will be paid to the Loss Payee.

Maximum Benefit Period means the maximum number of months that benefits will be paid during any one period of Total Disability.

Mental and/or Psychiatric Disorders means any condition which includes any form of neurotic or psychotic condition or behavioral disorder due to any cause. Conditions may include, but are not limited to: psychiatric disorders, manic disorders, paranoia, schizophrenia, personality disorders, depression, or anxiety. Mental and Psychiatric Disorders do not include Alzheimer's Disease, Parkinson's Disease, Multiple Sclerosis or other progressive neurological diseases.

Monthly Benefit means the cash benefit amount paid during periods of Total Disability.

Our, We, Us refers to Certain Underwriters at Lloyd's.

Owner, means the person or entity stated in the Declarations. The Owner may be changed at any time while You are living. The Owner must have an insurable interest. The Owner has all the rights and privileges under this Certificate, including the right to name a Loss Payee, subject to Our agreement.

DEFINITIONS (continued)

Permanent Total Disability means that if solely due to a Sickness or Injury, You are not able to perform the substantial and material duties of Your Occupation and in the opinion of Competent Medical Authority recovery from such disability is not expected, even if You are at work in another occupation.

Physician, Competent Medical Authority means an individual who is qualified to perform or prescribe surgical or manipulative treatment. A Physician must be recognized (licensed and chartered) by the state or country in which he or she is practicing, cannot be You or a relative of Yours and must practice within the scope of his or her license. Treatment of a Sickness or Injury must be within the knowledge or expertise of the Physician.

Pre-Existing Conditions means a condition, disease or injury for which medical advice, diagnosis, care or treatment including but not limited to the use of prescription medication was recommended by or received from a licensed health care practitioner during the three (3) months immediately preceding the Retro Date and will remain a pre-existing condition until a twelve (12) month period from the Retro Date on this certificate has expired. No benefits are payable for any disability occurring prior to the conclusion of the twelve (12) month period from the Retro Date, even if the disability continues beyond the Pre-Existing Conditions period.

Prior Earned Income means Earned Income from Your Occupation for the highest twelve (12) consecutive months out of the last twenty-four (24) month period immediately preceding the date of the first medical attention rendered for the Sickness or Injury that resulted in Your disability.

Regular Care means direct advice or direct supervision of treatment or therapy by a Physician who is competent to advise or supervise Your disability.

Residual Disability Benefit is an optional rider. Please refer to the attached rider for definitions if this optional rider was purchased.

Retro Date is the date that Your Monthly Disability Benefit or Lump Sum Disability Benefit was first effective provided Your coverage has been continuous. If additional benefits are purchased following the Retro Date, the Retro Date for those additional benefits would be the date the additional benefits become effective provided that Your coverage has been continuous.

Sickness means an illness or disease which causes a disability while this insurance Certificate is in force.

Term of Insurance means the time period beginning with the effective date and ending with the expiry date stated in the Declarations.

Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, by any person or group(s) of persons committed for political, religious, ideological or similar purposes or reasons including intention to influence any government and/or to put the public in fear.

DEFINITIONS (continued)

Total Disability means that solely due to a Sickness or an Injury, You are not able to perform the substantial and material duties of Your Occupation, even if You are at work in another occupation.

Valid and Collectible Insurance Benefits means only those benefits paid by an insurance carrier for the sole purpose of disability or income replacement. It does not include Social Security Disability or Workers Compensation Disability Benefits.

War means war, declared or undeclared, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military or usurped power, martial law, or confiscation by order of any government or public authority.

Warranty means a written promise or statement by You that a particular condition or fact existed or did not exist prior to the inception of this insurance Certificate or that it will continue to exist during the duration of the risk, falsity or breach of which discharges Our liability on the Certificate from the time of the breach or misstatement.

You, Your, Yourself means the Insured listed in the Declarations.

Your Occupation means the occupation (or occupations, if more than one) in which You are gainfully employed for the majority of the time during the 12 months prior to the time You become disabled. If You have limited Your Occupation to the performance of the substantial and material duties of a single specialty We will deem that specialty to be Your Occupation provided that Your industry widely recognizes that occupation as a specialty.

BENEFIT PROVISIONS (Section 1 – Monthly Disability Benefits)

DESCRIPTION OF BENEFITS
We will pay the benefits listed below and as indicated in the Schedule of Benefits subject to the terms and limits of this Certificate.

SICKNESS AND INJURY MONTHLY DISABILITY BENEFITS

Total Disability
We will pay Monthly Benefits up to the amount shown in the Schedule of Benefits, but never more than the Percentage of Prior Earned Income, as shown in the Schedule of Benefits, less any Valid and Collectible Disability Insurance Benefits during periods of Total Disability. If the benefit paid under this Certificate is less than the Monthly Benefit Amount as shown in the Schedule of Benefits, a pro-ration of the unearned premium paid to date will be refunded.

We will begin paying such benefits following the Elimination Period and pay for as long as Your Total Disability continues, but no longer than the Maximum Benefit Period for each disability, as indicated in the Schedule of Benefits.

Total Disability must result from;

1) a Sickness or Injury that occurs while this Certificate is in force or;
2) causes You to become disabled from a Sickness or Injury that was first diagnosed during the Term of Insurance provided the disability occurs within 365 days from the date of first diagnosis.

To be eligible for Total Disability benefits, You must be under the Regular Care of a Physician. If in the opinion of the Physician providing Regular Care, future or continued treatment would be of no benefit to You, Regular Care shall not be required.

We will pay the Monthly Benefit at the end of each month that You are Totally Disabled. The Monthly Benefit will cease after benefits have been paid for the entire Maximum Benefit Period shown in the Schedule of Benefits or on the date that You are no longer Totally Disabled, whichever occurs first. We will pay the Monthly Benefit at the rate of $1/30^{th}$ of the Monthly Benefit for each day that You are Totally Disabled for less than a full month.

BENEFIT PROVISIONS (Section 1 continued)

We will not increase the Monthly Benefit because You are Totally Disabled from more than one cause at the same time.

We reserve the right to have You examined by another Physician of Our choice. Should Your Physician and Our Physician not be able to agree that You are Totally Disabled, Your Physician and Our Physician shall name a third Physician to make a decision on the matter which shall be final and binding.

RESIDUAL DISABILITY BENEFIT RIDER

Prior Earnings
Prior Earnings means Your average monthly Earned Income for the highest twelve (12) consecutive months out of the last twenty-four (24) calendar months, just prior to the date that You became Disabled.

Loss of Earnings
Loss of Earnings means the difference between Your Prior Earnings and Your current Earned Income, while Residually Disabled.

Residual Disability
Residual Disability means You are gainfully employed and You are not Totally Disabled under the terms of the Certificate, but solely due to Sickness or Injury You experience a Loss of Earnings that is at least fifteen percent (15%) of Your Prior Earnings.

Monthly Residual Benefit
The Monthly Residual Benefit means the amount We pay for each month that You are Residually Disabled. The Monthly Residual Benefit is a percentage of the Monthly Benefit Amount as shown in the Schedule of Benefits.

PROVISIONS RELATING TO RESIDUAL DISABILITY

When You are Residually Disabled we will pay you Monthly Residual Benefits provided:

1) You must become Disabled while the Certificate is in force; and

2) You must satisfy the Elimination Period.

The amount of the Residual Benefit will be calculated as follows:

$$\text{Monthly Residual Benefit} = \frac{\text{Loss of Earnings}}{\text{Prior Earnings}} \times \text{Monthly Benefit Amount}$$

If the Loss of Earnings is more than eighty percent (80%) of Prior Earnings, We will deem such loss to be one hundred percent (100%). The Maximum Benefit Period for Residual Disability and Total Disability combined will not exceed the Maximum Benefit Period in the Schedule of Benefits.

TERMINATION OF MONTHLY RESIDUAL BENEFITS

Monthly Residual Benefits will cease to be paid on the date the first of the following events occurs:

1) You are no longer Residually Disabled; or

2) Your Loss of Earnings is no longer solely due to the Injury or Sickness that caused Your Residual Disability; or

3) You become Totally Disabled; or

4) the Maximum Benefit Period ends or 120 months, whichever is lesser.

Recurrent Disabilities
If after a period of Total Disability You resume Your Occupation and You work at Your Occupation on a full time basis for a continuous period of at least six (6) months, any Total Disability that begins after that time will be considered a new disability, even if it is a recurrence of the same condition that previously disabled You. A new Elimination Period will be required and a new Maximum Benefit Period will be established. If You incur a further Total Disability within six (6) months of a prior Total Disability, whether or not it is the same or related cause or a completely different cause, it will be considered as the same prior disability and not subject to a new Elimination Period or with written notice from You within 15 days from the date of Your notice of recurrent disability, You may elect the recurrent disability to be considered a new disability requiring a new Elimination Period while establishing a new Benefit Period.

Presumptive Disability
You will be presumed to be Totally Disabled, if due to a Sickness or Injury You have totally lost: the use of both hands, or both feet, or one hand and one foot, or the sight of both eyes, or the hearing of both ears, or the ability to speak. The Elimination Period will be waived. Regular Care is not required. The covered Monthly Benefit will be paid as long as the loss exists, up to the Maximum Benefit Period.

Rehabilitation Benefit
We may offer financial assistance for a rehabilitation program if We are paying benefits under this Certificate and if We approve the program in advance. The terms of a rehabilitation program, related expenses and Total Disability benefits during this program, will be subject to mutual agreement.

Survivorship Benefit

If You are receiving benefits for Total Disability at the time of Your death, We will pay a survivorship benefit equal to three (3) times the Monthly Benefit Amount as shown in the Schedule of Benefits. This benefit will be paid to Your estate.

Transplant Benefit

If this Certificate has been in force for at least six (6) months and You donate an organ from Your body to another person, the Total Disability which may result from such surgery will be considered a Sickness. Benefits will be payable in the same manner as those for any other Sickness.

BENEFIT PROVISIONS (Section 2: Lump Sum Disability Benefits)

DESCRIPTION OF BENEFITS

We will pay the benefits listed below and as indicated in the Schedule of Benefits, subject to the terms and limits of this Certificate.

SICKNESS AND INJURY LUMP SUM DISABILITY BENEFIT

We will pay the Principal Sum Amount shown in the Schedule of Benefits if a Competent Medical Authority determines You to be Permanently Totally Disabled.

Permanent Total Disability must result from an Injury that occurs while this certificate is in force and causes a Total Disability that begins within 365 days from the date of the Injury; or Sickness that is first diagnosed by a Physician while this certificate is in force and causes a Total Disability that begins within 365 days from the date such Sickness was first diagnosed.

To be eligible for the Principal Sum benefit, You must be under the Regular Care of a Physician. If in the opinion of the Physician providing Regular Care, future or continued treatment would be of no benefit to You, Regular Care shall not be required.

We reserve the right to have You examined by another Physician of Our choice. Should Your Physician and Our Physician not be able to agree that You are Permanently Totally Disabled, Your Physician and Our Physician shall name a third Physician to make a decision on the matter which shall be final and binding.

EXCLUSIONS

No benefits will be paid due to Sickness or Injury caused by, contributed to or related to the following and/or their treatments and/or complications thereof, unless specifically deleted by an endorsement to this Certificate:

1) Suicide or intentional self-inflicted Injury or poisoning;
2) Active participation in Terrorism or War;
3) Nuclear, biological or chemical exposure as a result of Terrorism or War;
4) While committing or attempting to commit a felony;
5) Mental and/or Psychiatric Disorders;
6) Taking of illegal drugs, or addiction or misuse of prescription or non-prescription drugs;
7) Alcohol abuse or addiction, being under the influence of alcohol, as defined by the vehicle code of the state or province in which the offense has occurred;
8) Pre-Existing Conditions (see Definitions page);
9) Pregnancy and pregnancy-related conditions including but not limited to fertility, pre-natal care, childbirth, miscarriage, abortion or postpartum conditions.

CLAIM PROVISIONS

NOTICE OF CLAIM
Written notice of a claim must be given to Us within sixty (60) days after the date of a potential qualifying loss, or as soon after as is reasonably possible. The notice must be given to Petersen International Underwriters and must include Your name and contact information.

CLAIM FORMS
When We receive notice of a claim, We will furnish forms for filing a Proof of Loss. If We do not furnish these forms within fifteen (15) days of notice, the person making the claim may meet the Proof of Loss requirements by providing Us with a written statement of the nature and extent of the loss within the time limit stated in the Proof of Loss section of this Certificate.

PROOF OF LOSS
Written Proof of Loss must be provided to Us within ninety (90) days after the loss occurs. Failure to furnish written proof within that time will not reduce the claim if it was not reasonably possible to do so. However, proof may not be furnished later than twelve (12) months from the time proof is normally required, except in the case of legal incapacity. Written Proof of Loss includes, but is not limited to:

1) Completed claim form; and
2) Signed authorization for release of medical, financial, or occupational records; and
3) Copies of signed tax returns.

In addition, We reserve the right to verify Your Proof of Loss by obtaining any and all necessary records from other sources. Costs associated with verification will be paid by Us.

CLAIM COOPERATION
The Owner and You shall provide, assist and cooperate with Us and Our authorized representatives in the administration of the claim. Failure to cooperate with Us in the administration of a claim may result in the termination of a claim. Such cooperation includes, but is not limited to providing any information or documents needed to determine whether benefits are payable.

We have the right, at Our expense, to analyze or require an analysis of all relevant financial and operational records, including Your personal, business and corporate federal and state tax returns, as often as We may reasonably require by a financial examiner of Our choice. We can require that Your accounting practices be the same as those which were in effect at the time You first became disabled.

RESPONSIBILITY TO OBTAIN APPROPRIATE MEDICAL CARE
You have the responsibility to obtain all reasonably appropriate medical care for the condition for which You are claiming benefits.

CLAIM PROVISIONS (continued)

TIME OF PAYMENT OF CLAIMS
Subject to satisfactory written Proof of Loss and all applicable Claim Provisions, and upon determination that benefits are payable under the provisions of the Certificate, We will pay all benefits due for disability and other specified losses for which We are liable. Benefits will be payable at the end of each month after the period of liability has occurred while You are disabled. Any amounts unpaid when Our liability ends will be paid immediately after We receive satisfactory written Proof of Loss.

PAYMENT OF CLAIMS
You must satisfy all terms and conditions of the Certificate in order for benefits to become payable. After all required Proof of Loss is provided and the claim is approved by Us, We will pay the benefits of the Certificate for which We are liable to the Loss Payee. Coverage and benefits terminate upon Your death.

ASSIGNMENT
This Certificate may not be assigned without Our prior written consent. We will not be responsible for the validity or tax consequences of any assignment.

PHYSICAL EXAMINATION
We have the right to select a Physician of Our choice to examine You at Our expense, as often as reasonably necessary during the pendency of the claim.

PREMIUM PROVISIONS

PREMIUM
Premium is due at the Certificate effective date and the first day of each premium mode. If You die, We will refund that part of any premium which applies to the period after Your date of death.

PREMIUM MODE CHANGES
Premium payments may be made on a monthly, quarterly, semi-annual, annual or single premium basis. All premium payments are available on an electronic transfer or credit card deduction. For quarterly, semi-annual, annual and single premium methods You may also select direct billing in addition to the electronic transfer or credit card deduction.

GRACE PERIOD
A grace period of thirty-one (31) days applies to any premium payments made in any mode other than a single premium. Premium payments after the initial premium payment may be paid within the grace period without the Certificate lapsing. If premium payments are not made by the end of the grace period, this Certificate will immediately cease to be in force as of the premium due date.

WAIVER OF PREMIUM
Any premium installments due while the Insured is disabled and receiving benefits will be waived. When benefits cease, any premium installments due within the ninety (90) day period following the cessation of benefits will also be waived. Following the ninety (90) day period after the cessation of benefits, premium will be due on a pro-rata basis to the next premium payment date or expiry, whichever is first.

UNPAID PREMIUM
If unpaid premium exists at the time benefits are paid under this Certificate, the amount of the premium unpaid will be deducted from the benefits paid.

CANCELLATION
The Owner may cancel this Certificate at any time by notifying Our office in writing. It is understood that any paid premiums are fully earned by Us.

PORTABILITY
If You leave Your current place of employment You may continue Your coverage provided premiums continue to be paid until the expiry date of the Certificate.

GENERAL PROVISIONS

CORRESPONDENCE TO CERTIFICATE OWNER
Any form of communications from Us shall be to the Certificate Owner. Communications to the Owner shall be considered communications to You.

FRAUD, MISSTATEMENT OR CONCEALMENT
If You, the Loss Payee, the Owner or any person on Your behalf commits fraud, a misstatement or concealment either in the application or by any other statement, this Certificate may become void and no benefits will be payable.

MISSTATEMENT OF AGE
If Your age is incorrectly stated, We will adjust the premium stated in the Certificate to reflect the proper premium for the correct age or You may elect to accept a properly adjusted benefit based on the accurate age and premium already paid.

ENTIRE CONTRACT; CHANGES
This Certificate, including the application and any attached endorsements or any other attached papers make up the entire contract between You and Us. No agent, producer or other person, other than an authorized officer of Ours, has the authority to change this Certificate or waive any of its provisions. Any changes are not valid unless approved by Us and recorded in writing to be attached to and form part of this Certificate.

CONFORMITY WITH STATE STATUTES
Any provision of this Certificate which, on its effective date, is in conflict with the statutes of the state in which the Owner is located is hereby amended to conform to the minimum requirements of such statutes.

GRIEVANCE PROCEDURES
Should You be dissatisfied with any claim or administration issue, the following steps apply. Notwithstanding any other item set forth herein, the parties hereby agree that any dispute which arises shall follow these procedures:

1) General Inquiry: At any time You have the right to communicate with Us, either directly or through a representative, to seek clarification and assistance on any issue.
2) Informal Review: Should You not be satisfied with the response from Your General Inquiry, You have the right to request an Informal Review. This Informal Review should be requested in writing, but may be verbally requested. The Informal Review should be requested within sixty (60) days following the claim or administrative decision, but in no case before such claim or administrative decision. We shall respond within a reasonable amount of time.
3) Formal Review: Should You still not be satisfied with the response You received through an Informal Review, then You have the right to request a Formal Review. Please provide a written summary of the issue and any items which may be useful for Us to review. A Formal Review must be requested no more than ninety (90) days following an Informal Review. We shall respond to Your request within a reasonable amount of time.

GENERAL PROVISIONS (continued)

4) Legal Action: No legal action may be brought to recover under the insurance described in this Certificate until after the response of a Formal Review. No action may be brought more than one (1) year after the date of the original claim or administrative decision. Legal Action shall not take place prior to a Formal Review.

NEW TERM OF INSURANCE

A new Term of Insurance may be offered at the expiry date of this Certificate, subject to underwriting. A new Term of Insurance may contain new terms, new premium and/or other modifications, or be declined. No new Term of Insurance will be offered if there are any open claims or if a notice of claim is pending. We reserve the right to not make any offers for a new Term of Insurance for any reason.

NOTICES

All notices, proofs and other communications must be sent to:

PETERSEN INTERNATIONAL UNDERWRITERS
23929 Valencia Boulevard, Second Floor, Valencia, CA 91355
800-345-8816 piu@piu.org